

**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 investment in the ICAV, you should consult a stock broker, accountant or other 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 in all material respects and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

## **JMS ICAV**

### **An umbrella type Irish collective asset-management vehicle with segregated liability between Funds**

(an open-ended umbrella type Irish collective asset-management vehicle with limited liability and segregated liability between Funds registered with 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 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 (S.I. No. 352 of 2011), as amended.

## **CONSOLIDATED PROSPECTUS FOR INVESTORS IN SWITZERLAND**

### **Manager**

**MultiConcept Fund Management S.A.**

**Investment Manager and Promoter**

**JMS Invest AG**

**The date of this Prospectus is 11 February 2022.**

**Date of Consolidation is 1 July 2024**

## **IMPORTANT INFORMATION**

This Prospectus should be read in conjunction with the Section entitled “**Definitions**”.

### **The Prospectus**

This Prospectus describes JMS ICAV (the “**ICAV**”), an umbrella type Irish collective asset-management vehicle registered with 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 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 (S.I. No. 352 of 2011), as amended, with segregated liability between its Funds. The ICAV is structured as an umbrella fund and may comprise several portfolios of assets. The share capital of the ICAV may be divided into different classes of shares with differing characteristics attributable to particular 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 Shareholders free of charge upon request, as further described in the section of the Prospectus headed “**Reports and Accounts**”.

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

**The ICAV is both authorised and supervised by 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. Prices of Shares in the ICAV may fall as well as rise.**

### **Redemption Fee**

**Unless otherwise provided in the relevant Supplement, no redemption fee will be charged. Details of any such charge with respect to one or more Funds will be set out in the relevant Supplement.**

**In the event that a Redemption Fee is charged, the difference at any one time between the sale price (to which may be added a Subscription Fee or commission) and the redemption price of Shares (from which may be deducted a Redemption Fee) means an investment should be viewed as medium to long term.**

## **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. Shares in the Fund will not be available directly or indirectly to any US Person as defined herein. Any restrictions applicable to a particular Fund or Class shall be specified in the relevant Supplement for such Fund or Class. Any person who is holding Shares in contravention of the restrictions set out above or, by virtue of his holding, is in breach of the laws and regulations of their competent jurisdiction shall indemnify the ICAV, the Directors, the Manager, the Investment Manager, the Distributor, the Depository, 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 herein.

### **United States of America**

Unless otherwise stated in a Fund Supplement:

#### *Information for prospective investors, definition of U.S. Person*

The ICAV's Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**1933 Act**"), any of the securities laws of any of the states of the United States. The ICAV has not been and will not be registered under the United States Investment Company Act of 1940, as amended, nor under any other US federal laws. Therefore, the Shares described in this Prospectus may not be offered or sold directly or indirectly in the United States of America, except pursuant to an exemption from the registration requirements of the 1933 Act.

Further, the Board of Directors has decided that the Shares shall not be offered or sold, directly or indirectly, to any ultimate beneficial owner that constitutes a U.S. Person. As such, the Shares may not be directly or indirectly offered or sold to or for the benefit of a "U.S. Person", which shall be defined as and include (i) a "United States person" as described in section 7701(a)(30) of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), (ii) a "U.S. person" as such term is defined in Regulation S of the Securities Act of 1933, as amended, (iii) a person that is "in the United States" as defined in Rule 202(a)(30)-1 under the U.S. Investment Advisers Act of 1940, as amended, or (iv) a

person that does not qualify as a “Non-United States Person” as such term is defined in U.S. Commodities Futures Trading Commission Rule 4.7.

#### *Definition of Prohibited Person*

The term “Prohibited Person” means any person, corporation, limited liability company, trust, partnership, estate or other corporate body, if in the sole opinion of the Manager, the holding of Shares of the relevant Fund may be detrimental to the interests of the existing Shareholders or of the relevant Fund, if it may result in a breach of any law or regulation, whether Irish or otherwise, or if as a result thereof the relevant Fund or any subsidiary or investment structure (if any) may become exposed to tax or other legal, regulatory or administrative disadvantages, fines or penalties that it would not have otherwise incurred or, if as a result thereof the relevant Fund or any subsidiary or investment structure (if any), the Manager and/or the ICAV, may become required to comply with any registration or filing requirements in any jurisdiction with which it would not otherwise be required to comply. The term “Prohibited Person” includes (i) any investor which does not meet the definition of Eligible Investors as defined in a relevant Supplement (if any), (ii) any U.S. Person or (iii) any person who has failed to provide any information or declaration required by the Manager or the ICAV within one calendar month of being requested to do so.

Shareholders have the obligation to immediately inform the ICAV to the extent the ultimate beneficial owner of the Shares held by such Shareholder becomes or will become a Prohibited Person.

#### *Non-acceptance of a US Person as investor*

The ICAV is entitled to refuse at its own discretion subscription applications and temporarily or permanently suspend or limit the sale of Shares.

The ICAV and/or the Administrator are entitled to refuse any subscription, transfer or conversion application in whole or in part for any reason, and may in particular prohibit or limit the sale, transfer or conversion of Shares to individuals or corporate bodies in certain countries if such transaction might be detrimental to the ICAV or result in the Shares being held directly or indirectly by a Prohibited Person (including but not limited to any U.S. Person) or if such subscription, transfer or conversion in the relevant country is in contravention of the local applicable laws. The subscription, transfer or conversion for Shares and any future transactions shall not be processed until the information required by the Administrator, included but not limited to know your customer and anti-money laundering checks, is received.

#### **Reliance on this Prospectus**

Statements made in this Prospectus and any Supplement are based on the law and practice in force in the Republic of Ireland at the date of the Prospectus or Supplement as the case may be, which may be subject to change. Neither the delivery of this Prospectus 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 herein or given or

made by any broker, salesperson or other person should be regarded as unauthorised and should accordingly not be relied upon.

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

### **Risk Factors**

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

### **Financial Derivative Instruments**

The ICAV may engage in transactions in financial derivative instruments (“**FDI**”) on behalf of a Fund either for investment purposes or for the purposes of efficient portfolio management (including hedging) as more particularly disclosed in this Prospectus and the Supplement for the relevant Fund. The ICAV will employ a risk management process which will enable it to accurately measure, monitor and manage the risks attached to FDI positions and details of this process have been provided to the Central Bank. The ICAV will not utilise FDI 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 to Shareholders on request 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 commercial effect of transactions in FDI is described in the Supplement for the relevant Fund.

### **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

### JMS ICAV

#### Directors

Philip Craig  
Kevin O'Doherty  
Miroslav Zuzak

#### Registered Office of the ICAV

33 Sir John Rogerson's Quay  
Dublin 2  
D02 XK09  
Ireland

#### Investment Manager and Promoter

JMS Invest AG  
Seefeldstrasse 299  
8008 Zürich

#### Manager

MultiConcept Fund Management S.A.  
5, rue Jean Monnet  
L-2180 Luxembourg

#### Administrator

Credit Suisse Fund Services (Ireland) Limited  
Kilmore House  
Park Lane  
Spencer Dock  
Dublin 1  
D01 YE64  
Ireland

#### Secretary

Tudor Trust Limited  
33 Sir John Rogerson's Quay  
Dublin 2  
D02 XK09  
Ireland

#### Auditors

KPMG  
1 Stokes Place  
Stephen's Green  
Dublin 2  
D02DE03  
Ireland

#### Depositary

Credit Suisse (Luxembourg) S.A., Ireland Branch  
Kilmore House  
Park Lane  
Spencer Dock  
Dublin 1  
D01 YE64  
Ireland

#### Legal Advisers

Dillon Eustace  
33 Sir John Rogerson's Quay  
Dublin 2  
D02 XK09  
Ireland

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## 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.

<b>“Accounting Period”</b>	means a period ending on the Annual Accounting Date and commencing, in the case of the first such period on the date the ICAV’s registration and, in subsequent such periods, on the day following expiry of the last Accounting Period.
<b>“Act”</b>	means the Irish Collective Asset-management Vehicle Act, 2015 and every amendment or re-enactment of the same.
<b>“Administrator”</b>	means Credit Suisse Fund Services (Ireland) Limited or any other person or persons for the time being duly appointed Administrator in succession thereto.
<b>“Administration Agreement”</b>	means the Administration Agreement made between the Manager and the Administrator dated 29 December, 2017 as may be amended and / or supplemented from time to time.
<b>“AIMA”</b>	means the Alternative Investment Management Association.
<b>“Annual Accounting Date”</b>	means 31 December in each year or such other date as the Directors may from time to time decide and notify in advance to the Central Bank.
<b>“Anti-Dilution Levy”</b>	means the anti-dilution levy as set out in the section of this Prospectus entitled <b>“Anti-Dilution Levy”</b> .
<b>“Application Form”</b>	means any application form to be completed by subscribers for Shares as prescribed by the ICAV or its delegate from time to time.
<b>“Auditors”</b>	means KPMG.
<b>“Base Currency”</b>	means the currency of account of a Fund as specified in the relevant Supplement relating to that Fund.



<b>“Business Day”</b>	means in relation to a Fund such day or days as shall be so specified in the relevant Supplement for that Fund.
<b>“Central Bank”</b>	means the Central Bank of Ireland or any successor regulatory authority with responsibility for the authorisation and supervision of the ICAV.
<b>“Central Bank UCITS Regulations”</b>	the Central Bank (Supervision and Enforcement) Act, 2013 (Section 48 (1)) (Undertaking for Collective Investment in Transferable Securities) Regulations 2015 or such other amending or replacement regulations issued from time to time by the Central Bank as the competent authority with responsibility for the authorisation and supervision of UCITS and related guidance issued by the Central Bank to UCITS and their service providers.
<b>“CHF”</b>	means the Swiss Franc, the lawful currency of Switzerland.
<b>“Class”</b>	means a particular division of Shares in a Fund.
<b>“Connected Person”</b>	means the Manager, the Investment Manager and the Depositary and the delegates or sub-delegates of such entities (excluding any non-group company sub-custodians appointed by the Depositary) and any associated or group companies of such entities.
<b>“Country Supplement”</b>	means a supplement to this Prospectus specifying certain information pertaining to the offer of Shares of the ICAV or a Fund or Class in a particular jurisdiction or jurisdictions.
<b>“Depositary”</b>	means Credit Suisse (Luxembourg) S.A., Ireland Branch or any other person or persons for the time being duly appointed Depositary in succession thereto.
<b>“Depositary Agreement”</b>	means the Depositary Agreement made between the ICAV, the Depositary and the Manager dated 29 December, 2017.
<b>“Dealing Day”</b>	means in relation to a Fund such day or days as shall be specified in the relevant Supplement for that Fund

provided that there shall be at least one Dealing Day every fortnight.

**“Dealing Deadline”**

means in relation to a Fund, such time on any Dealing Day as shall be specified in the relevant Supplement for the Fund.

**“Directors”**

means the directors of the ICAV or any duly authorised committee thereof.

**“Distributor”**

means JMS Invest AG.

**“Duties and Charges”**

means in relation to Subscription Price and Redemption Price, all stamp and other duties, taxes, governmental charges, valuation fees, agents fees, brokerage fees, bank charges, transfer fees, registration fees and other charges whether in respect of the constitution or increase of the assets or the creation, exchange, sale purchase or transfer of shares or the purchase or sale or proposed purchase or sale of investments or otherwise which may have become or will become payable in respect of, or prior to, or upon, the occasion of any transaction, dealing or valuation, but not including commission payable on the issue of shares.

**“EEA”**

means the countries for the time being comprising the European Economic Area (being at the date of this Prospectus, European Union Member States, Norway, Iceland, Liechtenstein).

**“EMIR”**

means Regulation (EU) No. 648/2012 on OTC derivatives, central counterparties and trade repositories as may be amended, supplemented or consolidated from time to time.

**“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 by the Maastricht Treaty dated 7th February 1992).

**“Financial Instruments”**

means the transferable securities, financial derivative instruments and all other investments outlined in the Appendix entitled “Permitted

Investments”, including any cash balances and liabilities of the relevant Fund.

<b>“Fund”</b>	means a sub-fund of the ICAV representing the designation by the Directors of a particular portfolio of assets 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.
<b>“GDPR”</b>	means Regulation (EU) 2016/679 of the European Parliament and of the Council (as amended, updated or replaced from time to time).
<b>“ICAV”</b>	means JMS ICAV.
<b>“Ineligible Applicant”</b>	means an ineligible applicant as described in the section entitled <b>“The Shares”</b> .
<b>“Initial Offer Period”</b>	the period as specified in the relevant Supplement, during which Shares in a Fund or Class are initially offered.
<b>“Initial Offer Price”</b>	means the initial price payable for a Share as specified in the relevant Supplement for each Fund.
<b>“IFRS”</b> Standards.	means the International Financial Reporting
<b>“Initial Subscription”</b>	means the minimum initial subscription for Shares as specified in the relevant Supplement.
<b>“Instrument”</b>	means the Instrument of Incorporation of the ICAV as amended from time to time in accordance with the requirements of the Central Bank.
<b>“Investment Manager”</b>	means JMS Invest AG.
<b>“Investment Management Agreement”</b>	means the Investment Management Agreement made between the Manager and the Investment Manager dated 29 December, 2017.
<b>“IOSCO”</b>	means the International Organisation of Securities Commissions.

<b>“Ireland”</b>	means the Republic of Ireland.
<b>“Knowledgeable Persons”</b>	<p>means:</p> <p>(i) the Manager, the Investment Manager and any affiliate of the Manager or the Investment Manager;</p> <p>(ii) any other company appointed to provide investment management or advisory services to the ICAV;</p> <p>(iii) a director or executive of the Manager, the Investment Manager or the ICAV or of another company appointed to provide investment management or advisory services to the ICAV; or</p> <p>(iv) an employee, executive or partner of the Manager, the Investment Manager or of a company appointed to provide investment management or advisory services to the ICAV, where such person:</p> <ul style="list-style-type: none"> <li>▪ is directly involved in the investment activities of the ICAV; or</li> <li>▪ is of senior rank and has experience in the provision of investment management services.</li> </ul>
<b>“Manager”</b>	means MultiConcept Fund Management S.A.
<b>“Management Agreement”</b>	means the Management Agreement made between the ICAV and the Manager dated 29 December, 2017.
<b>“Management Fee”</b>	means the fee defined in the section entitled “Management Fee” in the relevant Supplement.
<b>“Management Shares”</b>	means a management share in the capital of the ICAV which shall have the right to receive an amount not to exceed the consideration price for such Management Share.
<b>“Member”</b>	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 may be specified in the relevant Supplement.

**“Minimum Redemption Amount”**

means the minimum number or value of Shares which may be redeemed by Shareholders as may be specified in the relevant Supplement.

**“Minimum Subsequent Subscription”**

means the minimum number or value of Shares which may be subsequently subscribed for following the Initial Subscription by Shareholders as may be specified in the relevant Supplement.

**“Minimum Transaction Size”**

means, apart from the Initial Subscription, the minimum value of each subscription, redemption, conversion or transfer of Shares in any Fund or Class as may be specified in the relevant Supplement.

**“Money Market Instruments”**

means instruments normally dealt in on the money market which are liquid, have a value which can be accurately determined at any time and which comply with the requirements of the Central Bank (including, but not limited to, certificates of deposit and commercial paper).

**“Net Asset Value”**

means the Net Asset Value of the ICAV, a Fund or attributable to a Class (as appropriate) calculated as referred to herein.

**“Net Asset Value per Share”**

means the Net Asset Value of a Fund divided by the number of Shares in issue in that Fund or the Net Asset Value attributable to a Class divided by the number of Shares issued in that Class rounded to two decimal places.

**“OECD”**

means the Organisation for Economic Co-Operation and Development and which includes the governments of Australia, Austria, Belgium, Canada, Chile, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland,

Ireland, Israel, Italy, Japan, South Korea, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom and the United States or other such other members as may be admitted to the OECD from time to time.

**“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.

**“Paying Agency Agreement”**

means one or more Paying Agency Agreements made between the ICAV and one or more Paying Agents and dated as specified in the relevant Country Supplement.

**“Paying Agent”**

means one or more paying agents / representatives / facilities agents, appointed by the ICAV in certain jurisdictions as detailed in the relevant Country Supplement.

**“Performance Fee”**

means the fee defined in the relevant Supplement.

**“Prospectus”**

the prospectus of the ICAV and any Supplements and addenda thereto issued by the ICAV in accordance with the requirements of the Regulations.

**“Recognised Market”**

means the stock exchanges or markets set out in Appendix II.

**Redemption Fee”**

means such fee as provided for in the relevant Supplement of the ICAV (unless otherwise provided in the relevant Supplement, no redemption fee will be charged).

**“Redemption Price”**

means, in respect of each Share being redeemed, the value payable to the investor of each Share based on, inter alia, the Net Asset Value per Share, (i) any Duties and Charges and/or (ii) Anti-Dilution Levy, each calculated as at the Valuation Day related

to the Dealing Day upon which such Share is to be redeemed.

**“Regulations”**

means, collectively, the UCITS Regulations, the Central Bank UCITS Regulations, as may be amended from time to time and any notices or guidance issued thereunder.

**“Securities Financing Transactions”**

means repurchase agreements, reverse repurchase agreements, securities lending agreements, margin lending transactions and any other transactions within the scope of SFTR that a Fund is permitted to engage in.

**“SFT Regulation” or “SFTR”**

means Regulation (EU) 2015/2365 of the European Parliament and of the Council on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012, as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time.

**“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 U.S. 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 US Internal Revenue Code.

**“Subscription Fee”**

means such fee as provided for in the relevant Supplement of the ICAV (unless otherwise provided in the relevant Supplement, no subscription fee will be charged).

**“Subscription Price”**

means, in respect of each Share applied for, the cost to the investor of each Share based on, inter alia, the Net Asset Value per Share adjusted for any (i) Duties and Charges and/or (ii) Anti-Dilution Levy, each



calculated as at the Valuation Day related to the Dealing Day upon which such Share is to be issued.

**“Subscription Settlement Cut-Off”**

means the time by which payment for subscriptions must be received in the bank account as specified in the application form and in the relevant Supplement for the Fund to permit processing as at the relevant Dealing Day.

**“Supplement”**

means a supplement to this Prospectus specifying certain information in respect of a Fund and/or one or more Classes or information with respect to the delegates of the Depositary or such other information as the Directors deem appropriate from time to time.

**“Sustainability Risk(s)”**

means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investments made by the relevant Fund.

**“Sterling” or “£”**

means the lawful currency for the time being of the United Kingdom.

**“UCITS”**

means an Undertaking for Collective Investment in Transferable Securities established pursuant to EC Council Directive 2009/65/EC of 13 July 2009 as amended, consolidated or substituted from time to time.

**“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 (S.I. No. 352 of 2011) (as amended consolidated or substituted from time to time).

**“UK”**

means the United Kingdom of Great Britain and Northern Ireland.

**“Umbrella Cash Account”**

means (a) a cash account designated in a particular currency opened in the name of the ICAV on behalf of all Funds 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; or (ii) redemption monies due to investors who have redeemed Shares are deposited and held until paid to the relevant investors; or (iii) dividend payments owing to Shareholders are deposited and held until paid to such Shareholders.

**“United States” or “US”**

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 person described in one or more of the following:

- (a) with respect to any person, any individual or entity that would be a US Person under Regulation S of the 1933 Act;
- (b) with respect to individuals, any US citizen or **“resident alien”** within the meaning of US income tax laws as in effect from time to time; or
- (c) with respect to persons other than individuals:
  - (i) a corporation or partnership created or organised in the United States or under the laws of the United States or any state;
  - (ii) a trust where (x) a US court is able to exercise primary supervision over the administration of the trust and (y) one or more US persons have the authority to control all substantial decisions of the trust; and

- (iii) an estate which is subject to US tax on its worldwide income from all sources.

**“Valuation Day”**

means in relation to a Fund such day or days as shall be specified in the relevant Supplement for that Fund.

**“Valuation Point”**

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

**“1940 Act”**

means the US Investment Company Act of 1940, as amended.

## 1. THE ICAV

### General

The ICAV (formerly AlphaCore Capital) is an open-ended umbrella type Irish collective asset-management vehicle with limited liability and segregated liability between Funds, registered and authorised by the Central Bank to carry on business as an ICAV pursuant to Part 2 of the Act. The ICAV has been authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations. The ICAV was formed as an exempted company incorporated in the Cayman Islands and registered there on 19 March, 2008. It migrated to Ireland on 29 December, 2017.

The ICAV is structured as an umbrella type Irish collective asset-management vehicle which may consist of different Funds, each comprising one or more Classes. As at the date of this Prospectus, the ICAV has one Fund, the AlphaCore One.

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, voting rights, the level of fees and expenses to be charged, subscription or redemption procedures or the 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. 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.

### Investment Objectives and Policies

The specific investment objective and policy 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 Fund issued subsequent to such change.

A Fund's assets may be invested in Money Market Instruments, including but not limited to certificates of deposit, floating rate notes and fixed or variable rate commercial paper listed or traded on Recognised

Exchanges and in cash deposits denominated in such currency or currencies as the ICAV may determine having consulted with the Investment Manager.

The investment objective of a Fund may not be altered and material changes in the investment policy of a Fund may only be made in each case with either the prior written approval of all Shareholders of the relevant Fund or on the basis of a majority of votes cast at general meeting of the relevant Fund duly convened and held. 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 material change to the policy of a Fund, Shareholders in the relevant Fund will be given reasonable notice of such change to enable them to redeem their Shares prior to implementation of such a change. In accordance with the requirements of the Central Bank, material changes to the content of the Prospectus and non-material changes to the investment policy of a Fund shall be notified to Shareholders in the next set of periodic accounts.

Following the date of approval of a Fund and subject to the UCITS Regulations, there may be a period of time before the Investment Manager configures the investments of a Fund in line with the stated investment objective and policies of the Fund. Accordingly there is no guarantee that the Fund is capable of meeting immediately its stated investment objective and policies during this period of time. In addition, following the date that notice is served to Shareholders of the termination of a Fund, a Fund may not be capable of meeting any minimum investment limit (or any other investment terms) set by the Fund.

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

### **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 (a “**Receiving Fund**”). The annual Management Fee charged by the investing Fund in respect of that portion of its assets invested in a Receiving Fund (whether such fee is paid directly at the investing Fund level, indirectly at the level of the Receiving Fund or a combination of both) shall not exceed the rate of the maximum annual Management Fee which investors in the investing Fund may be charged in respect of the balance of the investing Fund’s assets, such that there shall be no double-charging of the annual Management Fee to the investing Fund as a result of its investment in a Receiving Fund. Investment may not be made in a Fund that itself holds shares in other Funds of the ICAV.

When a Fund invests in the units of other collective investment schemes that are managed, directly or by delegation, by the Manager, Investment Manager or by any other company with which the Manager, Investment Manager are linked by common management or control, or by a substantial direct or indirect holding, the Manager, Investment Manager or other company may not charge subscription, conversion or redemption fees on account of the Fund’s investment in the units of such other collective investment schemes.

## **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 (which will be disclosed in the relevant Fund Supplement). The investment and borrowing restrictions applying to the ICAV and each Fund imposed under the UCITS Regulations are set out in Appendix I. Each Fund may also hold ancillary liquid assets.

## **Borrowing Powers**

The ICAV may only borrow on a temporary basis and the aggregate amount of such borrowings may not exceed 10% of the Net Asset Value of each 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 Directors may instruct the Depositary to give a charge over the assets of the ICAV as security for such borrowings. 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 Regulation 103(1) of the UCITS Regulations provided that at the date of entry the offsetting deposit equals or exceeds the value of the foreign currency loan outstanding.

## **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.

## **Efficient Portfolio Management and Securities Financing Transactions**

Where specified in the relevant Supplement, the Investment Manager may, on behalf of a Fund, engage in techniques and instruments relating to transferable securities and money market instruments for efficient portfolio management purposes within the conditions and limits laid down by the Central Bank from time to time.

Efficient portfolio management transactions relating to the assets of the Fund may be entered into by the Investment Manager with one or more of the following aims

- (a) a reduction of risk (including currency exposure risk);
- (b) a reduction of cost; and
- (c) generation of additional capital or income for a Fund with a level of risk consistent with the risk profile of a Fund and the risk diversification requirements in accordance with the requirements of the Central Bank set down in 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 FDI and/or stock-lending and repurchase and reverse repurchase agreements as described below and/or in the relevant Supplement.

#### *Repurchase / Reverse Repurchase and Stock-Lending Arrangements for the Purposes of Efficient Portfolio Management*

Subject to the conditions and limits set out in the Regulations, a Fund may use repurchase agreements, reverse repurchase agreements and/or stock-lending agreements to generate additional income for the relevant Fund. Repurchase agreements are transactions in which one party sells a security to the other party with a simultaneous agreement to repurchase the security at a fixed future date at a stipulated price reflecting a market rate of interest unrelated to the coupon rate of the securities. A reverse repurchase agreement is a transaction whereby a Fund purchases securities from a counterparty and simultaneously commits to resell the securities to the counterparty at an agreed upon date and price. A stock-lending arrangement is an arrangement whereby title to the “**loaned**” securities is transferred by a “**lender**” to a “**borrower**” with the borrower contracting to deliver “**equivalent securities**” to the lender at a later date.

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

#### **Financial Derivative Instruments**

A Fund may invest in FDI 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.

A Fund may use FDI for investment purposes and/or use derivative instruments traded on a Recognised Exchange and/or on OTC markets to attempt to hedge or reduce the overall risk of its investments, enhance performance and/or to manage 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.

The FDI which the Investment Manager may invest in on behalf of each Fund, and the expected effect of investment in such FDI 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 FDI 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 in the Risk Factors Section of the Prospectus and, if applicable to a particular Fund, the relevant Supplement.

Under the UCITS Regulations, “**uncovered**” positions in FDI are not permitted. Across the range of FDIs that the ICAV may use, its policy is to satisfy cover requirements by holding the underlying assets,

holding sufficient liquid assets, or by ensuring that the FDIs are such that the exposure can be adequately covered without holding the underlying assets.

The Central Bank requires that the ICAV employs a risk management process which enables it to accurately measure, monitor and manage various risks associated with the use of FDI. The risk management methodology chosen for a specific Fund is set out in the relevant Supplement. Details of this process have been provided to the Central Bank. The ICAV will not utilise FDI 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 FDI, the ICAV may transfer, mortgage, charge or encumber any assets or cash forming part of the relevant Fund in accordance with normal market practice.

### **Securities Financing Transactions**

Where specified in the relevant Supplement, a Fund may enter into securities financing transactions which include repurchase agreements, reverse repurchase agreements and/or securities lending agreements for efficient portfolio management purposes in accordance with the limits and conditions set down in the Central Bank UCITS Regulations and the SFTR.

A repurchase agreement is an agreement pursuant to which one party sells securities to another party subject to a commitment to repurchase the securities at a specified price on a specified future date. A reverse repurchase agreement is an agreement whereby one party purchases securities from another party subject to a commitment to re-sell the relevant securities to the other party at a specified price on a specified future date. A securities lending arrangement is one where one party transfers securities to another party subject to a commitment from that party that they will return equivalent securities on a specified future date or when requested to do so by the party transferring the securities.

Where a Fund enters into a repurchase agreement under which it sells securities to the counterparty, it will incur a financing cost from engaging in this transaction which will be paid to the relevant counterparty. Cash collateral received by a Fund under a repurchase agreement is typically reinvested in order to generate a return greater than the financing costs incurred by the Fund. In such circumstances, the Fund will be exposed to market risk and to the risk of failure or default of the issuer of the relevant security in which the cash collateral has been invested. Furthermore, the Fund retains the economic risks and rewards of the securities which it has sold to the counterparty and therefore it is exposed to market risk in the event that it repurchases such securities from the counterparty at the pre-determined price which is higher than the value of the securities.

There is no global exposure generated by a Fund as a result of entering into reverse repurchase arrangements, nor do any such arrangements result in any incremental market risk unless the additional income which is generated through finance charges imposed by the Fund on the counterparty is reinvested, in which case the Fund will assume market risk in respect of such investments.



Finance charges received by a Fund under a stock-lending agreement may be reinvested in order to generate additional income. Similarly cash collateral received by a Fund may also be reinvested in order to generate additional income. In both circumstances, the Fund will be exposed to market risk in respect of any such investments.

The use of the techniques described above may expose a Fund to the risks disclosed under the heading “**Risk Factors - Risks Associated with Securities Financing Transactions**”.

#### *Total Return Swaps*

Where specified in the relevant Supplement, a Fund may enter into total return swaps for investment purposes in order to generate income or profits in accordance with the investment objective and policies of the relevant Fund, in order to reduce expenses or hedge against risks faced by the Fund.

A total return swap is a derivative contract under which one counterparty transfers the total economic performance, including income from interests and fees, gains and losses from price movements, and credit losses, of a reference obligation to another counterparty. The reference obligation of a total return swap may be any security or other investment in which the relevant Fund is permitted to invest in accordance with its investment objective and policies. The use of total return swaps may expose a Fund to the risks disclosed under the heading “*Risk Factors - Risks associated with Securities Financing Transactions*”.

#### *Revenues generated from Securities Financing Transactions and Total Return Swaps*

All revenues arising from securities financing transactions and total return swaps, net of direct and indirect operational costs and fees, shall be returned to the relevant Fund. This shall include fees and expenses paid to the counterparties to the relevant transactions/securities lending agents which will be at normal commercial rates plus VAT, if applicable.

Information on the revenues generated under such transactions shall be disclosed in the annual and semi-annual reports of the ICAV, along with entities to whom direct and indirect operational costs and fees relating to such transactions are paid. Such entities may include the Manager, the Depositary or entities related to the Manager or Depositary

#### *Eligible Counterparties*

Any counterparty to a total return swap or other OTC derivative contract shall fall within one of the following categories:

- (i) a credit institution which falls within any of the categories set down in Regulation 7 of the CBI UCITS Regulations (an “**Approved Credit Institution**”);
- (ii) an investment firm authorised in accordance with MiFID; or
- (iii) a group company of an entity issued with a bank holding company license from the Federal Reserve System of the United States of America where that group company is

subject to bank holding company consolidated supervision by the Federal Reserve System

Any counterparty to a OTC derivative contract or a securities financing transaction shall be subject to an appropriate internal assessment carried out by the ICAV/the Manager, which shall include amongst other considerations, external credit ratings of the counterparty, the regulatory supervision applied to the relevant counterparty, country of origin of the counterparty and legal status of the counterparty.

Save where the relevant counterparty to the relevant securities financing transaction or OTC derivative contract is an Approved Credit Institution, where such counterparty (a) is subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the ICAV/Manager in the credit assessment process; and (b) where a counterparty is downgraded to A-2 or below (or comparable rating) by the credit rating agency referred to in subparagraph (a) this shall result in a new credit assessment being conducted of the counterparty by the ICAV/Manager without delay.

### *Collateral Management*

#### *Types of collateral which may be received by a Fund*

Where necessary, a Fund may receive both cash and non-cash collateral from a counterparty to a securities financing transaction or an OTC derivative transaction in order to reduce its counterparty risk exposure.

The non-cash collateral received by a Fund may comprise of fixed income securities or equities which meet the specific criteria outlined below. The level of collateral required to be posted by a counterparty may vary by counterparty and where the exchange of collateral relates to initial or variation margin in respect of non-centrally cleared OTC FDI which fall within the scope of EMIR, the level of collateral will be determined taking into account the requirements of EMIR. In all other cases, collateral will be required from a counterparty where regulatory exposure limits to that counterparty would otherwise be breached.

There are no restrictions on the maturity of the collateral received by a Fund.

Collateral received from a counterparty shall satisfy the following criteria:

- (i) Non-cash collateral shall be highly liquid and traded on a regulated market or multi-lateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to its pre-sale valuation;
- (ii) Collateral received by a Fund shall be of high quality. The ICAV shall ensure that:
  - (a) where the issuer was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the Manager in the credit assessment process; and

- (b) where an issuer is downgraded below the two highest short-term credit ratings by the credit rating agency referred to in (i) this shall result in a new credit assessment being conducted of the issuer by the ICAV without delay;
- (iii) Collateral received shall be issued by an entity that is independent from the counterparty and is not expected to display a high correlation with the performance of the counterparty;
- (iv) Collateral received by a Fund shall be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of a Fund's Net Asset Value. When a Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer.

A Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by an EU Member State, one or more of its local authorities, a third country, or a public international body to which one or more EU Member States belong (and which issuers are set out in Appendix I – “Permitted Investment and Investment Restrictions”). In such circumstances, the Fund shall receive securities from at least 6 different issues, but securities from any single issue should not account for more than 30% of the Fund's net value.

- (v) Collateral received by the Fund shall be capable of being fully enforced by a Fund at any time without reference to or approval from the counterparty.

The haircut applied to collateral posted by a counterparty will be negotiated on a counterparty basis and will vary depending on the class of asset received by a Fund, taking into account its credit standing and price volatility, any stress testing carried out to assess the liquidity risk of such asset and, where applicable taking into account the requirements of EMIR.

#### *Valuation of collateral*

Collateral that is received by a Fund will be valued on at least a daily basis and assets that exhibit high price volatility will not be accepted as collateral unless suitably conservative haircuts are in place. The non-cash collateral received by the Fund will be at mark to market given the required liquid nature of the collateral

#### *Safe-keeping of collateral received by a Fund*

Collateral received by a Fund on a title transfer basis shall be held by the Depositary or a duly appointed sub-custodian of the Depositary. For other types of collateral arrangements, the collateral can be held by the Depositary, a duly appointed sub-custodian of the Depositary or by a third party custodian which is subject to prudential supervision and which is unrelated to the provider of the collateral.

#### *Re-use of collateral by a Fund*

The ICAV on behalf of the relevant Fund shall not sell, pledge or re-invest any non-cash collateral received by the relevant Fund.

Where a Fund receives cash collateral, such cash may not be invested other than in (i) deposits with relevant institutions; (ii) high quality government bonds; (iii) reverse repurchase agreements provided the transactions are with credit institutions subject to the prudential supervision and the Fund is able to recall at any time the full amount of cash on an accrued basis; (iv) short term money market funds as defined in Article 2(14) of Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds..

In accordance with the Central Bank UCITS Regulations, invested cash collateral should be diversified in accordance with the diversification requirement applicable to non-cash collateral. Invested cash collateral may not be placed on deposit with the counterparty or a related entity.

#### *Posting of collateral by a Fund*

Collateral provided by a Fund to a counterparty shall be agreed with the relevant counterparty and may comprise of cash or any types of assets held by the relevant Fund in accordance with its investment objective and policies and shall, where applicable, comply with the requirements of EMIR. Collateral may be transferred by a Fund to a counterparty on a title transfer basis where the assets are passed outside of the custody network and are no longer held by the Depositary or its sub-custodian. In such circumstances, subject to the requirements of SFTR, the counterparty to the transaction may use those assets in its absolute discretion. Where collateral is posted by a Fund to a counterparty under a security collateral arrangement where title to the relevant securities remains with the Fund, such collateral must be safe-kept by the Depositary or its sub-custodian. Any re-use of such assets by the counterparty must be effected in accordance with the SFTR and, where relevant, the UCITS Regulations. Risks associated with re-use of collateral are set down in "*Risk Factors: Risks Associated with Collateral Management*".

#### **Hedged Classes**

Where a Class of a Fund is designated as "hedged" in the relevant Supplement, the ICAV shall enter into certain currency related transactions in order to mitigate the exchange rate risk between the Base Currency of a Fund and the currency in which Shares in the Class of the relevant Fund are designated where that designated currency is different to the Base Currency of the Fund. Where specified in the relevant Supplement, the ICAV may also enter into derivative transactions in respect of such hedged Classes in order to hedge against exchange rate fluctuation risks between the designated currency of the Class and the currencies in which the Fund's assets may be denominated.

Any Financial Instruments used to implement such strategies with respect to one or more Classes shall be assets/liabilities of a Fund as a whole but will be attributable to the relevant Class(es) and the gains/losses on and the costs of the relevant Financial Instruments will accrue solely to the relevant Class.

Any currency exposure of a Class may not be combined with, or offset against, that of any other Class of a Fund. The currency exposure of the assets attributable to a Class may not be allocated to other Classes.

Where there is more than one hedged Class in a Fund denominated in the same currency (which is a currency other than the Base Currency of the relevant Fund) and it is intended to hedge the foreign currency exposure of such Classes against the Base Currency of the relevant Fund or against the currencies in which the Fund's assets are denominated, the Fund may, in accordance with the Central Bank requirements, aggregate the foreign exchange transactions entered into on behalf of such hedged Classes and apportion the gains/losses on and the costs of the relevant Financial Instruments pro rata to each such hedged Class in the relevant Fund.

Where the ICAV seeks to hedge against currency fluctuations at Class level, while not intended, this could result in over-hedged or under-hedged positions due to external factors outside the control of the ICAV. However, over-hedged positions will not exceed 105% of the Net Asset Value of the Class and under-hedged positions shall not fall short of 95% of the portion of the Net Asset Value of the Class which is hedged against currency risk. Hedged positions will be kept under review to ensure that over-hedged positions do not exceed 105% and this review will also incorporate a procedure to ensure that under-hedged positions and positions materially in excess of 100% of Net Asset Value of the Class will not be carried forward from month to month.

To the extent that hedging is successful for a particular Class, the performance of the Class is likely to move in line with the performance of the underlying assets with the result that investors in that Class will not gain if the Class currency falls against the Base Currency.

The currency hedging strategy will be monitored and adjusted in line with the valuation cycle at which investors are able to subscribe to and redeem from the relevant Fund. Investors' attention is drawn to the risk factor below entitled "**Share Currency Designation Risk**".

### **Dividend Policy**

The dividend policy and information on the declaration and payment of dividends for each Fund will be specified in the relevant Supplement. Any dividend unclaimed after six years from the date when it first became payable or on the winding up of the ICAV, if earlier, shall be forfeited automatically and shall revert to the relevant Fund, without the necessity for any declaration or other action by the ICAV.

Pending payment to the relevant Shareholder, dividend payments will be held in an account in the name of the ICAV (herein defined as an Umbrella 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 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 dividend amount will be an unsecured creditor of the Fund.

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. Shareholders due dividend monies which are held in an Umbrella 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 Shareholder may not recover all monies originally paid into an Umbrella Cash Account for onward transmission to that

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

## **Risk Factors**

### *General*

The risks described herein should not be considered to be an exhaustive list of the risks which potential investors should consider before investing in a Fund. Potential investors should be aware that an investment in a Fund may be exposed to other risks of an exceptional nature from time to time. Investment in the 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. Potential investors should also pay attention to the applicable fees, charges and expenses of a Fund.

Prospective investors should review this Prospectus and the relevant Supplement carefully and in its entirety and consult with their own financial, tax, accounting, legal and other appropriate 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 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”. The Financial 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.

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

### *Cross-Liability for Other Funds*

The ICAV is established as an umbrella type Irish collective asset-management vehicle with segregated liability between Funds. 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 any one Fund may only be discharged solely out of the assets of that Fund. However, the ICAV may operate or have assets in countries other than Ireland which may not recognise segregation between Funds and there is no guarantee that creditors of one Fund will not seek to enforce one Fund’s obligations against another Fund.

### *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 inter alia 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, including any penalties and interest thereon, any losses incurred as a result of a mis-representation by an investor, etc.

#### *Regulatory Risk*

Legal, tax, and regulatory changes are likely to occur during the term of the ICAV and some of these changes may adversely affect the ICAV.

#### *Operational Risk*

The ICAV is reliant upon the performance of third party service providers for their executive functions. In particular, the Manager, the Investment Manager, the Depositary and the Administrator will be performing services which are integral to the operation of the ICAV. Failure by any service provider to carry out its obligations to the ICAV in accordance with the terms of its appointment, including in circumstances where the service provider has breached the terms of its contract, could have a materially detrimental impact upon the operations of the ICAV.

A Fund's investments may be adversely affected due to the operational process of the ICAV or its service providers. A Fund may be subject to losses arising from inadequate or failed internal controls, processes and systems, or from human or external events.

#### *Net Asset Value Considerations*

The Net Asset Value per Share in respect of each Class is expected to fluctuate over time with the performance of a Fund's investments. As a result an investment should be viewed as long-term. A Shareholder may not fully recover their initial investment when their Shares are redeemed.

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

The Subscription Price or Redemption Price may be different from the NAV due to Duties and Charges, the Anti-Dilution Levy, and other amounts payable in relation any Performance Fee.

#### *No Right to Control the Operation of the ICAV*

Shareholders will have no right to control the daily operations, including investment and redemption decisions, of the Funds.

### *Controlling Shareholder*

There is no restriction on the percentage of the ICAV's Shares that may be owned by one person or a number of connected persons. It is possible, therefore, that one person, including a person or entity related to the Manager or the Investment Manager or a collective investment scheme managed by the Manager or the Investment Manager, may obtain control of the ICAV or of a Fund, subject to the limitations noted above regarding control of the operation of the ICAV.

### *Conflicts of Interest*

There may be conflicts of interests that could affect an investment in the ICAV; attention is drawn to the section "**Conflicts of Interest**" in "**Management and Administration**" below.

### *Reliance on the Manager, the Investment Manager and Key Persons*

A Fund will rely upon the Manager and the Investment Manager in formulating the investment strategies and its performance is largely dependent on the continuation of an agreement with the Investment Manager and the services and skills of their respective officers and employees. In the case of loss of service of the Manager, the Investment Manager or any of their respective key personnel, as well as any significant interruption of the Investment Manager's respective business operations, or in the extreme case, the insolvency of the Investment Manager, a Fund may not find successor investment managers quickly and the new appointments may not be on equivalent terms or of similar quality. Therefore, the occurrence of those events could cause a deterioration in a Fund's performance and investors may lose money in those circumstances.

### *Profit Sharing*

In addition to receiving an investment management fee, the Investment Manager may also receive a Performance Fee, based on the appreciation in the Net Asset Value per Share of each Class as set out in the relevant Supplement.

The Performance Fee will increase in conjunction with any unrealised appreciation, as well as realised gains and as a result, performance fees may be paid on unrealised gains which may subsequently never be realised.

### *Investment Objective Risk*

There can be no assurance that a Fund will achieve its investment objective or generate a profit. It is possible that an investor may lose a substantial proportion or all of its investment in a Fund. As a result, each investor should carefully consider whether it can afford to bear the risks of investing in the Fund.

There is no guarantee that in any time period, particularly in the short term, a Fund's portfolio will achieve any capital growth or even maintain its current value. Investors should be aware that the value of shares may fall as well as rise.



### *Active Investment Management*

Where disclosed in the relevant Supplement, a Fund's Financial Instruments may be actively managed by the Investment Manager, based on the expertise of individual fund managers, who will have discretion (subject to the Fund's investment restrictions, investment policies and strategies) to invest the Fund's assets in Financial Instruments that it considers will enable the Fund to achieve its investment objective. There is no guarantee that a Fund's investment objective will be achieved based on the Financial Instruments selected.

### *Portfolio Turnover*

When circumstances warrant, Financial Instruments may be sold or unwound without regard to the length of time held. Active trading increases a Fund's rate of turnover, which may increase brokerage commissions paid and certain other transaction expenses.

### *Market Risk and Change in Market Conditions*

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

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

Various economic and political factors can impact the performance of a Fund and may lead to increased levels of volatility and instability in the Net Asset Value of that Fund. Please refer to the sub-sections entitled "**Political and Regulatory Risk**" and "**Settlement and Sub-Custodial Risk**" in this section for further details of such risk factors.

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

### *Concentration Risk*

Where specified in the relevant Supplement, a Fund may focus its investments from time to time on one or more geographic regions, countries or economic sectors. To the extent that it does so, developments affecting Financial Instruments in such regions or sectors will likely have a magnified effect on the Net Asset Value of the relevant Fund and total returns and may subject the Fund to greater risk of loss. Accordingly, the Fund could be considerably more volatile than a broad-based market index or other collective investment schemes funds that are diversified across a greater number of Financial Instruments, regions and sectors.

#### *Investments in Other Collective Investment Schemes*

A Fund may purchase shares of other collective investment schemes to the extent that such purchases are consistent with such Fund's investment objective and restrictions and are in accordance with the requirements of the Central Bank. As a shareholder of another collective investment scheme, a Fund would bear, along with other shareholders, its pro rata portion of the other collective investment scheme's expenses, including management fees. These expenses would be in addition to the expenses that a Fund would bear in connection with its own operations.

Also, although intended to protect capital and enhance returns in varying market conditions, certain trading and hedging techniques which may be employed by the other collective investment scheme such as leverage, short selling and investments in options or commodity or financial futures could increase the adverse impact to which the other collective investment scheme may be subject.

There can be no assurance that the Investment Manager can successfully select suitable collective investment schemes or that the managers of the other collective investment schemes selected will be successful in their investment strategies.

#### *Equity Risk*

Investing in equity securities may offer a higher rate of return than those investing in debt securities. However, the risks associated with investments in equity securities may also be higher, because the investment performance of equity securities depends upon factors which are difficult to predict. Such factors include the possibility of sudden or prolonged market declines and risks associated with individual companies. The fundamental risk associated with any equity portfolio is the risk that the value of the investments it holds might suddenly and substantially decrease in value as a result in changes in a company's financial position and overall market and economic conditions.

#### *Credit Risk*

Where a Fund invests in debt securities, the Fund will have a credit risk on the issuer of debt securities which will vary depending on the issuer's ability to make principal and interest payments on the obligation. Any failure by any such issuer to meet its obligations will have adverse consequences for a Fund and will adversely affect the Net Asset Value per Share in a Fund. Among the factors that affect the credit risk are the ability and willingness of the issuers to pay principal and interest and general economic trends. The issuers of debt securities may default on their obligations, whether due to insolvency, bankruptcy, fraud or other causes and their failure to make the scheduled payments could cause a Fund to suffer significant losses. A Fund will therefore be subject to credit, liquidity and interest

rate risks. In addition, evaluating credit risk for debt securities involves uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult. Also, the market for debt securities may be inefficient and illiquid, making it difficult to accurately value such securities.

A Fund may invest in both investment grade and sub-investment grade debt securities, as well as securities without rating, in the expectation that positive returns can be made, however this may not be achieved. In certain circumstances, a Fund may invest in excess of 30% in sub-investment grade securities. Sub-investment grade debt securities or securities without rating may be subject to a greater risk of loss of principal and interest than higher-rated debt securities. A Fund may invest in distressed debt securities which are subject to a significant risk of the issuer's inability to meet principal and interest payments on the obligations and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity risk. A Fund may invest in debt securities which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer's assets. A Fund may also invest in debt securities that are not protected by financial covenants or limitations on additional indebtedness. It may invest in debt securities or obtain exposure to those debt securities synthetically, either long or short.

Lower-rated securities (which may include securities which are not of investment grade) or securities without rating may offer higher yields than higher-rated securities to compensate for the reduced creditworthiness and increased risk of default that these securities carry. Such securities generally tend to reflect market developments to a greater extent than higher-rated securities. There may be fewer investors in lower-rated securities or unrated securities and it may be harder to buy and sell such securities at an optimum time.

### *Counterparty Risk*

Financial institutions, such as brokerage firms, broker-dealers and banks, may enter into transactions with the Investment Manager on account of a Fund in relation to the Fund's investments. These financial institutions, being counterparties to the transactions, may also be issuers of other Financial Instruments in which a Fund invests.

A Fund will also have a credit risk on the counterparties with which it trades. In the event of the insolvency, bankruptcy or default of any such counterparty the Fund bears the risk that the counterparty may not settle a transaction in accordance with market practice due to credit or liquidity problems of the counterparty, or due to the insolvency, fraud or regulatory sanction of the counterparty, thus causing the Fund to suffer a loss.

Where a Fund delivers collateral to its trading counterparties under the terms of its trading agreements with such parties, a counterparty may be over-collateralised and the Fund will, therefore, be exposed to the creditworthiness of such counterparties to the extent of the over-collateralisation. Over-collateralisation is the practice of posting more collateral than would otherwise be necessary in order to reduce the risk to a counterparty in respect of a transaction and thereby facilitate a trade with such a counterparty on commercially agreeable terms. Collateral provided to a trading counterparty may be subject to counterparty risk. In addition, the Fund may from time to time have uncollateralised exposure

to its trading counterparties in relation to its rights to receive securities and cash under contracts governing its trading positions. In the event of the insolvency of a trading counterparty, the Fund will rank as an unsecured creditor in relation to amounts equivalent to both any uncollateralised exposure to such trading counterparties and any such over collateralisation, and in such circumstances it is likely that the Fund will not be able to recover any debt in full, or at all.

A Fund's transactions involve counterparty credit risk and will expose the Fund to unanticipated losses to the extent that counterparties are unable or unwilling to fulfil their contractual obligations. With respect to exchange traded FDI and centrally cleared OTC FDI, the risk is more complex in that it involves the potential default of the exchange, clearing house or the clearing broker.

The Investment Manager may have contractual remedies upon any default pursuant to the agreements related to the transactions. Such remedies could be inadequate, however, to the extent that the collateral or other assets available are insufficient.

Deposits of securities or cash with a depository, bank or financial institution will also carry counterparty risk as the respective entity may be unable to perform their obligations due to credit-related and other events like insolvency or default by them. In these circumstances, a Fund may be required to exit certain transactions, may encounter delays of some years, and may encounter difficulties with respect to court procedures in seeking recovery of the Fund's assets. Furthermore, in some custody, sub-custody or stock-lending arrangements, a Fund may not have a right to have specific assets returned to it, but rather, the Fund may only have an unsecured claim against the depository or counterparty, in which case it may lose all or the greater part of the value of the relevant assets.

#### *Leverage Risk*

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

#### *Emerging and Frontier Markets Risk*

Where disclosed in a Supplement, a Fund may invest in Financial Instruments in emerging and/or frontier markets. Frontier markets are the least developed amongst emerging markets.

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

By comparison with more developed financial markets, most emerging and frontier countries' financial markets are comparatively small, less liquid and more volatile. This may result in greater volatility in the Net Asset Value per Share (and consequently Subscription and Redemption Prices for Shares in a Fund) than would be the case in relation to funds invested in more developed markets. In addition, if a large number of Financial Instruments have to be realised at short notice to meet substantial redemption requests in the Fund such sales may have to be effected at unfavourable prices which may in turn have an adverse effect on the Net Asset Value per Share.

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

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

#### *Repatriation Limitations*

Some emerging markets may impose or introduce restrictions on repatriation of foreign funds or may require governmental consents to do so. Such restrictions may include prohibition on the repatriation of foreign funds for a fixed time horizon and limitation of the percentage of invested funds to be repatriated at each time. As a result, a Fund could be adversely affected by the delay in, or refusal to grant, any such approval for repatriation of Funds or by any official intervention affecting the process of settlement of transactions. For the avoidance of doubt, it is not the intention that any Fund will invest in those markets where it is known prior to investment in that country that repatriation limitations are in place that would restrict the Fund's ability to redeem, however, circumstances may arise where a Fund is invested in a particular country and such country introduces repatriation limitations or revokes previously granted consents which may adversely affect the Fund in this regard.

#### *Political and Regulatory Risk*

Uncertainty with any change in social conditions, government policies or legislation in the countries in which a Fund may invest may adversely affect the political or economic stability of such countries. The value of the assets of a Fund may be affected by uncertainties such as domestic and international political developments, changes in social conditions, changes in government policies, taxation, restrictions on foreign investments and currency repatriation, the level of interest rates, currency

fluctuations, fluctuations in both debt and equity capital markets, sovereign defaults, inflation and money supply deflation, and other developments in the legal, regulatory and political climate in the countries in which investments may be made, which may or may not occur without prior notice. Any such changes or developments may affect the value and marketability of a Fund's investments. 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 developed financial markets.

#### *Settlement Risk*

Each market may have different clearance and settlement procedures which may make it difficult to conduct securities transactions. A Fund may invest in certain markets in different parts of the world where settlement systems do not recognise legal structures established in other jurisdictions and/or such systems are not fully developed.

#### *Liquidity Risk*

Liquidity may be essential to a Fund's performance. Under certain market conditions, such as during volatile markets or when trading in a Financial Instrument or market is otherwise impaired, the liquidity of a Fund's portfolio positions may be reduced. During such times, a Fund may be unable to dispose of certain Financial Instrument, which would adversely affect the Fund's ability to rebalance its portfolio or to meet redemption requests. In addition, such circumstances may force the relevant Fund to dispose of Financial Instruments at reduced prices, thereby adversely affecting the Fund's performance. If other market participants are seeking to dispose of similar Financial Instruments at the same time, the Fund may be unable to sell or exit such Financial Instruments or prevent losses relating to such Financial Instruments. Furthermore, if the Fund incurs substantial trading losses, the need for liquidity could rise sharply while its access to liquidity could be impaired. In addition, in conjunction with a market downturn, the Fund's counterparties could incur losses of their own, thereby weakening their financial condition and increasing the Fund's credit risk with respect to them.

#### *Redemption Risk*

Investors are reminded that in certain circumstances their right to redeem Shares may be suspended as set out in more detail in the section headed "**Suspension of Valuation of Assets**".

If significant redemptions of shares in a Fund are requested or if the Net Asset Value is suspended, it may not be possible to liquidate a Fund's investments at the time such redemptions are requested or a Fund may be able to do so only at prices which the Fund believes does not reflect the true value of such investments, resulting in an adverse effect on the return to investors. Where significant redemptions of Shares are requested, a Fund may limit the number of Shares that are redeemed on any Dealing Day. Please see the section headed "Redemption Limit" for further details.

#### *Currency Risk*

The investments of a Fund may mainly be denominated in currencies other than the Base Currency of the Fund and, accordingly, any income received by the Fund from such investments will be made in

such other currencies. A Fund will compute its Net Asset Value in the Base Currency of the Fund, and therefore in this regard, there is a currency exchange risk involved as a result of fluctuations in exchange rates between the Base Currency and such other currency which can be substantial and may occur suddenly. It may not be possible or practical to hedge against such exchange rate risk. The Fund's Investment Manager may, but is not obliged to, mitigate this risk by using Financial Instruments within the Fund's investments. 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 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. 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 Financial Instruments involved will not generally be possible because the future value of such Financial Instruments will change as a consequence of market movements in the value of such Financial Instruments between the date when the relevant contract is entered into and the date when it matures. The successful execution of a hedging strategy which matches exactly the profile of the investments of any Fund cannot be assured. It may not be possible to hedge against generally anticipated exchange or interest rate fluctuations at a price sufficient to protect the assets from the anticipated decline in value of the portfolio positions as a result of such fluctuations.

#### *Share Currency Designation Risk*

A Class of Shares of a Fund may be designated in a currency other than the Base Currency of the Fund. Redemption proceeds and any distributions to Shareholders will normally be made in the currency of denomination of the relevant Class. Changes in the exchange rate between the Base Currency and such designated currency may lead to a depreciation of the value of such Shares as expressed in the designated currency. The Investment Manager will try to mitigate this risk by using Financial Instruments within the Fund's investments, (see the section "**Hedged Classes**"). Investors should be aware that this strategy may substantially limit Shareholders of the relevant Class from benefiting if the designated currency falls against the Base Currency and/or the currency/currencies in which the assets of the Fund are denominated. In such circumstances Shareholders of the relevant Class of Shares of the Fund may be exposed to fluctuations in the Net Asset Value per Share reflecting the gains/losses on and the costs of the relevant Financial Instruments. Financial Instruments used to implement such strategies shall be assets/liabilities of the Fund as a whole. However, the gains/losses on and the costs of the relevant Financial Instruments will accrue solely to the relevant Class of Shares of the Fund.

Shareholders should note that generally there is no segregation of assets and liabilities between Classes in a Fund and therefore a counterparty to a derivative overlay entered into in respect of a hedged Class may have recourse to the assets of the relevant Fund attributable to other Classes of that Fund where there is insufficient assets attributable to the hedged Class to discharge its liabilities. While the ICAV has taken steps to ensure that the risk of contagion between Classes is mitigated in order to ensure that the additional risk introduced to the Fund through the use of a derivative overlay is only borne by the Shareholders in the relevant Class, this risk cannot be fully eliminated.

### *Market Disruptions*

A Fund may incur major losses in the event of disrupted markets and other extraordinary events which may affect markets in a way that is not consistent with historical pricing relationships. The risk of loss from such a disconnection is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving.

Such a disruption may also result in substantial losses to a Fund because market disruptions and losses in one sector can cause effects in other sectors; for example, during the “**credit crunch**” of 2007-2009 many investment vehicles suffered heavy losses even though they were not necessarily heavily invested in credit-related investments.

In addition, market disruptions caused by unexpected political, military and terrorist events may from time to time cause dramatic losses for a Fund and such events can result in otherwise historically low-risk strategies performing with unprecedented volatility and risk. A financial exchange may from time to time suspend or limit trading. Such a suspension could render it difficult or impossible for a Fund to liquidate affected positions and thereby expose it to losses. There is also no assurance that investments that are not traded on an exchange will remain liquid enough for the Fund to close out positions.

### *Legal Risk*

Transactions in general and the use of OTC FDI in particular will expose the Funds to the risk that the legal documentation of the contract may not accurately reflect the intention of the parties.

The Fund, the Directors, the Investment Manager, the Administrator and other related entities, may be subject to lawsuits or proceedings by government entities or private persons. Besides the risk of interfering with the service provider's ability to perform its duties to the ICAV, such litigation or proceedings could require the ICAV to assume the costs incurred by the service provider in its defence.

### *FDI and Techniques and Instruments Risk*

Some of the instruments that a Fund may utilise may be referred to as “**derivative instruments**” because their value depends on (or “**derives**” from) the value of an underlying such as a security, index, interest rate, money market instrument or currency. These derivative instruments include options, futures, forwards, swaps and similar instruments that may be used in hedging strategies. There is only limited consensus as to what constitutes a derivative instrument. The market value of derivative instruments sometimes is more volatile than that of other investments, and each type of derivative instrument may pose its own special risks. The Investment Manager takes these risks into account in its management of a Fund. The Investment Manager's ability to use these instruments may be limited by market conditions, regulatory limits and tax considerations.

### *Substantial Risks are Involved in Trading Financial Derivative Instruments.*

The prices of derivative instruments, including futures and options prices, may be 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, national and international political and economic events or changes in local laws and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, e.g. markets in currencies or interest rates. Such intervention often is intended directly to influence prices and may, together with other factors, cause markets to move rapidly in the same direction. The use of FDI also involves certain special risks, including (1) dependence on the ability to predict movements in the prices of Financial Instruments being hedged, (2) imperfect correlation between the hedging instruments and the Financial Instruments 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 other investments, and (4) the possible absence of a liquid market for any particular instrument at any particular time.

#### *OTC Markets Risk and FDI Counterparty Risk*

Where any Fund acquires Financial Instruments on OTC markets, there is no guarantee that the Fund will be able to realise the fair value of such Financial Instruments as they may have limited liquidity and high price volatility.

A Fund may have credit exposure to counterparties by virtue of positions in OTC derivative contracts. 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.

#### *Synthetic Short Positions Risk*

A "short" sale involves the sale of a security that the seller does not own in the hope of purchasing the same security (or a security exchangeable for such security) at a later date at a lower price. The ICAV is not permitted to enter into short sales under the Regulations. However, a Fund may, by employing certain derivative techniques (such as contracts for difference and put options) produce the same economic effect as a short sale (a "synthetic short"). As a result, as well as holding assets that may rise or fall within markets, a Fund may also hold positions that will rise as the market value falls, and fall as the market value rises. Taking synthetic short positions involves trading on margin and accordingly can involve greater risk than investments based on long positions.

#### *Position Risk*

When a Fund purchases a security, the risk to the Fund is limited to the loss of its investment. In the case of a transaction involving FDI that Fund's liability may be potentially unlimited until the position is closed.

#### *OTC Trading*

OTC transactions 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. Such 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 underlyings 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 Fluctuation*

Where a Fund utilises FDI which alter the currency exposure characteristics of Financial Instruments 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 Financial Instruments positions held. In addition, fluctuation in the exchange rate between the denomination currency of the underlying and the FDI will affect the value and cash flows of the FDI.

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

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

#### *Securities Lending Risk*

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 parties and (ii) whether the Directors are satisfied that the transactions with connected parties entered into during the period complied with the obligations outlined above.

#### *Taxation Risk*

Any change in the taxation legislation 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 Shareholder 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, as applicable, in any Supplement, 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.

The 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 to 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 adviser 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. The CRS provides a common standard for due diligence, reporting and exchange of financial account information. Pursuant to the CRS, participating jurisdictions 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. As a result the ICAV will be required to comply with the CRS 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. Failure to provide the requested information may subject an investor to liability for any resulting penalties or other charges and/or compulsory redemption of their Shares in the relevant Fund. 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*

As the use of technology has become more prevalent in the course of business, the Funds have become potentially more susceptible to operational risks through breaches in cyber security. A breach in cyber security refers to both intentional and unintentional events that may cause a Fund to lose proprietary information, suffer data corruption, or lose operational capacity. This in turn could cause a Fund to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures, and/or financial loss. Cyber security breaches may involve unauthorized access to a Fund’s digital information systems (e.g. through “hacking” or malicious software coding), but may also result from external attacks such as denial-of-service attacks (i.e. efforts to make network services unavailable to intended users). In addition, cyber security breaches of a Fund’s third party service providers (e.g., administrators, transfer agents, depositaries and sub-advisers) or issuers that a Fund invests in can also subject a Fund to many of the same risks associated with direct cyber security breaches. As with operational risk in general, the Funds have established risk management systems designed to reduce the risks associated with cyber security. However, there is no guarantee that such efforts will succeed, especially since the Funds do not directly control the cyber security systems of issuers or third party service providers.

#### *GDPR*

The GDPR became effective in all Member States from 25 May, 2018 and replaced previous EU data privacy laws. Under the GDPR, data controllers are subject to additional obligations including, amongst others, accountability and transparency requirements whereby the data controller is responsible for, and must be able to demonstrate compliance with the rules set down in the GDPR relating to data

processing and must provide data subjects with more detailed information regarding the processing of their personal data. Other obligations imposed on data controllers include more enhanced data consent requirements and 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 rectify inaccurate personal information, 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 GDPR may result in increased operational and compliance costs being borne directly or indirectly by the ICAV. Further, there is a risk that the measures will not be implemented correctly by the ICAV or its service providers. 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 material or non-material damage as a result as well as the ICAV suffering reputational damage which may have a material adverse effect on its operations and financial conditions.

### *Risks Associated with Securities Financing Transactions*

#### *General*

Entering into repurchase agreements, reverse repurchase agreements and stocklending agreements create several risks for the ICAV and its investors. The relevant Fund is exposed to the risk that a counterparty to a securities financing transaction may default on its obligation to return assets equivalent to the ones provided to it by the relevant Fund. It is also subject to liquidity risk if it is unable to liquidate collateral provided to it to cover a counterparty default. Such transactions may also carry legal risk in that the use of standard contracts to effect securities financing transactions may expose a Fund to legal risks such as the contract may not accurately reflect the intention of the parties or the contract may not be enforceable against the counterparty in its jurisdiction of incorporation. Such transactions may also involve operational risks in that the use of securities financing transactions and management of collateral are subject to the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Risks may also arise with respect to any counterparty's right of re-use of any collateral as outlined below under "Risks Associated with Collateral Management".

#### *Securities Lending*

Where disclosed in the relevant Supplement, a Fund may engage in securities lending activities. As with any extensions of credit, there are risks of delay and recovery. Should the borrower of securities fail financially or default in any of its obligations under any securities lending transaction, the collateral provided in connection with such transaction will be called upon. The value of the collateral will be maintained to a certain level to ensure that the exposure to a given counterparty does not breach any risk-spreading rules imposed under the UCITS Regulations. However, there is a risk that the value of the collateral may fall below the value of the securities transferred. In addition, as a Fund may invest cash collateral received under a securities lending arrangement in accordance with the requirements

set down in the Central Bank UCITS Regulations, a Fund will be exposed to the risk associated with such investments, such as failure or default of the issuer or the relevant security.

#### *Repurchase Agreements*

Under a repurchase agreement, the relevant Fund retains the economic risks and rewards of the securities which it has sold to the counterparty and therefore is exposed to market risk in the event that it must repurchase such securities from the counterparty at the pre-determined price which is higher than the value of the securities. If it chooses to reinvest the cash collateral received under the repurchase agreement, it is also subject to market risk arising in respect of such investment.

#### *Reverse Repurchase Agreements*

Where disclosed in the relevant Supplement, a Fund may enter into reverse repurchase agreement. If the seller of securities to the Fund under a reverse repurchase agreement defaults on its obligation to repurchase the underlying securities, as a result of its bankruptcy or otherwise, the Fund will seek to dispose of such securities, which action could involve costs or delays. If the seller becomes insolvent and subject to liquidation or reorganisation under applicable bankruptcy or other laws, the Fund's ability to dispose of the underlying securities may be restricted. It is possible, in a bankruptcy or liquidation scenario, that the Fund may not be able to substantiate its interest in the underlying securities. Finally, if a seller defaults on its obligation to repurchase securities under a reverse repurchase agreement, the Fund may suffer a loss to the extent that it is forced to liquidate its position in the market, and proceeds from the sale of the underlying securities are less than the repurchase price agreed to by the defaulting seller.

#### *Risks Associated with Total Return Swaps*

Where specified in the relevant Supplement, a Fund may enter into total return swap agreements i.e. a derivative whereby the total economic performance of a reference obligation is transferred from one counterparty to another counterparty. If there is a default by the counterparty to a swap contract, a Fund will be limited to contractual remedies pursuant to the agreement related to the transaction. There is no assurance that swap contract counterparties will be able to meet their obligations pursuant to swap contracts or that, in the event of default, the ICAV on behalf of the Fund will succeed in pursuing contractual remedies. A Fund thus assumes the risk that it may be delayed in or prevented from exercising its rights with respect to the investments in its portfolio and obtaining payments owed to it pursuant to the relevant contract and therefore may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. Furthermore, in addition to being subject to the credit risk of the counterparty to the total return swap, the Fund is also subject to the credit risk of the issuer of the reference obligation. Costs incurred in relation to entering into a total return swap, differences in currency values and costs associated with hedged/unhedged share classes may result in the value of the index/reference value of the underlying of the total return swap differing from the Net Asset Value per Share of the relevant Fund.

#### *Risks Associated with Collateral Management*

Where a Fund enters into an OTC derivative contract or a securities financing transaction, it may be required to pass collateral to the relevant counterparty or broker. Collateral that a Fund posts to a counterparty or a broker that is not segregated with a third-party custodian may not have the benefit of

customer-protected “segregation” of such assets. Therefore in the event of the insolvency of a counterparty or a broker, the Fund may become subject to the risk that it may not receive the return of its collateral or that the collateral may take some time to return if the collateral becomes available to the creditors of the relevant counterparty or broker. In addition, notwithstanding that a Fund may only accept non-cash collateral which is highly liquid, the Fund is subject to the risk that it will be unable to liquidate collateral provided to it to cover a counterparty default. The Fund is also subject to the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

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

Where collateral is posted to a counterparty or broker by way of a title transfer collateral arrangement or where the ICAV on behalf of a Fund grants a right of re-use under a security collateral arrangement which is subsequently exercised by the counterparty, the ICAV on behalf of a Fund will only have an unsecured contractual claim for the return of equivalent assets. In the event of the insolvency of a counterparty, the Fund shall rank as an unsecured creditor and may not receive equivalent assets or recover the full value of the assets. Investors should assume that the insolvency of any counterparty would result in a loss to the relevant Fund, which could be material. In addition, assets subject to a right of re-use by a counterparty may form part of a complex chain of transactions over which the ICAV or its delegates will not have any visibility or control.

Because the passing of collateral is effected through the use of standard contracts, a Fund may be exposed to legal risks such as the contract may not accurately reflect the intentions of the parties or the contract may not be enforceable against the counterparty in its jurisdiction of incorporation.

#### *Operation of Umbrella Cash Accounts*

The ICAV has established subscription cash accounts at umbrella level in the name of the ICAV into which subscription monies received from investors of all of the Funds shall be lodged. The ICAV has also established separate redemption cash accounts at umbrella level in the name of the ICAV. Pending payment to the relevant Shareholders, dividend payments shall also be paid into a separate dividend cash account at umbrella level in the name of the ICAV. Each of these cash accounts are defined herein as Umbrella Cash Accounts. All subscriptions, redemptions or dividends payable to or from the relevant Fund will be channelled and managed through such Umbrella Cash Accounts and no such accounts shall be operated at the level of each individual Fund. However, the ICAV will ensure that the amounts within an Umbrella Cash Account whether positive or negative can be attributed to the relevant Fund in order to comply with the requirement that the assets and liabilities of each Fund are kept separate from all other Funds and that separate books and records are maintained for each Fund in which all transactions relevant to a Fund are recorded.

Certain risks associated with the operation of the Umbrella Cash Accounts are set out below in the sections entitled (i) “**Operation of Subscription Cash Accounts in the name of the ICAV**”; (ii) “**Operation of Redemption Cash Accounts in the name of the ICAV**”; (iii) “**Net Asset Value and Valuation of Assets**” and (iv) “**Dividend Policy**” respectively.

In addition, investors should note that in the event of the insolvency of another Fund of the ICAV, recovery of any amounts to which a relevant Fund is entitled, but which may have transferred to such other insolvent Fund as a result of the operation of the Umbrella Cash Account(s) (for example by way of an inadvertent error) will be subject to the principles of Irish trust law and the terms of the operational procedures for the Umbrella Cash Accounts. There may be delays in effecting and/or disputes as to the recovery of such amounts, and the insolvent Fund may have insufficient funds to repay the amounts due to the relevant Fund.

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 an Umbrella 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 as of the relevant Dealing Day to the relevant investor, 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 an Umbrella 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/ Shareholder. 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 which the Fund incurs in connection with the loss of such monies to 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.

### *Sustainability Risk*

Pursuant to EU Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (the “**SFDR**”), the Funds are required to disclose the manner in which Sustainability Risks are integrated into the investment decision and the results of the assessment of the likely impacts of Sustainability Risks on the returns of the Funds.

Such risk is principally linked to climate-related events resulting from climate change (the so-called physical risks) or to the society’s response to climate change (the so-called transition risks), which may result in unanticipated losses that could affect the Funds’ investments and financial condition. Social events (e.g. inequality, inclusiveness, labour relations, investment in human capital, accident prevention, changing customer behaviour, etc.) or governance shortcomings (e.g. recurrent significant breach of international agreements, bribery issues, products quality and safety, selling practices, etc.) may also translate into Sustainability Risks.

Sustainability Risks are integrated in the investment decision making and risk monitoring process of the relevant Fund to the extent that they represent potential or actual material risks and/or opportunities to



maximising the long-term risk-adjusted returns of the Fund.

The impacts following the occurrence of a Sustainability Risk may be numerous and vary depending on the specific risk, region and asset class. In general, where a Sustainability Risk occurs in respect of an asset, there will be a negative impact on, or entire loss of its value.

Such assessment of the likely impact must therefore be conducted at portfolio level. Further details and specific information are given for each Fund in the relevant Supplement.

#### *Epidemic/Pandemic Related Risk*

An epidemic is a widespread occurrence of an infectious disease in a community at a particular time. A pandemic occurs when an epidemic reaches national or global levels. While an epidemic may primarily affect a particular region, an epidemic may also adversely affect the global economy, the economies of certain nations and individual issuers, all of which may negatively impact the performance of the ICAV or the Funds. It is likely that a pandemic would have more far-reaching consequences. While a pandemic may vary in severity and duration, it may present significant financial and/or operational risks to the ICAV, the Fund, the Manager and/or their respective service providers (including the Administrator, the Depositary and the Investment Manager) for its duration and beyond. Depending on the severity of a pandemic, it may result in travel and border restrictions, the imposition of quarantine requirements, supply chain disruptions, lower consumer demand and general market uncertainty and volatility. For example, beginning in January 2020, global financial markets began to experience significant volatility resulting from the spread of a novel coronavirus known as Covid-19. The effects of Covid-19 have adversely affected the global economy, the economies of certain nations and individual issuers, all of which may negatively impact a Fund's performance.

Such market disruptions caused by medical and health-related events may cause dramatic losses for the Funds in an environment of increased volatility and risk. A pandemic may have an adverse impact on the Funds' portfolio, or the Funds' ability to source new investments or to realise its investments. Epidemics, pandemics and/or similar events could also have an acute effect on individual issuers or related groups of issuers and could adversely affect securities markets, interest rates, auctions, secondary trading, ratings, credit risk, inflation, deflation and other factors relating to the operations of the ICAV, the Fund, the Manager or the Investment Manager (or other service providers). Additionally, the risks related to health pandemics or outbreaks of disease are heightened due to uncertainty as to whether such an event would qualify as a "force majeure" event under any of the agreements in respect of the ICAV and/or the Funds. If a force majeure event is determined to have occurred, a Fund's counterparty may be relieved of its obligations under certain contracts to which the ICAV and/or the Manager (or their delegates) are parties, or, if it has not, the ICAV and/or the Manager (or their delegates) may be required to meet contractual obligations, despite potential constraints on their operations and/or financial stability. Either outcome could adversely impact the Funds' performance.

#### *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 powers of management of the ICAV are vested in the Directors pursuant to the Instrument. The Directors control the affairs of the ICAV and are responsible for the formulation of the investment policies of each Fund. The Directors have delegated the day-to-day investment management, administration and custody of the assets of each Fund to the Manager, the Investment Manager, the Administrator and the Depositary respectively.

### Directors

#### *Philip Craig (Irish resident)*

Philip has worked in the fund's industry since 1991 and is an independent certified investment fund director. Philip is authorised by the Central Bank of Ireland for Pre-Approval Controlled Functions PCF-2 Non-Executive Director and PCF-3 Chairman on a broad range of both UCITS and alternative investment funds. Philip was a director with HSBC Securities Services in Geneva from 2011 to 2012. Between 2008 and 2011 Philip held the positions of regional director for Continental Europe, managing director of the Geneva office of Fortis/ABN AMRO Prime Fund Solutions and interim country manager for Fortis Bank in Switzerland. Between 1995 and 2008, Philip held the positions of commercial director and head of investor services at Fortis/ABN AMRO Prime Fund Solutions Ireland. Philip also worked at Ulster Bank Investment Services in Dublin from 1993 to 1995 and with Global Asset Management (GAM) in their Isle of Man and Dublin offices from 1991 to 1992.

Philip received a Bachelor of Arts Degree (History and Economics) from University College Dublin in 1990. Philip is a member of the Certified Investment Fund Director Institute, the Institute of Banking in Ireland and is currently a council member of the Irish Fund Directors Association, the representative body for independent directors within the Irish funds industry. Philip was also granted the designation of Certified Investment Fund Director (CIFD) in 2013 by the Institute of Banking in Ireland, a recognised college of University College Dublin and Irish Funds.

#### *Kevin O'Doherty (Irish resident)*

Kevin is a Fellow of the Institute of Chartered Accountants in Ireland. He holds a Master of Business Studies (Finance) and a Postgraduate Diploma in Professional Accounting, both from University College Dublin. In 2011, Kevin qualified as a Chartered Director.

Kevin co-founded UCITS management company Quayside Fund Management Limited in 2014 and currently acts as Chief Risk Officer there as well as being a director and shareholder.

Kevin co-founded regulatory affairs consultancy Compliance Ireland in 2006 and remains a director and shareholder. Prior to this, Kevin was the managing director of a large IFSC custodian company, a position he held for eight years. Kevin has also worked in a number of fund administration roles.

Kevin currently serves as a non-executive director for a number of regulated investment firms and other firms outside of financial services.

*Miroslav Zuzak (Swiss/Czech citizen)*

Dr. Miroslav Zuzak, CFA, obtained his doctorate in finance from University of St. Gallen (Dr. oec. HSG), after his studies in Banking and Finance (lic. oec. HSG) and Law (M.A. in Law HSG). He is a CFA Charterholder. Before joining JMS Invest AG in 2014 he worked five years at Bellevue Asset Management, where he acted as lead portfolio manager of a long-only UCITS fund focusing on European Small- and Mid-Caps. Previously, he was Buy-Side investment analyst at RBR Capital, a long/short equity fund, focusing on the German speaking area. During his studies, he worked with a management consulting firm (Arthur D. Little), a law firm (Baer & Karrer) and as Executive Director Major BWL at University of St. Gallen, where he still teaches as lecturer for Financial Accounting and Controlling today.

The ICAV shall be managed and its affairs supervised by the Directors of the ICAV and whose details are set out above.

The address of the Directors is the registered address of the ICAV.

### **The Manager**

The ICAV has appointed the Manager as its manager pursuant to the Management Agreement. In this capacity, the Manager is responsible on a day-to-day basis, under the supervision of the Directors, for the management of the ICAV's affairs and distribution of the Shares.

The Manager is a management company in accordance with Chapter 15 of the Luxembourg Law of 17 December 2010 on undertakings for collective investment, as amended, which implements the UCITS Directive (EU Directive 85/611/EEC, as amended, on undertakings for collective investment in transferable securities) as well as an Alternative Investment Fund Manager (AIFM) in accordance with Chapter 2 of the Luxembourg Law of 12 July 2013 on Alternative Investment Fund Managers. MultiConcept Fund Management S.A. is regulated by the Luxembourg Supervisory authority Commission de Surveillance du Secteur Financier (CSSF).

The Manager was incorporated in Luxembourg on 26 January, 2004 as a joint-stock company for an indefinite period. The articles of incorporation of the Manager were published in the "Mémorial, Recueil des Sociétés et Associations" on 14 February, 2004 and have since that time been amended several times. The latest amendments were published on 12 March, 2014. Any future amendment will be published in the "Recueil électronique des sociétés et des associations". The articles of incorporation of the Manager are filed in their consolidated, legally binding form for public reference in the Luxembourg Trade and Companies Register under no. B 98 834.

The Manager has its registered office at 5, rue Jean Monnet, L-2180 Luxembourg, Grand-Duchy of Luxembourg.

The equity capital of the Manager amounts to three million three hundred thirty-six thousand one hundred and twenty-five (3,336,125) Swiss francs. The Manager is ultimately wholly-owned by Credit

Suisse Group AG.

The Manager will provide management company services via its passport for Irish authorised UCITS pursuant to the European Communities (Undertakings for Collective Investment in transferable Securities) Regulations 2011. Its principal business is the investment management, administration and distribution of collective investment schemes. It will appoint one or more investment managers to manage the assets of each Fund.

The board of directors of the Manager shall have plenary powers on behalf of the Manager and shall cause and undertake all such actions and provisions which are necessary in pursuit of the Manager's objective, particularly in relation to the management of the ICAV's assets, administration and distribution of Shares.

The Manager has appointed an independent auditor as its auditor. At present, this function is performed by PwC Luxembourg, 2 Rue Gerhard Mercator, L-2182 Luxembourg.

The Manager has appointed the Investment Manager to act as discretionary investment manager of the ICAV and distributor of the Shares. The Manager has appointed the Administrator to perform the day-to-day administration of the ICAV, including the calculation of the Net Asset Value of the Funds and of the Shares, and related fund accounting services.

The Manager may act as manager of, and/or provide other services to, other funds or clients established in Ireland or elsewhere any of which may be competing with the ICAV in the same markets.

The directors of the Manager are, as follows:

*(i) Patrick Tschumper – Managing Director, Credit Suisse Funds AG, Zurich, Switzerland*

Patrick Tschumper has been with Credit Suisse for more than 15 years of which he spent the last nine years within the fund service unit that also delivers services to third party clients. As head of "Fund Solutions", Patrick is part of the senior management of Credit Suisse Investor Services, the competence centre for funds and fund services within Credit Suisse.

Additionally, Patrick is deputy CEO of Credit Suisse Funds AG, the Swiss fund management company. He holds a master in business administration of the University of Zurich and is certified accountant.

*(ii) Annemarie Arens - Independent Director, Luxembourg*

Annemarie Arens is financial services professional with a broad spectrum of international experience. She is a non-executive director, chairman and consultant to financial services funds and companies. Annemarie has worked mainly in Luxembourg carrying international responsibility across Europe.

Since 2016 Annemarie has acted as director of Luxembourg management companies and UCITS companies. In past carrier she has managed business strategy and international developments as well as change management.

Annemarie was the General Manager of LuxFLAG. The European Head of Sales and Relationship as

well as European Head of Client Service Management at RBC Investor Services Bank with offices in eight different European countries. Annemarie was also a member of RBC Investor Services Bank Executive Committee in Luxembourg.

Annemarie started her professional career in the Financial Industry in 1985 working for Axa Insurance prior to joining Berenberg Bank in 1991. She joined BIL Fund Services renamed RBC Investor Services in 1996 moving to LuxFLAG in 2014.

*(iii) Dr. Thomas Schmuckli - Independent Director, Switzerland*

After having served as Head Legal & Compliance Asset Management, Credit Suisse Zürich until 2013, Head Product-, Project- and Process Management at Zuger Kantonalbank between 2000 and 2005, Dr. Schmuckli is currently chairman of the board of Bossard Holding AG, Zug, a SIX listed company, member of the board of Hans Oetiker Holding AG, Horgen, a Swiss SME, and CS Funds AG, Zürich, the Swiss fund management company of Credit Suisse Group.

*(iv) Ilias Georgopoulos – CEO, MultiConcept Fund Management SA*

Ilias Georgopoulos is the CEO and has overall responsibility for the Manager. Ilias joined the Manager on 1 September 2019 and brings some 26 years of investment fund experience in both UCITS and AIFs. Together with the Manager's Management team he drives both the day-to-day operations as well as the growth business plan for the Manager's third party clients and visibility in the market. Ilias has had various managerial, executive and global positions in State Street, RBC and AlterDomus, and has been exposed to an International client base, which includes a variety of local and global operational models. Ilias has been a "regulated employee" by both the ECB and the CSSF for several years. Ilias is a regular speaker and participant at conferences, market associations and expert forums on Industry items. Ilias holds a Masters in Finance from the University of Nancy, France.

*(v) Richard Browne - Head of Private Equity and Real Estate Fund Administration at Credit Suisse Fund Services (Luxembourg) S.A.*

Richard joined Credit Suisse in September 2019. Previously, Richard was Head of Private Equity and a member of the daily management team at Citco Fund Services Luxembourg, whom he had joined in 2005. Within Citco, he held various roles across alternative funds administration in Luxembourg and helped to establish a Private Equity fund services operational centre in Guernsey in 2015. With over 20 years of experience in fund administration, he started his career at PFPC International in Dublin before moving to Luxembourg in 2001 to help establish the Luxembourg office. Richard holds a Bachelor of Business Studies from IT Sligo, Ireland and a Diploma in International Commerce from IUT de Vannes, France.

## **Investment Manager and Distributor**

The Manager has appointed JMS Invest AG as investment manager with discretionary powers and distributor pursuant to the Investment Management Agreement.

JMS Invest AG was established in Switzerland on December 18, 2007 with the sole purpose of providing investment advisory services for collective investment schemes. It is regulated in Switzerland and under the supervision of FINMA, the Swiss Financial Market Supervisory Authority. Currently, JMS Invest AG provides investment management services to the ICAV only.

The Investment Manager shall also be responsible for the distribution of the ICAV's Shares under the terms of the Investment Management Agreement. The Investment Manager has authority to delegate some or all of its duties as distributor to sub-distributors in accordance with the requirements of the Central Bank. The fees and expenses of any sub-distributor appointed by the Investment Manager which are discharged out of the assets of the ICAV shall be at normal commercial rates.

The Investment Manager may delegate the discretionary investment management of certain Funds in accordance with the requirements of the Central Bank to sub-investment managers, details of which will be set out in the relevant Supplement.

Save where otherwise disclosed in the relevant Supplement, the fees of each sub-investment manager so appointed shall be paid by the Investment Manager out of its own fee.

Details of such appointment will be provided to Shareholders upon request and shall be further disclosed in each annual and semi-annual report of the ICAV.

## **Administrator**

### *Credit Suisse Fund Services (Ireland) Limited*

The Manager has appointed Credit Suisse Fund Services (Ireland) Limited to act as administrator, and registrar and transfer agent, of the ICAV and each Fund thereof pursuant to an administration agreement dated 29 December, 2017 (the "**Administration Agreement**"), with responsibility for performing the day to day administration of the ICAV and each Fund thereof, including the calculation of the Net Asset Value and the Net Asset Value per Share.

The Administrator is a private limited liability company incorporated in Ireland on 30 November, 2016 and is ultimately owned by Credit Suisse AG. The authorised share capital of the Administrator is EUR 100,000,000 and its issued and paid up share capital is EUR 500,020. The Administrator is registered with the Central Bank as an approved fund administration company. The registered office of the Administrator is Kilmore House, Park Lane, Spencer Dock, Dublin 1, D01 YE64, Ireland. The Administrator's principal business is the provision of fund administration, accounting, registration, transfer agency to collective investment schemes and investment funds.

The Administration Agreement provides that it will continue in force until terminated by either party by three months' notice in writing to the other party. The Administration Agreement may also be terminated either party by thirty days' notice in writing to the other party if such other party has materially breached any of its obligations under the Administration Agreement, provided that either party may terminate the Administration Agreement with immediate effect if the other party has materially breached any of its obligations under the Administration Agreement and such material breach is incapable of being cured. The Administration Agreement may be terminated (i) by either party immediately by notice in writing to the other party if such other party is wound up (except for the purposes of reconstruction or

amalgamation on agreed terms) or is declared bankrupt or is subject to a similar procedure of compulsory liquidation under applicable law; (ii) by the Administrator if the performance by the Administrator of the services under the Administration Agreement would result in a breach of any applicable laws or regulations for the Administrator or any of its affiliates, and if such breach is capable of being remedied, the breach is not remedied within thirty days of receipt of notice served by the Administrator.

In the absence of wilful default, fraud or negligence, the Administrator will not be liable for, and will be indemnified by the Manager against, any loss or damage arising out of the performance of its duties under the Administration Agreement.

The Administration Agreement is described in detail in the Section “GENERAL INFORMATION: Material Contracts”.

## **Depository**

### *Credit Suisse (Luxembourg) S.A., Ireland Branch*

Pursuant to the Depository Agreement, Credit Suisse (Luxembourg) S.A., Ireland Branch has been appointed as depository of the ICAV.

Credit Suisse (Luxembourg) S.A., Ireland Branch is a branch of Credit Suisse (Luxembourg) S.A. and is a public limited company (société anonyme) under the laws of Luxembourg, incorporated for an unlimited duration. Credit Suisse (Luxembourg) S.A. has its registered and administrative offices at 5, rue Jean Monnet, L-2180 Luxembourg, Grand Duchy of Luxembourg. It is licensed to engage in all banking operations under Luxembourg law since 25 March 1974.

### *Duties of the Depository*

The duty of the Depository is to provide safekeeping and oversight services in respect of the assets of the ICAV and each Fund in accordance with the provisions of the Regulations and the Depository Agreement. The Depository will also provide cash monitoring services in respect of each Fund’s cash flows and subscriptions.

The Depository will be obliged, inter alia, to ensure that the sale, issue, repurchase and cancellation of Shares in the ICAV are carried out in accordance with the Regulations and the Instrument. The Depository will carry out the instructions of the ICAV, unless they conflict with the Regulations or the Instrument. The Depository is also obliged to enquire into the conduct of the ICAV in each financial year and report thereon to the Shareholders.

### *Depository Liability*

Pursuant to the Depository Agreement, the Depository will be liable for loss of financial instruments held in custody (i.e. those assets which are required to be held in custody pursuant to the Regulations) or in the custody of any sub-custodian, unless it can prove that loss has arisen as a result of an external



event beyond its control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

The Depositary shall also be liable for all other losses suffered as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations under the Regulations.

### *Delegation*

The Depositary may delegate its safekeeping functions to one or more delegates in accordance with, and subject to the Regulations and on the terms set out in the Depositary Agreement. However, its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping. The performance of the safekeeping function of the Depositary in respect of certain of the ICAV's assets has been delegated to certain delegates, which are listed in Appendix III. The list may be updated from time to time and an up-to-date list of delegates and sub-delegates appointed by the Depositary will be made available to investors on request.

Up-to-date information in relation to the identity of the Depositary, a description of any safekeeping functions delegated by the depositary and any conflicts of interest that may arise from such a delegation, will be made available to investors on request.

### **Secretary**

The ICAV has appointed Tudor Trust Limited as its secretary.

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

Local laws/regulations in EEA Member States or other jurisdictions may require the appointment of paying agents / information agents / representatives / distributors / correspondent banks ("**Paying Agents**") and 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 or from 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 Administrator 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 Paying Agents appointed by the ICAV which will be at normal commercial rates will be borne by the ICAV or the Fund in respect of which a Paying Agent has been appointed.

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, where required,

a summary of the material provisions of the agreements appointing the Paying Agents will be included in the relevant Country Supplements.

All Shareholders of the ICAV or the Fund on whose behalf a Paying Agent is appointed may avail of the services provided by Paying Agents appointed by or on behalf of the ICAV.

Details of the paying agents appointed will be set out in the relevant Country Supplement and will be updated upon the appointment or termination of appointment of paying agents.

### **Conflicts of Interest**

The Directors, the Manager, Investment Manager, the Administrator and the Depositary (to include any delegates or sub-delegates of the Depositary excluding non-group company sub-custodians appointed by the Depositary) and their respective affiliates, officers, directors and shareholders, partners, 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 managing or advising other funds, purchases and sales of Financial Instruments, banking and investment management services, brokerage services, currency hedging services, valuation of unlisted Financial Instruments (in circumstances in which fees payable to the entity valuing such Financial Instruments may increase as the value of the Financial Instruments 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 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.

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 such opportunities in its absolute discretion between the ICAV and other clients.

The Investment Manager and its officers, partners and employees will devote as much of their time to the activities of the ICAV as they deem necessary and appropriate. The Investment Manager and its delegates and affiliates are not restricted from forming additional investment funds, from entering into other investment advisory relationships or from engaging in other business activities, even though such activities may be in competition with the ICAV and/or may involve substantial time and resources. These activities could be viewed as creating a conflict of interest in that the time and effort of the Manager, the Investment Manager, its delegates and their officers and employees will not be devoted exclusively to the business of the ICAV but will be allocated between the business of the ICAV and such other activities. Future activities by the Investment Manager and its delegates and affiliates, including the establishment of other investment funds, may give rise to additional conflicts of interest.

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, as appropriate, 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 resolved fairly.

There is no prohibition on transactions with the ICAV, the Manager, the Investment Manager, the Administrator, the Depositary or entities related to the Manager, the Investment Manager, the Administrator or the Depositary 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 carried out as if effected on normal commercial terms negotiated on an arm's length basis.

Transactions permitted are subject to:

- (a) the value of the transaction is certified by a person who has been approved by the Depositary as being independent and competent (or a person who has been approved by the Directors as being independent and competent in the case of transactions involving the Depositary); or
- (b) the relevant transaction is executed on best terms on an organised investment exchange in accordance with the rules of such exchange; or
- (c) where the conditions set out in (a) and (b) above are not practical, the Depositary is satisfied that the transaction is conducted at arm's length and is in the best interests of Shareholders (or in the case of a transaction involving the Depositary, the Directors are satisfied that the transaction is conducted at arm's length and is in the best interests of Shareholders).

The Depositary (or the ICAV in the case of transactions involving the Depositary) must document how it has complied with the provisions of paragraph (a), (b) or (c) above. Where transactions are conducted in accordance with (c) above, the Depositary (or the ICAV in the case of transactions involving the Depositary) must document their 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 parties and (ii) whether the Directors are satisfied that the transactions with connected parties entered into during the period complied with the obligations outlined above.

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. Details of the proportion of shares held by the Investment Manager will be made available to investors and prospective investors upon request.

Knowledgeable Persons will be permitted to invest in the ICAV. Due to the nature of a Knowledgeable Person, and subject to legislation relating to market abuse, market timing and disclosure rules, in certain market situations a Knowledgeable Person may have access to market information in advance of other Shareholders, thereby affording them certain advantages in respect of an investment in the ICAV.

### **Soft Commissions**

The Manager, Investment Manager or their delegates may effect transactions with or through the agency of another person with whom the Manager, Investment Manager or their delegates or an entity affiliated to them has arrangements under which that person will, from time to time, provide to or procure for the any Manager, Investment Manager and/or an affiliated party goods, services or other benefits such as research and advisory services, specialised computer hardware or software. No direct payment may be made for such goods or services but the Manager, Investment Manager may undertake to place business with that person provided that person has agreed to provide best execution with respect to such business and the services provided must be of a type which assists in the provision of investment services to the ICAV. A report will be included in the ICAV's annual and half-yearly reports describing the Manager, Investment Manager's soft commission practices.

### **Cash/Commission Rebates and Fee Sharing**

Where the Investment Manager successfully negotiates the recapture of a portion of the commissions charged by brokers or dealers in connection with the purchase and/or sale of securities, permitted derivative instruments or techniques and instruments for the ICAV or a Fund, the rebated commission shall be paid to the ICAV or the relevant Fund as the case may be. The Investment Manager or its delegates may be reimbursed out of the assets of the ICAV or the relevant Fund for reasonable properly vouched costs and expenses directly incurred by the Investment Manager or its delegates in this regard.

### **3. FEES, CHARGES AND EXPENSES**

#### **Migration Expenses**

All fees and expenses relating to the migration of the ICAV including the fees of the ICAV's professional advisers and registering the Shares for sale in various markets will be borne by AlphaCore One. Such fees and expenses are estimated not to exceed €100,000 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 may 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 Manager, the Investment Manager, the Distributor and any sub-distributor appointed, the secretary and any Paying Agent appointed by or on behalf of the ICAV include but are not limited to brokerage and banking commissions and charges, investment research fees, legal and other professional advisory 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 and expenses of preparing, translating, printing, updating and distributing the ICAV's Prospectus and Supplements, annual and semi-annual reports and other documents furnished to current and prospective Shareholders, 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 or Shares, expenses of Shareholders meetings, Directors' insurance premia, expenses of the publication and distribution of the Net Asset Value, clerical costs of issue or redemption of Shares, postage, telephone, facsimile and telex expenses and any other expenses in each case together with any applicable value added tax.

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 other methods, which will be fair and equitable to investors, 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.

#### **Administrator's Fees**

The fees of the Administrator will be paid out of the assets of the relevant Fund, details of which will be set out in the relevant Fund Supplement.

### **Depository's Fees**

The fees of the Depository will be paid out of the assets of the relevant Fund, details of which will be set out in the relevant Fund Supplement.

### **Manager's Fees**

The fees of the Manager will be paid out of the assets of the relevant Fund, details of which will be set out in the relevant Fund Supplement.

### **Investment Manager's Fees**

The ICAV shall pay the Investment Manager out of the assets of the relevant Fund a fee as disclosed in the relevant Supplement.

### **Distributor's Fee**

The fees of the Distributor will be paid out of the assets of the relevant Fund, details of which will be set out in the relevant Fund Supplement.

### **Performance Fee**

Details of the Performance Fee to be charged (if any) can be found in the relevant Supplement.

### **Paying Agents' Fees**

Reasonable fees and expenses of any Paying Agent 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 relevant Fund in respect of which a Paying Agent has been appointed.

### **Conversion Fee**

Details of the conversion fee to be charged (if any) can be found in the relevant Supplement.

### **Anti-Dilution Levy**

Where a Fund buys/enters or sells/exits Financial Instruments in response to a request for the issue or redemption of Shares, it will generally incur a reduction in value, made up of dealing costs and any spread between the bid and offer prices of the investments concerned when compared to their valuation within the Net Asset Value per Share. The Net Asset Value per Share generally does not reflect such costs.

The aim of the Anti-Dilution Levy is to reduce the impact of such costs (which, if material, disadvantage existing Shareholders of the relevant Fund) so as to preserve the value of the relevant Fund. Where disclosed in the relevant Supplement, the Directors are entitled to require payment of a dilution levy, to be included in the Subscription Price or Redemption Price as appropriate.

The need to charge a dilution levy will depend inter alia on general market liquidity of the Fund's Financial Instruments and on the net transactional activity of Shares on any given Dealing Day, and this will be evaluated by the Directors (as advised by the Investment Manager) without prior notification to the relevant Shareholder. Net transactional activity of Shares is determined with reference to the cumulative subscription and redemption requests (including subscriptions and/or redemptions which would be affected as a result of conversions from one Fund into another Fund) processed in respect of any given Dealing Day. In calculating the subscription or redemption price of the Fund, the Directors may on any Dealing Day when there are net subscriptions or redemptions, adjust the subscription or redemption price (as appropriate) by adding or deducting an Anti-Dilution Levy to cover dealing costs and to preserve the value of the underlying assets of a Fund.

The Anti-Dilution Levy may vary according to the prevailing market conditions and the implementation of the valuation policy with respect to the determination of the Net Asset Value on any given Valuation Day.

### **Directors' Fees**

The Instrument authorises the Directors to charge a fee for their services at a rate determined by the Directors. Each Director shall receive a fee for their services up to a maximum of €12,500 per annum, or such other amount as may from time to time be disclosed in the annual report of the ICAV. Any increase above the maximum permitted fee will be notified in advance to Shareholders. The Directors may elect to waive their entitlement to receive a fee. Each Director may be entitled to special remuneration if called upon to perform any special or extra services to the ICAV, details of which will be set out in the financial statements of the ICAV.

### **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 other methods which will be fair and equitable to investors. 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 Manager**

The Manager has implemented the Credit Suisse Group AG standard remuneration policy and published a local appendix which is consistent with, and promotes, sound and effective risk management and that neither encourages risk taking which is inconsistent with the risk profiles of the Funds and the Instrument nor impairs compliance with the Manager's duty to act in the best interest of the ICAV and the Shareholders.

The remuneration policy of the Manager has been adopted by its board of directors and is reviewed at least annually. The remuneration policy is based on the approach that remuneration should be in line

with the business strategy, objectives, values and interests of the Manager, the Funds it manages and the Shareholders, and includes measures to avoid conflicts of interest, such as taking into account the holding period recommended to the shareholders when assessing the performance.

All employees of the Credit Suisse Group AG are subject to the group compensation policy, the objectives of which include:

- (a) supporting a performance culture that is based on merit and differentiates and rewards excellent performance, both in the short and long term, and recognizes Credit Suisse's company values;
- (b) balancing the mix of fixed and variable compensation to appropriately reflect the value and responsibility of the role performed day to day, and to influence appropriate behaviours and actions; and
- (c) consistency with, and promotion of, effective risk management practices and Credit Suisse's compliance and control culture.

Details of the up-to-date remuneration policy of the Manager, 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 a description of the global Credit Suisse Group AG compensation committee are available on:

<https://multiconcept.credit-suisse.com/RemunerationPolicy.pdf>

and a paper copy will be made available to investors free of charge upon request.



## 4. THE SHARES

### General

Shares may be issued as at any 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, currency conversion will take place on subscriptions, redemptions, conversions and distributions at prevailing exchange rates normally obtained from Bloomberg, Reuters or such other data provider as the Investment Manager deems fit. In such circumstances, the value of the Share expressed in the Class currency will be subject to exchange rate risk in relation to the Base Currency. Where a Class of Shares is to be hedged, the ICAV shall employ the hedging policy as more particularly set out herein.

Shares will have no par value and will first be issued in relation to the Initial Offer Period for each Fund or Class as specified in the relevant Supplement. Thereafter, Shares shall be issued at the Net Asset Value per Share. Please see the section entitled “**Application for Shares**” for more information regarding the cost of shares.

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 appropriately authorised original written instructions from the relevant Shareholder to the Administrator.

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 their competent 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 relating to the Shareholder's relevant jurisdiction 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 Manager, 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.

None of the ICAV, the Manager, 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.

### **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 Financial Instrument having regard to relevant considerations in order to reflect the fair value of such Financial Instrument.
- (ii) the Directors may monitor Shareholder account activities in order to detect and prevent excessive and disruptive trading practices and reserves the right to exercise its discretion to reject any subscription or conversion transaction without assigning any reason therefore and without payment of compensation if, in its judgment, the transaction may adversely affect the interest of a Fund or its Shareholders. The Directors may also monitor Shareholder account activities for any patterns of frequent purchases and sales that appear to be made in response to short-term fluctuations in the Net Asset Value per Share and may take such action as it deems appropriate to restrict such activities including, if it so determines, the compulsory redemption of Shares held in that Fund by the respective Shareholder or, where disclosed in the relevant Supplement, the Directors may impose a redemption fee for the benefit of the relevant Fund where the holding period is less than that time period specified in the relevant Supplement.

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, conceal the identity of underlying investors in a Fund which makes it more difficult for the Directors and their delegates to identify abusive trading practices.

## **Application for Shares**

An Application Form for Shares in a Fund may be obtained from the Administrator. The Initial Subscription, Minimum Holding and Minimum Transaction Size for Shares are set out in the Supplement for each Fund.

The Directors or a duly appointed delegate 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.

Applications for Shares in a Fund may be made through the Administrator. Applications accepted and received by the Administrator prior to the relevant Dealing Deadline for a Fund for any Dealing Day will normally be processed as at that Dealing Day. Any applications received after the relevant Dealing Deadline for a Fund for a particular Dealing Day will be processed as at the following Dealing Day unless the Directors in their absolute discretion otherwise determine to accept one or more applications received after the relevant Dealing Deadline for processing as at that Dealing Day provided that such application(s) have been received prior to the Valuation Point for the particular Dealing Day. Applications for Shares in a Fund received after the relevant Dealing Deadline but prior to the Valuation Point will only be accepted in exceptional circumstances, as determined and agreed by the Directors provided that such applications have been received before the close of business in the relevant market that closes first on the Valuation Day for that particular Dealing Day

Initial applications should be made by submitting a completed Application Form to the ICAV care of the Administrator. Investors may submit initial Application Forms and supporting documentation by facsimile or by post, but the original signed duly completed application must be mailed to the Administrator immediately thereafter. No redemption proceeds will be paid to a Shareholder in respect of a redemption request (although subsequent subscriptions may be processed) prior to the acceptance of the original initial Application Form by the Administrator which is subject to prompt transmission to the Administrator of such papers and supporting documentation (such as documentation relating to money laundering prevention checks) as may be required by the Administrator and completion by the Administrator of all anti-money laundering procedures.

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

Subsequent applications to purchase Shares in a Fund following the initial subscription may be made to the Administrator using an Application Form by post or by facsimile or via the Administrator's online dealing platform or by such other means as may be permitted by the Directors and agreed with the Administrator in accordance with the requirements of the Central Bank. Applications by facsimile will be

treated as definite orders and no application will be capable of withdrawal after acceptance by the Administrator (save in the event of suspension of calculation of the Net Asset Value of the Fund).

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

The Directors may at any time determine to temporarily or permanently close any Class of Shares or all Classes of Shares in the ICAV to new subscriptions in their sole discretion and may not give advance notice of such closure to Shareholders though the Directors will endeavour to notify Shareholders as soon as possible.

#### *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.

#### *Issue of Shares*

Shares will be issued at the Net Asset Value per Share calculated as at the relevant Dealing Day. This price could be less than the Subscription Price per Share for that Dealing Day due to the effect of any Subscription Fee, Duties and Charges and other fees and levies. Potential Shareholders should note therefore that the cost paid for Shares issued could exceed their value on the day of issue.

#### *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 electronic transfer to the bank account specified in the relevant Application Form. No interest will be paid in respect of payments received in circumstances where the receipt of payment is in advance of the relevant Subscription Settlement Cut-Off or the application is held over until a subsequent Dealing Day.

#### *Currency of Payment*

Subscription monies are payable in the currency of denomination of the relevant 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 in such circumstances will be borne by the investor.

#### *Timing of Payment*

Save where otherwise disclosed in the relevant Supplement, payment in respect of subscriptions must be received in cleared funds by the Administrator prior to the Subscription Settlement Cut-Off. 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 Subscription Settlement Cut-Off, any allotment of Shares made in respect of such application may be cancelled and subject to the requirements of the Act, make any alteration 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 and may be required to liquidate assets to repay any shortfall between the redemption proceeds and any amounts borrowed. Whilst the defaulting Shareholder will be liable for any costs incurred by the Fund in so doing, there is a risk that the Fund may not be able to recover such costs from such Shareholder.

In the event of a delay in the payment of subscription, the ICAV may temporarily (but is not obliged to) borrow an amount up to the value of the delayed subscription on or after the relevant Subscription Settlement Cut-Off. Any such borrowing will be subject to the restrictions on borrowing set forth above under the heading "Borrowing Powers". Once the required subscription monies have been received, the ICAV will use this to repay the borrowings. The ICAV reserves the right to charge the relevant Shareholder for any interest or other costs incurred by the ICAV as a result of any borrowing arising from such delay or failure to pay subscription monies by the Subscription Settlement Cut-Off. If the Shareholder fails to reimburse the ICAV for those charges, the ICAV will have the right to sell all or part of the investor's holdings of Shares in the relevant Fund in order to meet those charges and/or to pursue that Shareholder for such charges.

#### *Confirmation of Ownership*

Written confirmation of each purchase of Shares in a Fund will normally be sent to Shareholders within 2 Business Days of the Net Asset Value being published. 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.

#### *Subscriptions in Specie*

In accordance with the provisions of the Instrument, the ICAV may at the discretion of the Directors accept in specie applications for Shares provided that the nature of the assets to be transferred into the relevant Fund qualify as investments of the relevant Fund in accordance with its investment objectives, policies and restrictions. Assets so transferred shall be vested with the Depositary or arrangements shall be made to vest the assets with the Depositary. The Depositary and the Directors shall be satisfied

that the terms of any exchange will not be such as are likely to result in any material prejudice to the existing Shareholders of the relevant Fund.

The cost of such subscription in specie shall be borne by the relevant Shareholder.

The value of assets being transferred, (the “**In Specie Net Asset Value**”) shall be calculated by the Administrator, having consulted with the Manager, the Investment Manager, in accordance with the valuation principles governing the ICAV and applicable law.

The Directors will also ensure that the number of Shares issued in respect of any such in specie transfer will be the same amount which would have fallen to be allotted for settlement of the In Specie Net Asset Value in cash.

Any prospective investor wishing to subscribe for Shares by a transfer in specie of assets will be required to comply with any administrative and other arrangements (including any warranties to the ICAV in relation to the title of such assets being passed to the Depositary, if applicable) for the transfer specified by the Directors, the Depositary and the Administrator. In addition, the Directors must ensure that any assets transferred will be vested with the Depositary on behalf of the ICAV.

#### *Operation of Subscription Cash Accounts in the name of the ICAV*

Subscription monies received from an investor in advance of a Dealing Day in respect of which an application for Shares has been, or is expected to be, received will be held in a cash account in the name of the ICAV (herein defined as an Umbrella 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 by the ICAV 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 an Umbrella 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 in relation to the application for Shares. Your attention is drawn to the section of the Prospectus entitled “**Risk Factors – Operation of Umbrella Cash Accounts**” above.

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

As part of the ICAV’s responsibility for the prevention of money laundering and terrorist financing, the Administrator will require a detailed verification of the applicant’s identity and the source of the payment. Depending on the circumstances of each application, a detailed verification might not be required where the applicant is a regulated financial institution in a country with equivalent Anti-Money Laundering and

Counter Terrorist Financing rules to those in place in Ireland, or is a company listed on a recognised stock exchange.

**The Administrator and the ICAV each reserve the right to request such information as is necessary to verify the identity of an applicant and the source of the payment. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Administrator may refuse to accept the application and the subscription moneys relating thereto.**

Examples of the types of documents that may be requested by the administrator for the purposes of verifying the identity of the applicant are as follows:

Individual applicants – a certified true copy of photographic ID such as a passport, drivers licence or national identity card, plus one original form of address verification e.g. a utility bill or bank statement (“**Individual Identification Documents**”).

Corporate applicants – a certified true copy of the authorised signatory list, a certified true copy of the certificate of incorporation and memorandum and articles of association, a list of all directors names, residential and business addresses and dates of birth, a list of names and addresses for all shareholders that hold 25% or more of the ICAV’s issued share capital. Individual Identification Documents for two directors or one director and one authorised signatory and all those shareholders holding over 25% of the ICAV’s issued share capital.

The details given above are by way of example only and the Administrator and the ICAV each reserves the right to request such information as is necessary to verify the source of the payment, the source of wealth, the identity of an investor and where applicable the beneficial owner of an investor. Applicants should contact the Administrator for a more detailed list of requirements for anti-money laundering purposes.

The Administrator, the ICAV and its delegates may disclose information regarding investors to such parties (e.g. affiliates, attorneys, auditors, administrators, tax authorities or regulators) as deemed necessary or advisable to facilitate the dealing in the Shares, including, but not limited to, in connection with anti-money laundering/counter terrorist financing and similar laws. The Administrator or other service providers may also release information if directed to do so by the investors in the Shares, if compelled to do so by law or in connection with any government or self-regulatory organisation request or investigation. In connection with the establishment of anti-money laundering/counter terrorist financing procedures, the Directors may implement additional restrictions on the transfer or dealing in Shares. The ICAV may impose additional requirements from time to time to comply with all applicable anti-money laundering/counter terrorist financing laws and regulations.

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. Each applicant for Shares acknowledges that the ICAV and its delegates shall be held harmless against any loss arising as a result of a failure to process or a delay in processing his application for Shares or redemption request if such information and documentation as has been requested by the ICAV or its delegates has not been provided by the applicant. Furthermore, the ICAV

or the Administrator also reserve the right to refuse to make any payment or distribution to a Shareholder where it is considered necessary or appropriate to ensure the compliance by the ICAV, its Directors or the Administrator with any such laws or regulations in any relevant jurisdiction.

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 an Umbrella Cash Account and therefore shall remain an asset of the relevant 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.

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 / Shareholders due redemption / dividend monies which are held in an Umbrella 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/ Shareholder may not recover all monies originally paid into an Umbrella 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.

### **Data Protection**

Prospective investors should note that by completing the Application Form they are providing information to the ICAV which may constitute personal data within the meaning of the GDPR. This data will be used by or on behalf of the ICAV for the purposes set out in its data protection notice (which will be made available in the Application Form). Such data may be disclosed and/or transferred 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 to countries outside the EEA which may not have the same data protection laws as in Ireland) for the purposes specified.

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 and its appointed service providers 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.



## **Ineligible Applicants**

The ICAV requires each prospective applicant for Shares to represent and warrant to the ICAV that, among other things, it is able to acquire and hold Shares without violating applicable laws.

In particular, the Shares may not be offered, issued or transferred to any person in circumstances which, in the opinion of the Directors, might result in the ICAV, the Shareholders as a whole or any Fund incurring any liability to taxation or suffering any other pecuniary disadvantage which the ICAV might not otherwise incur or suffer, or would result in the ICAV, the Shareholders as a whole or any Fund being required to register under any applicable US securities laws.

## **FATCA**

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 US persons with financial assets outside the US are paying the correct amount of US tax. Investors should note that the ICAV intends to take such steps as may be required to satisfy any obligations imposed by FATCA or any provisions imposed under Irish law arising from the coming into force of the inter-governmental agreement between the Government of the United States of America and the Government of Ireland (“**IGA**”) so as to ensure compliance or deemed compliance (as the case may be) with FATCA and/or any provisions imposed under Irish law arising from the IGA. In this regard, investors should note that they may be required to provide the ICAV and/or the Administrator at such times as each of them may request such declarations, certificates, documents, information etc. required for these purposes. 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.

## **Joint Shareholders**

In the case of joint holdings, and unless specifically stated in writing at the time of the application and unless authorisation to the contrary has been received from the other joint Shareholders, all registered joint Shareholders must sign any and all documents or give instructions in connection with that holding.

## **Redemption of Shares**

Shareholders may request redemption of their Shares on and with effect from any Dealing Day. Shares will be redeemed at the Net Asset Value per Share for that Class, (taking into account any Redemption Fee and anti-dilution levy), calculated on or with respect to the relevant Dealing Day in accordance with the procedures described below (save during any period when the calculation of Net Asset Value is suspended).

For all redemptions, Shareholders will be paid the equivalent of the Redemption Price per Share for the relevant Dealing Day. This price could be less than the Net Asset Value per Share calculated for that Dealing Day due to the effect of Duties and Charges and other fees and levies. Potential Shareholders

should note therefore that the payments received for Shares redeemed could be less than their value on the day of redemption.

If the redemption of only part of a Shareholder's shareholding would leave the Shareholder holding less than the Minimum Holding for the relevant Fund, the ICAV or its delegate may, if it thinks fit, redeem the whole of that Shareholder's holding.

Requests for the redemption of Shares in a Fund should be made in writing to the ICAV care of the Administrator. Redemption requests may be submitted by facsimile (subject to a facsimile agreement to be concluded with the Administrator), by post or by any other means or channels (such as e-mail, swift or FTP) as previously agreed between the Administrator and the subscriber. Redemption requests received prior to the relevant Fund's Dealing Deadline for any Dealing Day will be processed as at that Dealing Day. Any redemption requests received after the relevant Fund's Dealing Deadline for a Dealing Day will normally be processed on the next Dealing Day. Redemption requests received after the relevant Fund's Dealing Deadline but prior to the Valuation Point will only be accepted in exceptional circumstances, as determined and agreed by the Directors.

Please note the restrictions on payment of redemption proceeds as described in the section "**Application for Shares**" in relation to receipt of documentation and completion of all AML procedures.

Subject to satisfaction of all of the requirements of the Administrator (including but not limited to receipt of all documentation required by the Administrator for anti-money laundering purposes) the original redemption request will not be required prior to payment of redemption proceeds.

#### *Method of Payment*

Redemption payments will be made to the bank account detailed on the Application Form or as subsequently notified to the Administrator appropriately authorised in writing. Redemption payments will only be made to the account of record of a Shareholder.

#### *Currency of Payment*

Redemption proceeds will normally be paid in the Net Asset Value denomination of the relevant Share Class (or in such other currency as may be agreed with the Administrator from time to time). Redemption proceeds will be sent by bank transfer only to the bank name designated on the Application Form.

#### *Timing of Payment*

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

#### *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.

### *Redemption Limit*

The Directors, at their discretion, may impose a limit on redemption activity of either:

- (a) 10% or more of the total number of Shares of a Fund in issue on that day; or
- (b) 10% or more of the Net Asset Value of the Fund,

each a “Limit”.

Should a Limit be imposed, any redemption activity in excess of a Limit on such Dealing Day shall be reduced pro rata and Shares which are not redeemed by reason of such reduction 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.

The Directors do not intend to impose a Limit save in circumstances where not to do so would be contrary to the best interests of the Shareholders of the relevant Fund.

### *Redemptions in Specie*

The ICAV may, at the discretion of the Directors and with the consent of the relevant 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 value of the Shares redeemed as if the redemption proceeds were paid in cash less any Redemption Fee and other expenses of the transfer as the Directors may determine.

A determination to provide redemption in specie is solely at the discretion of the ICAV where the redeeming Shareholder requests a redemption that represents 5% or more of the Net Asset Value of the relevant Fund.

If the ICAV determines to satisfy a redemption request with an in specie transfer of assets, the Shareholder requesting redemption shall be entitled to request, in lieu of the transfer, 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 or their delegate (subject to the approval of the Depositary as to the allocation of assets) on such basis as the Directors or their delegate 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 applicable Fund.

### *Operation of Redemption Cash Accounts in the name of the ICAV*

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 a cash account in the name of the ICAV (herein defined as an Umbrella 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 by the ICAV 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 an Umbrella 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 entitled “**Risk Factors – Operation of Umbrella Cash Accounts**” above.

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

Shareholders are required to notify the Administrator immediately if they become an Ineligible Applicant (as described above) or persons who are otherwise subject to restrictions on ownership as set out herein in which Shareholders may be required to redeem or transfer their Shares.

The Directors may compulsorily 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 herein or if the holding of Shares in the following circumstances:

- (i) any person in breach of the law or requirements of any country or governmental authority by virtue of which such person is not qualified to hold Shares including without limitation any exchange control regulations;
- (ii) a person who is, or any person who has acquired such Shares on behalf of, or for the benefit of US Person in contravention of applicable laws and regulations;
- (iii) any person, whose holding would cause or be likely to cause the ICAV to be required to register as an “investment company” under the United States Investment Company Act of 1940 or to register any class of its securities under the Securities Act or similar statute;
- (iv) any person or persons in circumstances (whether directly or indirectly affecting such person or persons and whether taken alone or in conjunction with any other person or persons connected or not, or any other circumstances appearing to the Directors to be relevant) which in the opinion of the Directors might result in the ICAV or any Fund or Shareholders of the ICAV or Fund as a whole incurring any liability to taxation or suffering any tax, legal, pecuniary, regulatory liability or material administrative disadvantage which the ICAV, the Fund or the Shareholders or any of them might not otherwise have incurred or suffered;

- (v) any person who does not supply any information or declarations required by the Directors within seven days of a request to do so by the Directors;
- (vi) any person who, otherwise than as a result of depreciation in the value of his holding, holds less than the Minimum Holding for a particular Fund or Class of Participating Shares; or
- (vii) any person who is an Ineligible Applicant.

In all cases of compulsory redemption, the Directors retain the right to determine the Dealing Day for the redemption.

The ICAV may apply the proceeds of such compulsory redemption in the discharge of any taxation or withholding tax arising to the ICAV as a result of the holding or beneficial ownership of Shares by a Shareholder who has become an Ineligible Applicant including any interest or penalties payable thereon.

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

None of the ICAV, the Directors, the Depositary, the Manager, the Investment Manager, the Administrator or their respective delegates, officers and employees shall be liable to the Shareholder where Shares are compulsorily redeemed as outlined above.

### **Total Redemption of Shares**

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

- (a) if the ICAV gives not less than two nor more than twelve weeks' notice expiring on a Dealing Day to Shareholders of its intention to redeem such Shares; or
- (b) if the holders of 75% in value of the relevant Class 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 the liquidation of the ICAV.

### **Conversion of Shares**

Subject to the Initial Subscription, Minimum Holding and Minimum Transaction Size requirements of the relevant Fund or Classes and any other restrictions set down 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 ICAV care of the Administrator by facsimile or written communication (in such format or method as shall be permitted by the Directors and agreed in advance with the Administrator and subject to and in accordance with the requirements of the Administrator) 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 relevant Dealing Deadline for redemptions in the Original Fund and the relevant Dealing Deadline for subscriptions in the New Fund.

Conversion requests received after the relevant Dealing Deadline will only be accepted in exceptional circumstances as determined and agreed by the Directors and having regard to the equitable treatment of Shareholders.

Conversion requests will only be accepted where cleared funds and completed documents are in place from original 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 ICAV 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.

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

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

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 redeemed.

“**RP**” is the Redemption Price per Share of the Original Fund for the relevant Dealing Day.

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

“**F**” is the conversion charge (if any) as outlined in the Supplement for the Original Fund.

“**SP**” is the Subscription Price per Share of the New Fund for the relevant Dealing Day.

## **Withdrawal of Conversion Requests**

Conversion requests may not be withdrawn save with the written consent of the Directors 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 the Valuation Point with respect to each Valuation Day in accordance with the Instrument. The Net Asset Value of a Fund shall be determined as at the Valuation Point for the relevant Valuation Day by valuing the assets of the relevant Fund (including income accrued but not collected) and deducting the liabilities of the relevant Fund (including a provision for duties and charges, accrued expenses and fees, including those to be incurred in the event of a subsequent termination of a Fund or liquidation of the ICAV and all other liabilities). The Net Asset Value attributable to a Class shall be determined as at the Valuation Point for the relevant Valuation Day by calculating that portion of the Net Asset Value of the relevant Fund attributable to the relevant Class as at the Valuation Point subject to adjustment to take account of assets and/or liabilities attributable to the Class. The Net Asset Value of a Fund will be expressed in the Base Currency of the Fund, or in such other currency as the Directors may determine either generally or in relation to a particular Class or in a specific case.

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

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 (f), (g), (h) and (i) will be valued at the last traded price (or if no last traded price is available, at 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. Securities 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 by a competent person, firm or corporation (including the Investment Manager) selected by the Directors and approved for the purpose by the Depositary, 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.
- (c) 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.
- (d) 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.
- (e) 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 where the derivative contract is traded. 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) by any other means provided that the value is approved by the Depositary.
- (f) Subject to Article 11 of EMIR and the related Commission Delegated Regulation No 149/2013, OTC derivative contracts will be valued daily either (i) on the basis of a quotation provided by the relevant counterparty and such valuation shall be approved or verified at least weekly by a party who is selected by the Directors and who is independent of the counterparty and who is approved for such purpose by the Depositary (the "Counterparty Valuation"); or (ii) using an alternative valuation provided by a competent person (including the Investment Manager) appointed by the Directors and approved for the purpose by the Depositary (the "Alternative Valuation"). Where such Alternative Valuation method is used the ICAV will follow international best practice 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.
- (g) Forward foreign exchange and interest rate swap contracts shall be valued in the same manner as OTC FDI contracts as detailed at paragraph (e) above or by reference to freely available market quotations and market practices.
- (h) 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.



- (i) In the case of a Fund which complies with the Central Bank's requirements for short-term money market funds, the Directors may use the amortised cost method of valuation provided that a review of the amortised cost valuation vis-à-vis market valuation will be carried out in accordance with the Central Bank's guidelines.
- (j) In the case of a Fund which is not a short-term money market fund, the Directors may value Money Market Instruments using the amortised cost method of valuation in accordance with the Central Bank's requirements.
- (k) The Directors may, with the approval of the Depositary, adjust the value of any Financial Instrument 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.
- (l) 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 is available to the Administrator and which is normally obtained from Bloomberg or Reuters or such other data provider.
- (m) Where the value of any Financial Instrument 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.
- (n) In the event of it being impossible, impractical or incorrect to carry out a valuation of a specific Financial Instrument in accordance with the valuation rules set out above, or if such valuation is not representative of a Financial Instrument's fair market value and the Directors (or their delegates) deem it necessary to do so, the Directors are entitled to use other generally recognised valuation methods in order to reach a proper valuation of that specific Financial Instrument, provided that any alternative method of valuation is approved by the Depositary and the rationale/methodologies used are clearly documented.

Notwithstanding the valuation rules set out in paragraphs (a) to (l) above, in calculating the value of Financial Instruments of a Fund, the Directors may value the Financial Instruments of a Fund:

- (a) at lowest market dealing bid or exit 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 or entry 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;
- (b) at bid and offer prices, in accordance with the requirements of the Central Bank where a bid and offer value is used to determine the price at which Shares are issued and redeemed; or

(c) at mid prices;

provided in each case that:

- (i) 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
- (ii) there is consistency in the policies adopted by the Directors throughout the various categories of Financial Instruments.

In the absence of negligence, fraud, bad faith 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 Financial Instrument 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.

Notwithstanding that subscription monies, redemption monies and dividend amounts will be held in cash accounts in the name of the ICAV (herein defined as an Umbrella Cash Account) 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 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 subsequent to the Valuation Point in respect of the 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.

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

Except where the determination of the Net Asset Value of a Fund, the Net Asset Value per Share and/or the issue and repurchase prices have been temporarily suspended in the circumstances described below in the section headed “**Suspension of Valuation of Assets**”, the Net Asset Value per Share of each Class of a Fund and the issue and repurchase prices of the Shares on each Subscription Day and Redemption Day will be available from either the Investment Manager or the Administrator during normal business hours and is published on <https://multiconcept.credit-suisse.com/> and/or such other publication as the Directors may decide, circulating in the jurisdictions in which Shares are marketed and which are notified to Shareholders. The Net Asset Value per Share published on <https://multiconcept.credit-suisse.com/> will be up to date.

## **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:

- (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 Financial Instruments 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 Financial Instruments 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 Financial Instruments 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 Financial Instruments; or
- (d) during the whole or any part of any period when for any reason the value of any of the Fund's Financial Instruments 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 or Class; or
- (g) during any period when, as a result of political, economic, military or monetary events or any circumstances outside of the control, responsibility and power of the ICAV, disposal or valuation of a substantial portion of the Investments of the relevant Fund is not reasonably practicable without being seriously detrimental to the interests of the Shareholders of the relevant Fund or if, in the opinion of the Directors, the Net Asset Value of the Fund cannot be fairly calculated; or
- (h) if any other reason makes it impossible or impracticable to determine the value of a substantial portion of the Financial Instruments or the ICAV or any Fund.

Any suspension of valuation shall be notified immediately to the Central Bank and in any event within the working day on which such suspension took effect and shall be communicated to Shareholders. Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

## **Distributions**

The ICAV can issue both accumulating and distributing Shares. Please see the relevant Supplement to determine the shares available for each Fund.

The distribution policy of each Share Class and Fund is described in the relevant Supplement. Any distributions will only be paid to the Shareholder's bank account on record.

Where outlined in the relevant Supplement, dividends may be paid out of the net investment income and/or net realised and unrealised capital gains (i.e. realised and unrealised gains net of realised and unrealised losses) of the Fund.

Pending payment to the relevant Shareholder, distribution payments will be held in an account in the name of the ICAV 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 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.

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. Shareholders due dividend monies which are held in an Umbrella 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 Shareholder may not recover all monies originally paid into an Umbrella Cash Account for onward transmission to that Shareholder.

Your attention is drawn to the section of the Prospectus entitled "Risk Factors – *Operation of Umbrella Cash Accounts*" above.

### *Unclaimed Dividends*

Any dividend unclaimed after 6 years from the date it first becomes payable shall be forfeited automatically and will revert to the Fund without the necessity for any declaration or other action by the Directors, the Fund, or the Investment Manager.

## 5. TAXATION

### General

***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 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.***

***Furthermore, the information provided below on CRS and FATCA is generic and does not deal with any specific nuances that may arise in terms of foreign funds migrating to Ireland.***

Dividends, interest and capital gains (if any) which the ICAV or any of the Funds receives 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.

### Definitions

For the purposes of this section, the following definitions shall apply.

#### **“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)(i) 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 Asset Management Agency;
- 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;
- 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.

**“Ireland”** means the Republic of Ireland

**“Irish Resident”**

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

An individual will be regarded as being resident in Ireland for a tax year if he/she is present in Ireland: (1) for a period of at least 183 days in that tax year; or (2) for a period of at least 280 days in any two consecutive tax years, provided that the individual is present in Ireland for at least 31 days in each period. In determining days present in Ireland, an individual is deemed to be present if he/she is in Ireland at any time during the day. This test takes 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 prospective investors are referred to the specific legislative provisions that are contained in Section 23A of the Taxes Act.

**“Intermediary”** means a person who:-

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

**“Ordinarily Resident in Ireland”**

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

An individual will be regarded as ordinarily resident for a particular tax year if he/she has been Irish Resident for the three previous consecutive tax years (i.e. he/she becomes ordinarily resident with effect from the commencement of the fourth tax year). An individual will remain ordinarily resident in Ireland until he/she has been non-Irish Resident for three consecutive tax years. Thus, an individual who is resident and ordinarily resident in Ireland in the tax year 1 January 2017 to 31 December 2017 and departs from Ireland in that tax year will remain ordinarily resident up to the end of the tax year 1 January 2020 to 31 December 2020.

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

**“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.

**“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.

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

### **The ICAV**

The ICAV will be regarded as resident in Ireland for tax purposes provided that the ICAV is incorporated in Ireland and is not, by virtue of a double taxation treaty between Ireland and another country, regarded as resident elsewhere in a country other than Ireland. 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:

- An exchange by a Shareholder, effected by way of an arms-length bargain where no payment is made to the Shareholder, of Shares in the ICAV for other Shares in the ICAV;
- 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;
- A transfer by a Shareholder of the entitlement to Shares where the transfer is between spouses and former spouses, subject to certain conditions; or
- An exchange of Shares arising on a qualifying amalgamation or reconstruction (within the meaning of Section 739H of the 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 or a "qualifying company" within the meaning of Section 110 of the Taxes Act) which is registered in Ireland.

### **Special Declaration Procedure on Migration into Ireland**

It should be noted that a special declaration procedure applies on the migration of certain Cayman funds (such as the current fund which is now the ICAV) to Ireland which when complied with provides that no gain will be treated as arising to the ICAV on the happening of a chargeable event in respect of Shareholders who at the date of Migration were not resident in Ireland to the best of the ICAV's knowledge and belief. It is intended that the requirements of this special declaration procedure will be complied with in respect of the ICAV. Shareholders who are Irish Resident or Ordinarily Resident in Ireland at the date of migration or Shareholders who subsequently become Irish Resident after the Migration should consult their own professional advisers as to the possible tax consequences.

### **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 a 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 the Irish Revenue Commissioners (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 the Irish Revenue Commissioners 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 the Irish Revenue Commissioners 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 Irish 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 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 Residents (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 disponer will not be deemed to be resident or ordinarily resident in Ireland at the relevant date unless;

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

## **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 21 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 2016.

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 30 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, FFIs 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 Standards**

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 (“**CRS**”). The

subsequent introduction of the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information and the EU Council Directive 2014/107/EU (amending Council Directive 2011/16/EU) provides the international framework for the implementation of the CRS by participating jurisdictions. In this regard, the CRS was implemented into Irish law by the inclusion of relevant provisions in Finance Act 2014 and 2015 and the issuance of Regulation S.I. No. 583 of 2015.

The main objective of the CRS is to provide for the annual automatic exchange of certain financial account information between the relevant tax authorities of participating jurisdictions.

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

Broadly speaking, the 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 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 the CRS.

For further information on the CRS requirements of the ICAV, please refer to the “Customer Information Notice” set out below.

#### *Customer Information Notice*

The ICAV intends to take such steps as may be required to satisfy any obligations imposed by (i) the Standard and, specifically, the CRS therein or (ii) any provisions imposed under Irish law arising from the Standard or any international law implementing the Standard (to include the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information or the EU Council Directive 2014/107/EU (amending Council Directive 2011/16/EU)) so as to ensure compliance or deemed compliance (as the case may be) with the Standard and the CRS therein from 1 January 2016.

The ICAV is obliged under Section 891F and Section 891G of the Taxes Consolidation Act 1997 (as amended) and regulations made pursuant to that section to collect certain information about each Shareholder’s tax arrangements (and, in particular situations, also collect information in relation to relevant Controlling Persons of such 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 such 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, the following information will be reported by the ICAV to the Irish Revenue Commissioners in respect of each Reportable Account maintained by the ICAV;

- The name, address, jurisdiction of residence, tax identification number and date and place of birth (in the case of an individual) of each Reportable Person that is an Account Holder of the account and, in the case of any Entity that is an Account Holder and that, after application of the due diligence procedures consistent with CRS is identified as having one or more Controlling Persons that is a Reportable Person, the name, address, jurisdiction of residence and tax identification number of the Entity and the name, address, jurisdiction of residence, TIN and date and place of birth of each such Reportable Person.
- The account number (or functional equivalent in the absence of an account number).
- The account balance or value as of the end of the relevant calendar year or other appropriate reporting period or, if the account was closed during such year or period, the date of closure of the account.
- The total gross amount paid or credited to the Account Holder with respect to the account during the calendar year or other appropriate reporting period with respect to which the Reporting Financial Institution is the obligor or debtor, including the aggregate amount of any redemption payments made to the Account Holder during the calendar year or other appropriate reporting period.
- The currency in which each amount is denominated.

Please note that in certain limited circumstances it may not be necessary to report the tax identification number and date of birth of a Reportable Person.

In addition to the above, the Irish Revenue Commissioners and Irish Data Protection Commissioner have confirmed that Ireland has adopted the “wider approach” for CRS. This allows the ICAV to collect data relating to the country of residence and the tax identification number from all non-Irish resident Shareholders (and, in particular situations, also collect information in relation to relevant Controlling Persons of such Shareholders). The ICAV can send this data to the Irish Revenue Commissioners who will determine whether the country of origin is a Participating Jurisdiction for CRS purposes and, if so, exchange data with them. Revenue will delete any data for non-Participating Jurisdictions.

The Irish Revenue Commissioners and the Irish Data Protection Commissioner have confirmed that this wider approach can be undertaken for a set 2-3 year period pending the resolution of the final CRS list of participating jurisdictions.

Shareholders and prospective investors can obtain more information on the ICAV’s tax reporting obligations on the website of the Irish 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 in this paragraph, shall have the same meaning as they have in the Standard and EU Council Directive 2014/107/EU (as applicable).



## 6. GENERAL INFORMATION

### 1. Registration, Registered Office and Share Capital

- (a) The ICAV (formerly AlphaCore Capital) was formed as an exempted company, incorporated in the Cayman Islands and registered there on 19 March, 2008. It re-domiciled to Ireland on 29 December, 2017. The ICAV is an open-ended umbrella type Irish collective asset-management vehicle with limited liability and segregated liability between Funds, registered and authorised by the Central Bank to carry on business as an ICAV pursuant to Part 2 of the Act. The ICAV has been authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations.
- (b) The registered office of the ICAV is as stated in the Directory at the front of the Prospectus.
- (c) 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.
- (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. The authorised share capital of the ICAV is 1,000 redeemable Management Shares of no par value and 49,000,000 Shares of no par value.
- (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 Central Bank 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.
- (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 Central Bank 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.
- (h) No share capital of the ICAV has been put under option nor has any share capital been agreed (conditionally or unconditionally) to be put under option.

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

- (a) The rights attaching to the Shares issued in any Class or Fund may, whether or not the ICAV is being wound up, be varied or abrogated with the consent in writing of the holders of three-fourths of the issued Shares of that Class or Fund, or with the sanction of a special 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.

## **3. 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) The chairman of a general meeting of the ICAV or at least two Members present in person or by proxy or any Member or Members present in person or by proxy representing at least one tenth of the shares in issue having the right to vote at such meeting may demand a poll.
- (d) On a poll every Shareholder present in person or by proxy shall be entitled to one vote in respect of each Share held by him and a 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 (with or without prepaid postage for their return) 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 persons.
- (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.

#### **4. Meetings**

- (a) The Directors may convene extraordinary general meetings of the ICAV at any time.
- (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 fourteen clear days' notice of every annual general meeting and any extraordinary meeting and any convened for the passing of a special resolution must be given to the Members.
- (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.
- (f) The foregoing provisions with respect to the convening and conduct of meetings shall save to the extent expressly provided in the Instrument with respect to meetings of a Fund or Class, apply mutatis mutandis to separate meetings of each Fund or Class of Members.

## **5. Reports and Accounts**

The ICAV will prepare an annual report and audited accounts as of 31 December in each year and a half-yearly report and unaudited accounts as of 30 June in each year with the first annual report to be made up to 31 December, 2018. The first semi-annual report will be made up to 30 June, 2018.

The audited annual report and accounts will be prepared in accordance with IFRS and will be published within four months of the ICAV's financial year end and its semi-annual report will be published within two 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 upon request and may also be obtained at the office of the Administrator. The Instrument may also be obtained free of charge from the office of the Administrator.

## 6. 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:

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

## 7. Transfer of Shares

- (a) Transfer 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, before the end of the period of two months commencing with the date of receipt of the Instrument of Transfer, decline to register the transfer in the following circumstances:
- (i) if in consequence of such transfer, the transferor or the transferee would hold a number of Shares less than the Minimum Holding;
  - (ii) if all applicable taxes and/or stamp duties have not been paid in respect of the Instrument of Transfer and unless the Instrument of Transfer is deposited at the registered office or such other place as the Directors may reasonably require, accompanied by 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;
  - (iii) where the Directors are aware or reasonably believe the transfer, either as an immediate consequence or in the future, would result in the beneficial ownership of Shares by a Prohibited Person or in any other 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, a Fund, a Class of Shares or Shareholders as a whole;

- (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.
- (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.
  - (d) Any transfer of Shares may be rejected by the Administrator and the transfer shall not become effective until the transferee has provided the required information under the applicable know your customer and anti-money laundering rules.

## **8. 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.
- (c) The Instrument contains no provisions requiring Directors to retire on attaining a particular age.
- (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:-
- (i) if he resigns his office by notice in writing signed by him and left at the registered office of the ICAV;
  - (ii) if he becomes bankrupt or makes any arrangement or composition with his creditors generally;
  - (iii) if he becomes of unsound mind;
  - (iv) 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;

- (v) 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;
  - (vi) if he is requested by a majority of the other Directors (not being less than two in number) to vacate office; or
  - (vii) if he is removed from office by ordinary resolution of the ICAV;
  - (viii) if he ceases to be approved to act as a director by the Central Bank.
- (j) 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.

## **9. Winding Up of ICAV**

- (a) The ICAV may be wound up:
- (i) if at any time after the first anniversary of the registration of the ICAV, the Net Asset Value of the ICAV falls below such amount as may be determined by the Directors and the Members resolve to wind up the ICAV by Ordinary Resolution; or
  - (ii) if within a period of three months or such other period as agreed under the terms of the Depositary Agreement 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 depositary, no new Depositary has been appointed. In such cases, the Directors shall instruct the secretary of the ICAV to 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
  - (iii) when it becomes illegal or in the opinion of the Directors of the ICAV impracticable or inadvisable to continue operating the ICAV.
- (b) 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.
- (c) In the event of a winding up the liquidator shall firstly apply the assets of the ICAV in satisfaction of creditors' claims in such manner and order as he thinks fit. 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.

- (d) The assets available for distribution among the Members shall be applied in the following priority:
- (i) Firstly, in the payment to the holders of the Shares of each Class or Fund of a sum in the Base Currency (or in any other currency selected by the liquidator) as nearly as possible equal (at a rate of exchange determined by the liquidator) to the Net Asset Value of the Shares of such Class 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 the Management Shares of sums up to the consideration paid therefor out of the assets of the ICAV not comprised within any Funds 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 in 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 of the relevant Class or Fund held.
  - (iv) Fourthly, any balance then remaining and not attributable to any Fund or Class of Shares shall be apportioned between the Funds and Classes of Shares pro-rata to the Net Asset Value of each Fund or Class of Shares immediately prior to any distribution to Shareholders and the amounts so apportioned shall be paid to Shareholders pro-rata to the number of Shares in that Fund or Class held by them.
- (e) The liquidator may with the authority of an Ordinary Resolution of the 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.
- (f) Notwithstanding any other provision contained in the Instrument, 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 provisions of the Instrument.

## **10. Termination of a Fund**

The ICAV may terminate a Fund:

- (a) if, at any time after the first anniversary of the establishment of such Fund, the Net Asset Value of the Fund falls below such amount as may be determined by the Directors and the Shareholders of that Fund resolve by ordinary resolution to terminate the Fund;
- (b) by giving not less than two nor more than twelve weeks' notice to the Shareholders of such Fund or Class, expiring on a Dealing Day, and redeeming, at the Redemption Price on such Dealing Day, all of the Shares of the Fund or Class not previously redeemed;
- (c) and redeem, at the redemption price on such Dealing Day, all of the Shares in such Fund or Class not previously redeemed if the Shareholders of 75% in value of the Shares in issue of the Fund or Class resolve at a meeting of the Shareholders of the Fund or Class, duly convened and held, that such Shares should be redeemed.

If a particular Fund or Class is to be terminated and all of the Shares in such Fund or Class are to be redeemed as aforesaid, the Directors, with the sanction of an Ordinary Resolution of the relevant Fund or Class, may divide amongst the Shareholders in specie all or part of the assets of the relevant Fund or Class according to the Net Asset Value of the Shares then held by each Shareholder in the relevant Fund or Class provided that any Shareholder shall be entitled to request, at the expense of such Shareholder, 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.

## **11. 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.

## **12. General**

- (a) As at the date of this Prospectus, the ICAV has no loan capital (including term loans) outstanding or created but unissued nor any mortgages, charges, debentures or other borrowings or indebtedness in the nature of borrowings, including bank overdrafts, liabilities under acceptances (other than normal trade bills), acceptance credits, finance leases, hire purchase commitments, guarantees, other commitments or contingent liabilities.

- (b) No share or loan capital of the ICAV is subject to an option or is agreed, conditionally or unconditionally, to be made the subject of an option.
- (c) The ICAV does not have, nor has it had since registration, any employees.
- (d) The ICAV does not intend to purchase or acquire nor agree to purchase or acquire any property.
- (e) The rights conferred on Shareholders by virtue of their shareholdings are governed by the Instrument, the general law of Ireland and the Act.
- (f) The ICAV is not engaged in any litigation or arbitration and no litigation or claim is known by the Directors to be pending or threatened against the ICAV.
- (g) The ICAV has no subsidiaries.
- (h) Dividends which remain unclaimed for six years from the date on which they become payable will be forfeited. On forfeiture such dividends will become part of the assets of the Fund to which they relate. No dividend or other amount payable to any Shareholder shall bear interest against the ICAV.
- (i) No person has any preferential right to subscribe for any authorised but unissued capital of the ICAV.

### **13. Material Contracts**

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

- (a) **Management Agreement** between the ICAV and the Manager dated 29 December, 2017 under which the Manager was appointed manager of the ICAV subject to the overall supervision of the Directors. The Management Agreement may be terminated by either party on three months' written notice or forthwith by notice in writing in certain circumstances such as the insolvency of either party or unremedied material breach after notice. The Manager has the power to delegate its duties with the prior approval of the Central Bank. The Management Agreement provides that the ICAV shall indemnify the Manager and its employees and board of directors of all costs, expenses or liabilities as well as of proceedings, demands and claims from third parties brought against or suffered or incurred by the Manager in the performance of its duties other than due to the negligence, wilful misconduct, fraud or wilful default of the Manager in the performance of its obligations.
- (b) **Investment Management Agreement** between the Manager and the Investment Manager dated 29 December, 2017 under which the Investment Manager was appointed as investment manager of the ICAV's assets subject to the overall supervision of the Manager. The Investment Management Agreement may be terminated by either party on three months' written notice (or such shorter period as may be agreed in writing between the Parties) or immediately by the Manager by notice in writing in certain circumstances such as the insolvency of the Investment

Manager. The Investment Manager has the power to delegate its duties in accordance with the Central Bank's requirements. The Investment Management Agreement provides that the Investment Manager will indemnify the ICAV, the Manager and any member from time to time of the Credit Suisse Group AG for all the losses, actions, claims, proceedings, liabilities, costs, charges and expenses arising out of or due to the circumstances as outlined in the Investment Management Agreement.

- (c) **Administration Agreement** between the Manager and the Administrator dated 29 December, 2017 under which the Administrator was appointed as administrator of the ICAV's assets subject to the overall supervision of the Manager. The Administration Agreement may be terminated by either party on three months' written notice or forthwith by notice in writing in certain circumstances such as the winding up of the Fund, the Manager or the Administrator. The Administrator has the power to delegate the execution of specific tasks entrusted to it in accordance with the Central Bank's requirements. The Administration Agreement provides that the Manager will indemnify the Administrator as well as any of its employees for all the losses, actions, claims, proceedings, liabilities, costs, charges and expenses arising out of or due to the circumstances as outlined in the Administration Agreement except in the case of negligence, wilful default or fraud on the part of the Administrator.
- (d) **Depositary Agreement** between the ICAV, the Manager and the Depositary dated 29 December, 2017 pursuant to which the Depositary was appointed as Depositary of the ICAV's assets subject to the overall supervision of the ICAV. The Depositary Agreement may be terminated by either party on 90 days prior written notice or forthwith by notice in writing in certain circumstances such as a petition is presented to wind-up one of the parties or one of the parties goes into liquidation (except a voluntary liquidation for the purpose of a reconstruction, amalgamation or merger on terms previously approved in writing by the parties), provided that the Depositary shall continue to act as Depositary until a successor Depositary approved by the Central Bank is appointed by the ICAV or the ICAV's authorisation by the Central Bank is revoked. The Depositary has the power to delegate its duties but its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping.

The Depositary Agreement provides that the Depositary shall be indemnified by the ICAV and hold the Depositary harmless from and against all liabilities, costs, losses, claims, demands and expenses (including legal and professional expenses properly vouched for by the Depositary) which may be brought against, suffered or incurred by the Depositary and arising directly under the Depositary Agreement or any other agreements the Depositary enters into or executes because of its role as depositary of the ICAV and all claims, losses or commitments resulting from a breach by the ICAV of the representations and warranties made in the Depositary Agreement, unless and to the extent such liabilities, expenses, costs, claims, losses, commitments or demands are arising out of the loss of a financial instrument as referred to in the Depositary Agreement not caused by the ICAV and/or its delegates or out of negligence, intentional failure or fraud by the Depositary to properly fulfil its obligations under the Depositary Agreement with regard to other losses. The ICAV and the Manager shall indemnify and hold the Depositary harmless from and against all liabilities, costs, losses, claims, commitments, demands and expenses (including legal and professional expenses properly vouched for by

the Depositary) which may be brought against, suffered or incurred by the Depositary and arising from the performance by the Depositary of its duties and obligations under this Agreement, including the liability resulting of a loss of financial instruments, to the extent such liabilities, expenses, costs, claims, losses, commitments or demands are arising out of and/or are caused by the negligent or fraudulent behaviour of the ICAV or the Manager or any of the Manager's or the ICAV's delegate(s).

- (e) **Distribution Agreement** between the Manager and the Distributor dated 29 December, 2017 under which the Distributor was appointed as distributor of the Shares subject to the overall supervision of the Manager. The Distribution Agreement may be terminated by either party on three months' written notice (unless a different period is agreed to in writing by the parties) or forthwith by notice in writing in certain circumstances such as the insolvency of the Distributor. The Distributor has the power to delegate its duties in accordance with the Central Bank's requirements. The Distribution Agreement provides that each party will indemnify the other party against all losses, liabilities, claims, costs and expenses which may be brought against or incurred by the non-defaulting party as a consequence of the defaulting party's fraud, negligence or failure to fulfil its obligations under the Distribution Agreement.

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

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

- (a) The Instrument (copies may be obtained free of charge from the Administrator).
- (b) The Act and the UCITS Regulations.
- (c) Once published, the latest annual and half yearly reports of the ICAV (copies of which may be obtained from either the Investment Manager or the Administrator free of charge).
- (d) A list of the directorships and partnerships which the Directors of the ICAV have held in the last 5 years together with an indication as to whether they are still directors or partners.

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

## APPENDIX I

### Permitted Investments and Investment Restrictions

#### 1. Permitted Investments

Investments of a UCITS are confined to:

- 1.1 Transferable securities and money market instruments, as prescribed in the Central Bank UCITS Regulations, 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.
- 1.2 Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.
- 1.3 Money market instruments, as defined in the Central Bank UCITS Regulations, other than those dealt on a Regulated Market.
- 1.4 Units of UCITS.
- 1.5 Units of AIFs.
- 1.6 Deposits with credit institutions.
- 1.7 Financial derivative instruments.

#### 2. Investment Restrictions

- 2.1 A UCITS may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraphs 1.1 – 1.7.
- 2.2 Subject to this paragraph 2, a UCITS shall not invest any more than 10% of net assets in securities of the type to which Regulation 68(1)(d) of the UCITS Regulations apply. This restriction will not apply in relation to investment by the UCITS in certain US securities known as Rule 144A securities provided that:
  - the securities are issued with an undertaking to register with the US Securities and Exchange Commission within one year of issue; and
  - the securities are not illiquid securities i.e. they may be realised by the UCITS within seven days at the price, or approximately at the price, at which they are valued by the UCITS.
- 2.3 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%.

**2.4** Subject to the prior approval of the Central Bank, the limit of 10% (in paragraph 2.3) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a UCITS invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of the UCITS.

**2.5** The limit of 10% (in paragraph 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 paragraphs 2.4. and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in paragraph 2.3.

**2.7** Cash booked in accounts and held as ancillary liquidity shall not exceed:

- (a) 10% of the net assets of the UCITS; or
- (b) where the cash is booked in an account with the Depositary, 20% of 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 credit institutions authorised in the EEA or credit institutions 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 paragraphs 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 paragraphs 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 Singapore, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Government of Brazil (provided the issues are of investment grade), Government of India (provided the issues are of investment grade), Government of the People's Republic of China, 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, USTennessee Valley Authority, Straight-A Funding LLC,

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

### **3. Investment in investment funds**

- 3.1** A UCITS may not invest more than 20% of net assets in any one investment fund.
- 3.2** Investment in AIFs may not, in aggregate, exceed 30% of net assets.
- 3.3** The investment fund is prohibited from investing more than 10 per cent of net assets in other open-ended investment funds.
- 3.4** When a UCITS invests in the units of other investment funds 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 investment fund.
- 3.5** Where a commission (including a rebated commission) is received by the UCITS manager/investment advisor by virtue of an investment in the units of another investment fund, this commission must be paid into the property of the UCITS.

### **4. Index Tracking UCITS**

- 4.1** 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 Central Bank UCITS Regulations and is recognised by the Central Bank.

- 4.2** The limit in paragraph 4.1 may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.

## **5. General Provisions**

- 5.1** An investment company, or management company acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

- 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** Paragraphs 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 paragraph 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; and
  - (v) shares held by an investment company or investment companies in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at unit-holders' request exclusively on their behalf.

- 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 paragraphs 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 unitholders.
- 5.7** Neither an investment company, ICAV, nor a management company or a trustee acting on behalf of a unit trust or a management company of a common contractual fund, may carry out uncovered sales of:
- transferable securities;
  - money market instruments;
  - units of CIS; or
  - financial derivative instruments.
- 5.8** A UCITS may hold ancillary liquid assets.

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

- 6.1** A UCITS's global exposure relating to FDI must not exceed its total net asset value.
- 6.2** Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank UCITS Regulations. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the Central Bank UCITS Regulations.)
- 6.3** A 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.
- 6.4** Investment in FDIs are subject to the conditions and limits laid down by the Central Bank.

## 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 as defined in the Central Bank UCITS Regulations. With the exception of permitted investments in unlisted securities and OTC derivative instruments investment in securities and derivative instruments will be restricted to the stock exchanges and markets listed below. The Central Bank does not issue a list of approved stock exchanges or markets.

(i) any exchange or market or affiliate thereof which is:

located in any Member State of the European Economic Area excluding Liechtenstein (European Union, Norway and Iceland); or

located in any of the member countries of the OECD including their territories covered by the OECD Convention:

(ii) any of the following exchanges or markets or affiliates thereof:

Abu Dhabi	-	Abu Dhabi Securities Exchange
Argentina	-	Bolsa de Comercio de Buenos Aires
Argentina	-	Bolsa de Comercio de Cordoba
Argentina	-	Bolsa de Comercio de La Plata
Argentina	-	Bolsa de Comercio de Mendoza
Argentina	-	Bolsa de Comercio de Rosario
Bahrain	-	Bahrain Stock Exchange
Bangladesh	-	Dhaka Stock Exchange
Bangladesh	-	Chittagong Stock Exchange
Bermuda	-	Bermuda Stock Exchange
Bosnia and Herzegovina	-	Banja Luka Stock Exchange
Bosnia and Herzegovina	-	Sarajevo Stock Exchange
Botswana	-	Botswana Stock Exchange
Brazil	-	Bahia-Sergipe-Alagoas Stock Exchange
Brazil	-	BM&F Bovespa
Brazil	-	Brasilia Stock Exchange
Brazil	-	Extremo Sul Porto Alegre Stock Exchange
Brazil	-	Minas Esperito Santo Stock Exchange
Brazil	-	Parana Curitiba Stock Exchange
Brazil	-	Pernambuco e Bahia Recife Stock Exchange
Brazil	-	Regional Fortaleza Stock Exchange
Brazil	-	Bolsa de Valores do Rio de Janeiro
Brazil	-	Santos Stock Exchange
China (PRep.of)	-	Fujian Securities Exchange

China (PRep. of)	-	Hainan Securities Exchange
China (PRep. of)	-	Shanghai Securities Exchange
China (PRep. of)	-	Shenzhen Stock Exchange
Colombia	-	Bolsa de Valores de Colombia
Costa Rica	-	Bolsa Nacional de Valores de Costa Rica
Dubai	-	Dubai Financial Market
Ecuador	-	Bolsa de Valores de Quito
Ecuador	-	Bolsa de Valores de Guayaquil
Egypt	-	Egyptian Exchange
Georgia	-	Georgian Stock Exchange
Ghana	-	Ghana Stock Exchange
Hong Kong	-	Hong Kong Stock Exchange
Hong Kong	-	Growth Enterprise Market
India	-	Ahmedabad Stock Exchange
India	-	Bangalore Stock Exchange
India	-	Bombay Stock Exchange
India	-	Calcutta Stock Exchange
India	-	Cochin Stock Exchange
India	-	Delhi Stock Exchange
India	-	Gauhati Stock Exchange
India	-	Hyderabad Stock Exchange
India	-	Ludhiana Stock Exchange
India	-	Madras Stock Exchange
India	-	Magadh Stock Exchange
India	-	Mumbai Stock Exchange
India	-	National Stock Exchange of India
India	-	Pune Stock Exchange
India	-	Uttar Pradesh Stock Exchange
Indonesia	-	Indonesia Stock Exchange
Indonesia	-	Surabaya Stock Exchange
Ivory Coast	-	Bourse Régionale des Valeurs Mobilières (BRVM)
Jordan	-	Amman Financial Market
Kazakhstan	-	Central Asian Stock Exchange
Kazakhstan	-	Kazakhstan Stock Exchange
Kenya	-	Nairobi Stock Exchange
Kuwait	-	Kuwait Stock Exchange
Lebanon	-	Beirut Stock Exchange
Malaysia	-	Bursa Malaysia Berhad
Mauritius	-	Stock Exchange of Mauritius
Morocco	-	Societe de la Bourse des Valeurs de Casablanca
Namibia	-	Namibian Stock Exchange
Nigeria	-	FMDQ
Nigeria	-	Nigerian Stock Exchange
Oman	-	Muscat Securities Market
Pakistan	-	Islamabad Stock Exchange
Pakistan	-	Karachi Stock Exchange

Pakistan	-	Lahore Stock Exchange
Peru	-	Bolsa de Valores de Lima
Philippines	-	Philippine Stock Exchange
Qatar	-	Qatar Exchange
Russia	-	Moscow Exchange
Saudi Arabia	-	Saudi Stock Exchange (Tadawul)
Serbia	-	Belgrade Stock Exchange
Singapore	-	Singapore Exchange
South Africa	-	Johannesburg Stock Exchange
Sri Lanka	-	Colombo Stock Exchange
Swaziland	-	Mbaene Stock Exchange
Taiwan (RC)	-	Gre Tei Securities Market
Taiwan (RC)	-	Taiwan Stock Exchange Corporation
Tanzania	-	Dar-es-Salaam Stock Exchange
Thailand	-	Stock Exchange of Thailand
Tunisia	-	Bourse des Valeurs Mobilieres de Tunis
Uganda	-	Uganda Securities Exchange
Uganda	-	ALTX
Ukraine	-	Ukrainian Exchange
United Arab Emirates	-	Abu Dhabi Securities Market
United Arab Emirates	-	Dubai Financial Market
United Arab Emirates	-	NASDAQ Dubai
Uruguay	-	Bolsa de Valores de Montevideo
Venezuela	-	Caracas Stock Exchange
Venezuela	-	Maracaibo Stock Exchange
Venezuela	-	Venezuela Electronic Stock Exchange
Vietnam	-	Hanoi Stock Exchange
Vietnam	-	Ho Chi Minh City Securities Trading Center
Zambia	-	Lusaka Stock Exchange
Zimbabwe	-	Harare Stock Exchange

(iii) any of the following markets or affiliates thereof:

the market organised by the International Capital Market Association;

the market conducted by the “**listed money market institutions**”, as described in the Bank of England publication “**The Regulations of the Wholesale Cash and OTC Derivatives Markets in GBP, Foreign Exchange and Bullion**” dated April 1988, as amended from time to time;

The UK market (i) conducted by banks and other institutions regulated by the FCA and subject to the Inter-Professional Conduct provisions of the FCA's Market Conduct Sourcebook and (ii) in non-investment products which are subject to the guidance contained in the "Non-Investment Products Code" drawn up by the participants in the London market, including the FCA and the Bank of England (formerly known as “**The Grey Paper**”).

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

The OTC market in Japan regulated by the Securities Dealers Association of Japan.

NASDAQ in the United States;

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

The OTC market in the United States regulated by the National Association of Securities Dealers Inc. (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 Dealers Association of Canada.

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

(iv) the following derivatives exchanges:

All exchanges or markets of affiliates thereof which are listed under (i), (ii) and (iii) on which derivatives trade.

Any derivatives exchanges or derivative market or affiliate thereof which is:

located in any Member State of the European Economic Area excluding Liechtenstein (European Union, Norway and Iceland); or

located in any of the member countries of the OECD including their territories covered by the OECD Convention;

- and the following exchanges
- the Shanghai Futures Exchange;
- the Taiwan Futures Exchange;
- Jakarta Futures Exchange;
- the Bolsa de Mercadorias & Futuros, Brazil;
- the South African Futures Exchange;
- the Thailand Futures Exchange;
- the Malaysia Derivatives Exchange;
- Hong Kong Futures Exchange

- OTC Exchange of India
- Singapore Exchange;
- Singapore Commodity Exchange.
- SGXDT

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**  
**List of Sub-Custodians**

An up-to-date list of these sub-custodians can be found on <https://www.credit-suisse.com/media/pb/docs/lu/privatebanking/services/list-of-credit-suisse-lux-sub-custodians.pdf> and will be made available to Shareholders upon request

<b>Country</b>	<b>Sub-Custodian</b>	<b>Custody Delegate of Sub-Custodian</b>
Australia	HSBC Securities Services	
Austria	UniCredit Bank Austria AG	
Belgium	SIX SIS AG (Bonds Only)	
Belgium	BNP Paribas Securities Services (Equities only)	
Brazil	Citibank N.A.	
Canada	Royal Bank of Canada GSS Client Service	
Chile	Banco de Chile	
China (Shanghai)	For Shanghai-B-shares only Hongkong & Shanghai Banking Corp.	
China (Shenzhen)	For Shenzhen-B-shares Hongkong & Shanghai Banking Corp. Ltd.	
Colombia	Cititrust Colombia S.A.	
Croatia	Zagrebacka Banka DD	
Czech Republic	Citibank Europe plc	
Denmark	Nordea Bank Danmark A/S	
Egypt	HSBC Bank Egypt SAE	
Estonia	UniCredit Bank Austria AG	AB SEB Bank
Euro Market	Euroclear	
Finland	Nordea Bank Finland Plc	
France	CACEIS Bank	
Germany	SIX SIS AG	
Greece	Citibank Europe PLC	
Hong Kong	Hongkong & Shanghai Bkg Corp. Custody & Clearing	
Hungary	Citibank Europe plc	
India	Hongkong & Shanghai Bkg Corp. Custody & Clearing	
Indonesia	Deutsche Bank AG Jakarta Branch	



Ireland	SIX SIS AG	BNP PARIBAS SECURITIES SERVICES
Israel	Bank Leumi Le-Israel BM	
Italy	BNP Paribas Securities Services Milano	
Japan	Bank of Tokyo-Mitsubishi UFJ, Ltd.	
Jordan	Standard Chartered Bank Securities Services	
Kuwait	HSBC Bank Middle East Ltd	
Malaysia	Hongkong Bank Malaysia Berhad (HBMB)	
Mexico	Banco Santander (Mexico) S.A.	
Morocco	Société Générale Marocaine de Banques	
Netherlands	SIX SIS AG	
New Zealand	HSBC Securities Services	
Norway	Nordea Bank Norge ASA	
Oman	HSBC Bank Oman S.A.O.G	
Pakistan	Deutsche Bank AG	
Philippines	HSBC Securities Services, Philippines	
Poland	Bank Handlowy w Warszawie SA	
Portugal	BNP Paribas Securities Services	
Qatar	HSBC Bank Middle East Limited	
Romania	Citibank Europe plc. Dublin – Romania Branch	
Russia	Societe Generale / Rosbank	
Singapore	Standard Chartered Bank Securities Services	
Slovakia	Euroclear	
Slovenia	UniCredit Bank Austria AG	UniCredit Banka Slovenija d.d.
South Africa	Societe Generale Johannesburg	
South Korea	Standard Chartered Bank Korea Limited	
Spain	BNP Paribas Securities Services	
Sweden	Nordea Bank AB (publ)	
Switzerland	SIX SIS AG	
Taiwan	Standard Chartered Bank (Taiwan) Ltd	
Thailand	Standard Chartered Bank (Thai)	

	Public Company Limited	
Turkey	Citibank A.S.	
U.A.E. Abu Dhabi	HSBC Bank Middle East Ltd (DIFC) Branch	
U.A.E. Dubai	HSBC Bank Middle East Ltd (DIFC) Branch	
U.S.A.	Brown Brothers Harriman & Co. Investor Services	
United Kingdom/ Great Britain	SIX SIS AG	BNP PARIBAS SECURITIES SERVICES
MUTUAL FUNDS	FUNDSETTLE Euroclear Bank S.A. / N.V.	
MUTUAL FUNDS	ALLFUNDS BANK INTERNATIONAL S.A.	

DISCLAIMER: Please note that not all markets / counterparties are available to all Funds. Markets must be reviewed with the Depositary in advance of setting up accounts in those markets and agreed in writing with the Depositary.

## SUPPLEMENT 1

### AlphaCore One

Supplement dated 5 June 2024 to the Prospectus for JMS ICAV dated 11 February 2022.

This Supplement contains information relating specifically to AlphaCore One (the “**Fund**”), a Fund of JMS ICAV (the “**ICAV**”), an open-ended umbrella type Irish collective asset-management vehicle with limited liability and segregated liability between Funds authorised by the Central Bank on 29 December 2017 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 11 February 2022 (the “Prospectus”) which immediately precedes this Supplement and is incorporated in this Prospectus. To the extent that there is any inconsistency between the Prospectus and this Supplement, the Supplement shall prevail.**

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) such information 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 entitled “**Risk Factors**” before investing in the Fund.

**The Fund may invest principally in FDI and will also use such FDI for efficient portfolio management and hedging purposes. The Fund’s Net Asset Value may have a high volatility due to its investment policy. An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. Further information relating to same (including the expected effect of the use of such instruments) is set out below at the section entitled “FDI Exposure”.**

**Although the Fund may invest substantially in cash deposits, cash equivalents, certificates of deposits and/or Money Market Instruments in certain circumstances, Shares in the Fund are not deposits and are different in nature to a deposit in that the investment is not guaranteed and the value of the investment is capable of fluctuation. Investment in the Fund involves certain investment risks, including the possible loss of principal.**

#### 1. Interpretation

The expressions below shall have the following meanings:

“**Business Day**” means each day (excluding Saturday and Sunday) on which banks in Ireland, Luxembourg and Switzerland are open. Additional Business Days may

be created as the Directors may from time to time determine.

**“Dealing Day”**

means each Valuation Day and/or such other day or days as may be determined by the Directors and notified to Shareholders in advance provided that there shall be a Dealing Day at least twice a month occurring at regular intervals. See also the section entitled **“Suspension of Valuation of Assets”** in the Prospectus.

**“Dealing Deadline”**

means for each Dealing Day

- (i) in relation to subscription requests, 12pm (Irish time) one Business Day before the relevant Dealing Day; and
- (ii) in relation to redemption requests, 12pm (Irish time) seven Business Days before the relevant Dealing Day; and
- (iii) in relation to conversion requests, 12pm (Irish time) one Business Day before the relevant Dealing Day; or
- (iv) such other time as the Directors may determine and notify to Shareholders in advance provided always that the Dealing Deadline is no later than the Valuation Point on that Dealing Day.

**“Subscription Settlement Cut-off”**

means no later than three Business Days after the relevant Dealing Day.

**“Valuation Day”**

means;

(i) each Friday, provided such day is a Business Day (in the event this is not a Business Day then the Valuation Day will be the previous Business Day before such day); and

(ii) the last Business Day of any month which is not a Valuation Day for the purposes of (i) (this Valuation Day is not a Dealing Day, meaning no Shares may be subscribed for, redeemed, converted or transferred); and/or

(iii) such other day or days as may be determined by the Directors.

**“Valuation Point”**

means close of business in the relevant market on each Valuation Day or such time as the Directors may determine and notify Shareholders in advance provided that the Valuation Point shall be after the Dealing Deadline.

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

**2. Base Currency**

The Base Currency shall be CHF.

**3. Investment Objective**

The investment objective of the Fund is to generate absolute returns over the medium term in all market environments.

There is no guarantee that, in any time period, particularly in the short term, the Fund will achieve its investment objective. Investors should be aware that the value of shares may fall as well as rise.

**4. Investment Policy**

The Fund seeks to achieve its investment objective by taking both long and synthetic short investment positions (through the use of FDI described below) in equity and equity-related securities (including warrants and convertible bonds, which may embed a derivative). The equity and equity-related securities in which the Fund may invest will generally be listed on Recognised Exchanges (within the list in Appendix II of the Prospectus). The geographical focus will be on companies listed in Europe. However, the Fund may also invest a substantial portion of its assets globally outside its core markets (including up to 20% of its net assets in emerging markets securities). The Fund will adhere to the investment restrictions as set out in Appendix I to the Prospectus. In this regard, the Fund may invest up to 10% of its Net Asset Value in equity and equity-related securities which are not admitted to or dealt in on a Recognised Market in accordance with the Regulations.

The Fund may also invest up to 10% of its net assets in units or shares of other collective investment schemes subject to the limits set out in Appendix I of the Prospectus and the limitations contained in the UCITS Regulations. Such collective investment schemes will have investment policies consistent with the investment policies of the Fund.

The Fund may invest directly in equity and equity-related securities or obtain an indirect exposure through the use of FDI, as described below.

For cash management purposes, the Fund may invest in short duration fixed-income instruments, including sovereign, corporate or government bonds which may be fixed or floating

rate, investment grade bonds (as rated by a recognised credit rating agency or, if unrated, deemed by the Investment Manager to be of comparable quality). The Fund may also retain large cash balances pending reinvestment if this is considered appropriate by the Investment Manager in the prevailing market conditions.

### FDI Exposure

In order to seek to achieve its investment objective, the Fund may invest in exchange-traded and over the counter FDI as further outlined below. The Fund may utilise FDI for investment purposes (including FDI on indices, as set out below), for the efficient portfolio management of the Fund or for hedging (including hedging as further outlined under the heading below entitled “*Foreign exchange transactions and other currency contracts*”). A list of Recognised Exchanges on which the FDI may be quoted or traded is set out in Appendix II of the Prospectus. Under the UCITS Regulations, “uncovered” positions in FDI are not permitted (i.e. the Fund should be capable of meeting all its payments and delivery obligations in respect of financial derivative instruments, as set out above). Across the range of FDI that the Fund may use, its policy is to satisfy cover requirements by holding the underlying assets, holding sufficient liquid assets, or by ensuring that the FDI are such that the exposure can be adequately covered without holding the underlying assets. The Fund may also retain large cash balances and cash equivalents (such as commercial paper and certificates of deposit) pending reinvestment if this is considered appropriate to the investment objective.

### *Futures*

Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. Futures contracts allow investors to hedge against market risk or gain exposure to the underlying market. Since these contracts are marked-to-market daily, investors can, by closing out their position, exit from their obligation to buy or sell the underlying assets prior to the contract's delivery date. Frequently using futures to achieve a particular strategy rather than the underlying or related security often results in lower transaction costs. The Fund will utilise futures to gain exposure to equity and equity-related securities, as outlined above.

### *Options*

There are two forms of options, put and call options. Put options are contracts sold for a premium that gives one party (the buyer) the right, but not the obligation, to sell to the other party (the seller) to the contract, a specific quantity of a particular product or financial instrument at a specified price. Call options are similar contracts sold for a premium that gives the buyer the right, but not the obligation, to buy from the seller of the option at a specified price. Options may also be cash settled. The Fund may be a seller or buyer of put and call options. The Fund may purchase or sell these instruments either individually or in combinations. For example, purchasing a call option would allow the Fund to benefit from any upside in the performance, while limiting its overall exposure to the original premium paid by the Fund. The Fund will utilise

options as a substitute for direct investment in specific countries, sectors or equity and equity-related securities.

### *Swaps*

A swap is an agreement negotiated between two parties to exchange the return on a reference interest rate such as a fixed or floating money market rate, for the return on a single stock, equity indices or baskets of stocks. They can be used to express both positive views (by creating a synthetic long position) and negative views (by creating a synthetic short position) on stocks. The Fund will use swaps to gain exposure to equity and equity-related securities. The Fund may also enter swap agreements on a basket of stocks in order to gain exposure or hedge country or sector risks.

Swap agreements may include total return swaps (“**TRS**”). When the Fund enters into a TRS, it receives a periodic return based on the return that would be generated by holding the underlying asset in exchange for a payment typically based on prevailing interbank interest rates plus a margin. The swap can be used to replicate the effect of holding any of the assets in accordance with the investment policy of the Fund. Where the Fund enters into a TRS (or invests in other FDI with the same characteristics) it will do so with counterparties who meet the criteria under the heading “**Eligible Counterparties**” in section 1 of the Prospectus.

### *Contracts for Difference (“CFDs”)*

The Fund may enter into CFDs (which are sometimes referred to as synthetic swaps) which can be used to secure a profit or avoid a loss by reference to fluctuations in the value or price of underlying securities. The Fund may use CFDs in order to gain exposure to the economic performance of equity and equity-related securities without the need for taking or making physical delivery of such securities. Consequently, no rights are acquired or obligations incurred relating to the underlying securities. CFDs may be used as either a substitute for direct investment in the underlying securities or as an alternative to and for the same purposes as futures and options, particularly in cases where there is no futures contract available in relation to specific securities, or where the Investment Manager is of the view that it is an efficient method of gaining exposure to the underlying securities.

### *Total Return Swaps*

As noted above, the Fund may enter into total return swaps.

All types of assets which may be held by the Fund in accordance with its investment objectives and policies may be subject to a total return swap.

The maximum proportion of the Fund’s assets which can be subject to total return swaps is 100% of the Net Asset Value of the Fund.

However, the expected proportion of the Fund’s assets which will be subject to total return swaps is between 30% and 60% of the Net Asset Value of the Fund’s assets. The proportion

of the Fund's assets which are subject to total return swaps at any given time will depend on prevailing market conditions and the value of the relevant investments. The amount of assets engaged in total return swaps, expressed as an absolute amount and as a proportion of the Fund's assets, as well as other relevant information relating to the use of total return swaps shall be disclosed in the annual report and semi-annual report of the ICAV.

For the purposes of the above, a total return swap is any OTC derivative contract in which one counterparty transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of a reference obligation to another counterparty.

Further information relating to securities financing transactions and total return swaps is set out in the Prospectus at the sections entitled "*Securities Financing Transactions*" and "*Total Return Swaps*".

#### *Financial Indices*

As noted above, the Fund may use FDI on indices for investment purposes in accordance with the investment objective and policies set out in this Supplement.

Due to the broad nature of the investment policies, it is not possible to comprehensively list all of the financial indices to which exposure can be taken and they may change from time to time. However, the following is an example of the type of indices that the Investment Manager may invest when seeking to achieve the investment objective of the Fund;

- The EURO STOXX Small Index is an index based on the STOXX Europe 600 Index and is designed to provide representation of large, mid and small capitalization companies in the Eurozone. The EURO STOXX Small Index is rebalanced quarterly. Further information on the index can be found at [www.stoxx.com/index-details?symbol=SCXE](http://www.stoxx.com/index-details?symbol=SCXE).

Details of any financial indices used by the Fund will be provided to Shareholders by the Investment Manager on request and will be set out in the ICAV's semi-annual and annual accounts. Furthermore, the financial indices to which the Fund may gain exposure will typically be rebalanced on a monthly, quarterly, semi-annual or annual basis. The costs associated with gaining exposure to a financial index will be impacted by the frequency with which the relevant financial index is rebalanced. Where the weighting of a particular constituent in the financial index exceeds the UCITS investment restrictions, the Investment Manager will, as a priority objective, look to remedy the situation taking into account the interests of Shareholders and the Fund. Any such indices will be cleared by the Central Bank or will meet its requirements.

The Fund is actively managed without reference to any benchmark meaning that the Investment Manager has full discretion over the composition of the Fund's portfolio, subject to the stated investment objectives and policies.

#### *Foreign exchange transactions and other currency contracts*



Foreign exchange transactions and other currency contracts including foreign exchange forwards, non-deliverable forwards and foreign exchange options may also be used to provide protection against exchange risks in accordance with the requirements of the Central Bank. Such contracts may be used by the Fund to hedge some or all of the exchange risk/currency risk arising as a result of the fluctuation between the Base Currency and the currencies in which the Fund's investments are denominated. In connection with this, the Fund may hold net short positions in currencies i.e. it may sell forward currency exposure that exceeds the exposure of the underlying investments to the currency in which the Fund's investments are denominated.

### Investment Philosophy

At the centre of the **investment philosophy** is the construction of a strategic core portfolio of high conviction investment ideas (i.e. investments which, in the view of the Investment Manager, provide an attractive risk/return profile) with mid to long term holding periods. These holding periods would typically be in the region of 6 – 18 months but may be longer (up to several years) and will be actively managed over time. In addition, the Fund will engage in trading investments with short term holding periods. The Fund uses a bottom-up research approach and actively monitors and steers its risk exposure within defined parameters.

The Fund focuses on a relatively small number of investments and holds a portfolio of typically less than 30 positions (longs and shorts together), which can result in concentrated single long and short positions. Short positions entail specific risks in that they theoretically can result in unlimited losses which is mitigated by setting maximum limits for single short positions. The Investment Manager may leverage the Fund's assets by using FDI.

In order to optimize investment opportunities, the Investment Manager applies a two tiered **asset allocation strategy**:

I) *Core long/short portfolio*: When global markets are not under stress (such as outside of financial crises), this strategy will account for the majority of the Fund's exposure. The aim is to identify investment opportunities through fundamental top-down and bottom-up research (where the Investment Manager is of the view that there is a significant difference in the current price of a security and what the Investment Manager considers its fair value to be based on its fundamental analysis. To achieve this, the Investment Manager will focus on markets with demand and supply imbalances, changes in long term growth expectations, quality and scalability of business models, changing industry environments and turnaround situations as well as considering ESG risks and opportunities as further detailed below under "Integration of Sustainability Risks". A key investment criterion is the quality of management in the issuers of securities which the Fund may gain exposure to. The Investment Manager will evaluate through direct contact with senior management, where possible. To complement the core portfolio, the Investment Manager intends to take advantage of short term market movements.

II) *Active management of market exposure*: Often, at the end of a market cycle, where the market is no longer driven by fundamental market factors, the Investment Manager intends to generate additional returns and/or reduce risk through exploitation of what it considers (based

on its fundamental top-down and bottom-up research, as outlined above) to be cyclically incorrectly priced securities. For example, in the immediate aftermath of the financial crisis in 2009, the margin estimates were at a cyclical low due to market sentiment being weak rather than being caused by fundamentals with regard to specific securities. The Investment Manager would take a view that these securities were incorrectly priced and that this represents an attractive investment opportunity.

#### *Idea Generation and Research Approach*

The investment process for the core portfolio involves the following steps:

(a) *Idea generation*: Constant screening of the stock universe for scalable business models in growing markets along themes with accelerating demand/supply imbalances. Changing industry fundamentals and quality of management as well as ESG factors as further detailed below under “Integration of Sustainability Risks” are additional key screening criteria.

(b) *Fundamental research*: Understanding and quantifying the economic value drivers of an investment is the main goal of the research process. This involves qualitative research on industry fundamentals (competition, suppliers, customers, products) and business models, as well as bottom-up quantitative analysis (such as management track record, profitability and competitiveness in relevant sectors) which will ultimately reveal the revaluation potential. ESG characteristics are included in the fundamental research process. This means ESG issues can affect target prices, the fundamental assessment of a company and/or the portfolio construction methodology.

(c) *Exclusions (“Negative screening strategy”)*: The Investment Manager discounts certain potential investments based on its sustainable investment policy (which includes details on the environmental, social and governance (“**ESG**”) integration and exclusion approach of the Investment Manager), as further detailed below under “Integration of Sustainability Risk”.

(d) *Risk analysis*: Before a portfolio adjustment is executed, the portfolio of the Fund is analysed as a whole including the proposed adjustments. Any adjustments are subject to the general investment restrictions applicable to the Fund.

(e) *Strategic fit*: The Investment Manager regularly updates its overall investment outlook. The bottom-up investment ideas are analysed with respect to the current investment outlook of the Investment Manager.

After an investment decision has been taken, the Investment Manager decides whether to make the investment directly or through FDI, based on but not limited to expected return profiles, anticipated time horizons, implied volatility levels and liquidity.

In selecting investments the Investment Manager utilises a combination of recognised techniques of securities analysis in addition to its own experience in the markets in which the Fund is investing. Sources of information on which its investment decisions are based include general economic data, forecasts prepared by government and private sources, industry trade

publications, various statistical sources, information material published by publicly held corporations, information and projections provided by the research departments of brokerage firms, interviews with key industry contacts, corporate officers and other individuals familiar with the companies and industries under consideration. In most cases the Investment Manager will directly contact the investment target to verify assumptions through management meetings as well as contacting customers and competitors. The Investment Manager will perform its own investigative research supported by research from independent sources.

### Portfolio Construction

#### *Core long/short portfolio*

The Investment Manager aims to invest, in normal circumstances, into about 15 – 30 high conviction long and short positions as described above. The size of the position will be driven by the conviction level of the Investment Manager.

The Fund will limit individual long positions to a maximum of 10% of NAV and short positions to a maximum of 10% of NAV.

Under normal circumstances, the expected range for the long and short positions the Fund may take is between 50% to 100% long exposures in combination with 0% to 50% short exposures.

The Investment Manager aims to keep the volatility of the Fund's portfolio within the range of the volatility of the corresponding equity markets in which the Fund invests.

Additional factors like broker recommendations, charts and technical analysis may be taken into consideration before making an investment decision.

### Environmental, Social and Governance (ESG) Factors

This sub-fund is categorised as an Article 8 fund for the purposes of the SFDR. As such, the Fund promotes environmental or social characteristics but does not have sustainable investment as its objective. While the Fund promotes environmental characteristics in the manner described below and in Annex 2, it does not currently commit to investing in any "sustainable investments" within the meaning of the SFDR. Accordingly, it should be noted that the investments underlying this fund do not take into account the EU criteria for environmentally sustainable economic activities within the meaning of Article 6 of Regulation (EU) 2020/852. The Manager is keeping this situation under active review and where sufficient reliable, timely and verifiable data on the Fund's investments become available, this Supplement will be updated.

### Integration of Sustainability Risk

The Investment Manager will take into account ESG factors when analysing potential investments (as set out further below and in Annex 2 hereto). Such analysis of ESG factors is an integral part of the Investment Manager's research and valuation process. When assessing the sustainability risk associated with underlying investments, the Investment Manager

assesses the risk that the value of such underlying investments could be materially negatively impacted by an environmental, social or governance event or condition (an “**ESG Event**”).

Sustainability risk is identified, monitored and managed by the Investment Manager in the following manner:

The Investment Manager has implemented a proprietary ESG scoring model for each individual issuer of potential investments by the Fund. This model includes the following: ESG topics are captured and assessed qualitatively and fundamentally, bottom-up based on primary and secondary research. The materiality of a particular ESG Event varies from industry to industry (as further described in Part 2 of Annex 2 to this Supplement), therefore the Investment Manager believes it is important to integrate ESG factors into the assessment of a potential investment rather than as a pre-screen or overlay. The scoring model ranges from CCC to AAA. At least 85% of the equity portfolio holdings held by the Fund are subject to this ESG analysis by the Investment Manager.

In addition, the Investment Manager considers ESG factors when using FDI for investment purposes. In this case, short positions through derivatives on single issuers are covered the same way as long positions. Derivatives used for hedging purposes, baskets and index-based products or cash accounts are excluded from ESG analysis.

The Investment Manager may also consider ESG factors when using FDI for investment purposes. In this case, short positions through FDI on single issuers are covered the same way as long positions. FDI used for the purposes of efficient portfolio management are excluded from such ESG analysis.

The strategy aims to maintain an aggregate, position weighted internal ESG-score of at least “**A**” across those assets of the Fund that are subjected to the Investment Manager’s internal ESG analysis. The internal ESG-score of an individual investment held by the Fund can be below this minimum score. In the event that the aggregate, position weighted internal ESG-score across all equity investments in the Fund falls below A the Investment Manager may seek to address this by altering the composition of the portfolio, if necessary this may require divestment of certain assets.

The Investment Manager also applies a norm-based exclusion approach/negative screening strategy. The Investment Manager excludes investments involving controversial and nuclear weapons as well as controversial countries/jurisdictions. Based on this, the Investment Manager does not invest in nuclear weapons, biological or chemical weapons, anti-personnel mines, and cluster ammunitions. The Swiss Law “Bundesgesetz über das Kriegsmaterial (KMG)” of December 13, 1996 (as amended) forms the basis for the Investment Manager’s norm-based exclusions.

Further information on the ESG integration and exclusion approach/negative screening strategy of the Investment Manager can be found on <https://www.jmsinvest.ch/esg>. Further information on the ESG approach of the Fund can be found on <https://www.credit->

[suisse.com/media/assets/microsite/docs/multiconcept/mcfm-entity-level-disclosure-esg-sfdr.pdf](https://www.suisse.com/media/assets/microsite/docs/multiconcept/mcfm-entity-level-disclosure-esg-sfdr.pdf).

During the life of an investment, sustainability risk is monitored through review of ESG data published by the issuer (where relevant) or selected data providers to determine whether the level of sustainability risk has changed since the initial assessment was conducted. This review is conducted on at least an annual basis. Where the sustainability risk associated with a particular investment has increased beyond the ESG risk appetite for the Fund, the Investment Manager will consider selling or reducing the Fund's exposure to the relevant investment, taking into account the best interests of the Shareholders of the Fund.

The Manager delegates the portfolio management of all of the collective investment schemes under its management to a number of portfolio managers and as such does not currently have access to sufficient ESG information for determining and weighting, with adequate accuracy, the negative sustainability effects across all of these portfolio managers. Therefore, the Manager has decided not to consider directly and at its level the adverse impacts of investment decisions on sustainability factors according to Article 4 of the SFDR.

### **FDI Costs**

Investors should be aware that when the Fund enters into FDI contracts (including those used for currency hedging as described in greater detail below), operational costs and/or fees shall be deducted from the revenue delivered to the Fund.

In the case of total return swaps and contracts for differences, such fees and costs may include financing fees and in the case of FDI which are listed on Recognised Exchanges and/or centrally cleared, such fees and costs may include brokerage, exchange and clearing house fees. One of the considerations taken into account by the Investment Manager when selecting brokers and counterparties to FDI transactions on behalf of the Fund is that any such costs and/or fees which are deducted from the revenue delivered to the Fund shall be at normal commercial rates and shall not include any hidden revenue.

Such direct or indirect costs and fees will be paid to the relevant broker or counterparty to the FDI transaction, which, in the case of FDI used for currency hedging purposes, may include the Depositary or entities related to the Manager and/or Depositary. The identity of the entities to which such direct and indirect costs and fees are paid shall be disclosed in the annual financial statements of the ICAV.

### **Leverage**

The Fund will use the commitment approach methodology for the calculation of its global exposure. As the Fund uses the commitment approach it must ensure that its global exposure relating to derivative instruments does not exceed its total Net Asset Value and the Fund may not therefore be leveraged in excess of 100% of its Net Asset Value.

The Investment Manager will not utilise FDI other than those listed above until such time as a revised risk management process has been prepared, submitted to and cleared by the Central Bank.

Risks associated with the use of FDI are detailed in the Prospectus at the section entitled “Risk Factors”.

### **Share Class Currency Hedging**

Foreign exchange transactions may be used for Class currency hedging purposes. Where a Class of Shares is designated as a hedged Class, that Class will be hedged against exchange rate fluctuation risks between the denominated currency of the Class and the Base Currency of the Fund. Such hedging strategy shall be subject to the conditions and within the limits laid down by the Central Bank and may not be implemented in the following circumstances;

- if the Net Asset Value of the Fund falls below CHF5,000,000 or any other level whereby the Investment Manager considers that it can no longer hedge the currency exposure in an effective manner.

Further information is set out in the Prospectus at the section entitled “Hedged Classes”. It should be noted that the successful execution of a hedging strategy which mitigates this currency risk exactly cannot be assured.

Where a Class is unhedged, a currency conversion will take place on subscriptions, redemptions, conversions and distributions.

### **Borrowing Powers**

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

## **5. Profile of a Typical Investor**

An investment in the Fund is suitable for investors seeking capital appreciation and who are willing to accept the risk of stock exchange volatility and the other risks of investing in the Fund including a substantial or complete loss of their investment. There are significant risks associated with investment in the Fund.

## **6. Information on Share Classes**

<b>Class</b>	<b>Minimum Subsequent Subscription</b>	<b>Minimum Redemption Amount</b>	<b>Minimum Holding</b>	<b>Initial Subscription</b>	<b>Share Hedging</b>	<b>Class</b>

Class A CHF	CHF5,000	CHF1,000	CHF5,000	CHF5,000	No
Class B CHF	CHF5,000	CHF5,000	CHF20,000	CHF20,000	No
Class C USD	USD5,000	USD5,000	USD20,000	USD20,000	Hedged
Class D EUR	EUR5,000	EUR5,000	EUR20,000	EUR20,000	Hedged

In addition, investors should note the fees in respect of each Class are set below out under the heading “**12. Fees and Expenses**”.

#### **7. Initial Subscription and Minimum Holding Size**

Each investor must satisfy the Initial Subscription requirements applicable to the relevant Class as outlined above and must retain Shares having a Net Asset Value of the Minimum Holding applicable to the relevant Class as outlined above.

The Directors reserve the right to differentiate between Shareholders and to waive or reduce the Initial Subscription and Minimum Holding for certain investors.

#### **8. Application for Shares**

Applications for Shares may be made through the Administrator through the process described in the Prospectus.

#### **9. Redemption of Shares**

Requests for redemption of Shares may be made through the Administrator through the process described in the Prospectus.

Notwithstanding anything contained in the Prospectus, redemption proceeds in respect of Shares which have been redeemed will be paid within three Business Days of the relevant Valuation Day.

#### **10. Conversion of Shares**

Subject to the Initial Subscription and Minimum Holding requirements of the relevant Classes, Shareholders may request conversion of some or all of their Shares in one Fund of the ICAV or Class to Shares in another Fund of the ICAV or Class or another Class in the Fund in accordance with the procedures specified in the Prospectus under the heading “**Conversion of Shares**”.

##### **Conversion Charge**

It is not currently intended to impose a conversion charge on the conversion of Shares in any Class to Shares in another Class of a Fund.

## 11. 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.

## 12. Fees and Expenses

All fees are quoted without applicable taxes, if any.

### **Management Fee, Administration Fee, Registrar and Transfer Agent Fee and Depositary Fee**

#### *Management Fee*

In accordance with Section 3 of the Prospectus (“*FEES, CHARGES AND EXPENSES*”), the management fee is composed of the management company fee, the investment management and the distribution fee (the “**Management Fee**”). The maximum Management Fee in respect of each of the Classes is as follows:

- Class A CHF: 2% per annum (“**p.a.**”)
- Class B CHF: 1% p.a.
- Class C USD: 1% p.a.
- Class D EUR: 1% p.a.

The breakdown of the Management Fee is, as follows;

<b>Class</b>	<b>Management Company Fee</b>	<b>Investment Management Fee</b>	<b>Distribution Fee</b>
A CHF	Up to 0.05%	Up to 1.97%	Up to 0.0%
B CHF	Up to 0.05%	Up to 0.97%	Up to 0.0%
C USD	Up to 0.05%	Up to 0.97%	Up to 0.0%
D EUR	Up to 0.05%	Up to 0.97%	Up to 0.0%



The management company fee in favour of the Manager is accrued and calculated on each Valuation Point on the basis of the Net Asset Value of the respective Class and payable monthly in arrears, subject to a minimum fee of up to 40,000 EUR p.a. for providing the services under the Management Agreement.

The investment management fee in favour of the Investment Manager is accrued and calculated on each Valuation Point on the basis of the Net Asset Value of the respective Class and payable monthly in arrears.

The distribution fee in favour of the Distributor is accrued and calculated on each Valuation Point on the basis of the Net Asset Value of the respective Class and payable monthly in arrears.

#### *Administration Fee, Registrar and Transfer Agent Fee*

The Administrator is entitled to receive a fee for its administration services of up to 0.06% p.a. accrued and calculated on each Valuation Point on the basis of the Net Asset Value of the respective Class and payable monthly in arrears, subject to a minimum fee of up to EUR 40,000 p.a. (each plus any applicable taxes).

In addition to the monthly administration fee, the Administrator is entitled to an annual registrar and transfer agency fee to be paid out of the assets of the Fund for its services as registrar and transfer agent of a variable amount for transactions and account maintenance depending on the actual number of transactions and accounts (each plus any applicable taxes, if any).

#### *Depository Fee*

The Depository is entitled to receive fees for its services, as follows (i) a safekeeping fee of up to 0.04% p.a. accrued and calculated monthly on each Valuation Point on the basis of the Net Asset Value of the Fund, payable monthly in arrears, subject to a minimum fee of up to EUR 24,000 per annum (ii) an oversight fee of EUR 10,000 p.a., and (iii) transaction costs which depend on the actual number of transactions (each plus any applicable taxes).

The Depository shall also be entitled to be repaid out of the assets of the Fund for safekeeping fees and expenses of any sub-custodian appointed (which shall be at normal commercial rates).

#### *Performance Fee*

The Investment Manager is entitled to receive a performance related fee (the "**Performance Fee**") in respect of Class B CHF, Class C USD and Class D EUR. No Performance Fee is payable in respect of Class A Shares.

The Performance Fee is equal to 20% of the excess of the Net Asset Value per Share (after the deduction of the Management Fee and all other payments and expenses but before the deduction of any accrued Performance Fee) at the end of a Performance Period (as defined

below) over the High Water Mark (as defined below). No Performance Fee shall be payable unless the Net Asset Value per Share exceeds the High Water Mark.

“High Water Mark” means the previous highest of:

- (i) the highest Net Asset Value per Share of the relevant Class at the end of any previous Performance Period on which the Performance Fee was paid; and
- (ii) the Initial Offer Price of the relevant Share class, provided that in the case of Shares issued during a Performance Period, the Performance Fee accrual is adjusted to reflect the Net Asset Value per Share at which those Shares are issued. This is intended to mitigate (but not eliminate) the effect that would otherwise apply if the Fund bore a Performance Fee in respect of the Shares as if they were in issue since the start of the Performance Period.

The current “**Performance Period**” runs from 27 November 2020 until 31 December 2021. Thereafter, “**Performance Period**” means each calendar year.

The Performance Fee (if any) will accrue on each Valuation Day. The amount accrued on each Valuation Day will be determined by calculating the Performance Fee that would be payable if that day was the last day of the current Performance Period. The Performance Fee will be payable by the Fund to the Investment Manager annually in arrears normally within 20 Business Days of the end of each Performance Period.

The Performance Fee, if any, is calculated on Net Asset Value per Share (after the deduction of the Management Fee and all other payments and expenses but before the deduction of any accrued Performance Fee) at the end of each Performance Period including, for the avoidance of doubt any net realised and unrealised gains and losses. As a result, a Performance Fee may be paid on unrealised gains, which may subsequently never be realised. There is no repayment of any Performance Fee already paid if the Net Asset Value per Share subsequently falls back below the High Water Mark even if an investor redeems its holding.

#### Deemed End of Performance Period

Class B CHF, Class C USD and Class D EUR Shares redeemed other than at the end of a Performance Period will be treated as if the date of redemption was the end of the Performance Period and the above provisions shall apply. For the avoidance of doubt, this will not create a new High Water Mark. In the event of a partial redemption, Shares will be treated as redeemed on a pro rata basis. Any Performance Fee payable to the Investment Manager shall be paid within 20 Business Days of the end of the relevant Performance Period.

If the Investment Management Agreement is terminated other than at the end of a Performance Period, the date of termination will be deemed to be the end of the Performance Period and the above provisions shall apply.

#### Performance Fee – No Equalisation

The methodology used in calculating the Performance Fee in respect of each of the Class B CHF, Class C USD and Class D EUR Shares may result in inequalities between investors in relation to the payment of Performance Fees (with some investors paying disproportionately higher Performance Fees in certain circumstances, such as where the performance of the Fund declines prior to the issue of Shares to new investors) and may also result in certain investors having more of their capital at risk at any time than others (as no equalisation methodology is employed in respect of the Performance Fee calculation).

The calculation of the Performance Fee shall be verified by the Depositary. The calculation of the Performance Fee is not open to manipulation.

A worked example of the performance fee applicable to the Fund is provided at Annex 1 to this Supplement.

#### *Anti-Dilution Levy*

An Anti-Dilution Levy may be charged at the discretion of the Directors as outlined in the Prospectus in the section entitled “**Anti-Dilution Levy**”.

### **13. Dividends and Distributions**

The Directors do not anticipate that any dividends or other distributions will be paid to holders of Shares out of the Fund's earnings and profits. It is intended that such income will be reinvested by the Fund for the benefit of the Shareholders.

### **14. Risk Factors**

The attention of investors is drawn to the “**Risk Factors**” section in the Section of the Prospectus entitled “**The ICAV**”.

In addition, investors should take into account the following risk factors, outlined below.

#### *Small and Mid Cap Stocks*

Investing in the securities of smaller, lesser-known companies involves greater risk and the possibility of greater price volatility due to the less certain growth prospects of smaller firms, the lower degree of liquidity of the markets for such stocks and the greater sensitivity of smaller companies to changing market conditions.

#### *Distressed Securities*

Where the Fund invests in securities of companies which are restructuring, financially leveraged and may be involved or have recently been involved in major strategic actions, restructurings or other form of reorganization, their securities are likely to be particularly risky investments although they may offer the potential for correspondingly high returns. Such companies' securities may be considered speculative and the ability of such companies to pay their debts

on schedule could be affected by adverse interest rate movements, changes in the general economic climate, economic factors affecting a particular industry or specific developments within such companies. In addition, there is no minimum credit standard that is a prerequisite to an investment by the Fund in any instrument and a significant portion of the obligations and the preferred stock in which the Fund may invest may be less than investment grade.

#### *Portfolio Turnover*

Turnover of the Fund's investments may be higher than the average for other more traditional portfolios and accordingly the level of commissions paid and other transaction costs may be higher than average.

#### *Sustainability risks*

The Fund could be exposed to some Sustainability Risks, which may differ depending on the investment instruments. In particular, some companies, markets and sectors may have greater exposure to Sustainability Risks than others may.

Such Sustainability Risks are integrated into the investment decision making and risk monitoring to the extent that they represent a potential or actual material risks and/or opportunities to maximizing the long-term risk-adjusted returns.

### Annex 1 to Supplement 1 – Performance Fee worked example

The table below shows the operation of the Performance Fee over a hypothetical five year period.

Period	Initial Nav (A)	HWM (B)	Performance during year (C)	Nav before Performance Fee (D)	Performance Fee Rate (E)	Performance Fee Due (F)	Nav after Performance Fee
Year 1	100.00	100.00	5.00%	105.00	20%	1.00	104.00
Year 2	104.00	104.00	3.00%	107.12	20%	0.62	106.50
Year 3	106.50	106.50	-2.00%	104.37	20%	0.00	104.37
Year 4	104.37	106.50	10.00%	114.80	20%	1.66	113.14
Year 5	113.14	113.14	1.00%	114.27	20%	0.23	114.05

**Initial NAV:** Value of the relevant Class at end of performance period after expenses have been applied but before the Performance Fee is calculated (A)

**HWM:** the highest Net Asset Value per Share of the relevant Class at the end of any previous Performance Period on which the Performance Fee was paid (B)

**Performance during year:** Performance of the share class at the end of the Performance Period (C)

**NAV before Performance Fee** =  $B + (B \times C)$  (D)

**Performance Fee Rate:** the rate at which a Performance Fee is to be paid in respect of the Class (E)

**Performance Fee Due** =  $(D - B) \times E$  (F)

**NAV after Performance fee** =  $D - F$  (note that “NAV after Performance Fee” in each year becomes the “Initial NAV” for the subsequent year)

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: AlphaCore One (the "Subfund")

Legal entity identifier: 529900YGI27KIZCZWQ50

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?

Yes

No

It will make a minimum of **sustainable investments with an environmental objective:** \_\_\_%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It will make a minimum of **sustainable investments with a social objective:** \_\_\_%

It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an



**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## What environmental and/or social characteristics are promoted by this financial product?

This Fund promotes environmental or social characteristics but does not have sustainable investment as its objective. The Fund does not have a reference benchmark designated for the purpose of attaining the environmental or social characteristics promoted by the Fund.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

N/A

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

N/A

- **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

The proprietary ESG scoring includes the consideration of Principle adverse impacts where applicable for a specific investment, however the fund does not use PAIs for the overall portfolio target except for exclusions.

How have the indicators for adverse impacts on sustainability factors been taken into account?

N/A

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The Investment Manager applies a norm-based exclusion approach/negative screening strategy. The Swiss Law "Bundesgesetz über das Kriegsmaterial" (KMG) of December 13, 1996 (as amended) forms the basis for the Investment Manager's norm-based exclusions.



## Does this financial product consider principal adverse impacts on sustainability factors?

Yes

No



## What investment strategy does this financial product follow?

**The investment strategy** guides investment decisions based on factors such as investment

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The ESG scoring model implemented by the Investment Manager is made up of the three dimensions of "E" (environmental), "S" (social) and "G" (governance). The issuer of each potential investment is accorded a score of -1, 0 or +1 per dimension. The sum of the points gives the overall ESG score of the issuer of a potential investment. The Investment Manager distinguishes between sectors in its ESG scoring approach. Risks from ESG events are assessed differently depending on the sectors in which the issuers operate. An ESG Event that is material in one sector may be less or more material in another sector. The actual factors considered for a specific issuer depend on the sector and business model and are assessed individually. Nevertheless, typical factors for each sector have been identified. The following table shows the most important factor for the "Environmental" and "Social" dimensions in respect of each of those sectors. The "Governance" dimension is of equal importance in all the sectors and thus not separately listed in the table. The factors listed below represent a snapshot of the current model and might change with further development and refinement of the research approach or when additional ESG data becomes available.

Sector	Environmental dimension	Social dimension
Energy	Climate change impact of product	Health and Safety
Materials	Climate change impact of product	Labour management
Industrials	Opportunities in clean tech	Labour management
Consumer Discretionary	Climate change impact of product	Labour management
Consumer staples	Climate change impact of product	Product safety and quality
Health Care	Toxic emissions and waste	Product safety and quality
Financials	Climate change impact of service	Consumer protection
Information Technology	Opportunities in clean tech	Social impact of product
Communication	Climate change impact of service	Social impact of product
Utilities	Climate change impact of product	Labour management

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Fund does not commit to having a minimum rate to reduce the scope of the investments considered prior to the application of the investment strategy.

- ***What is the policy to assess good governance practices of the investee companies?***

Investments in companies that are involved in controversial business practices and/or are active in controversial business areas are excluded. These are for example companies that violate the standards described above.





### Asset allocation

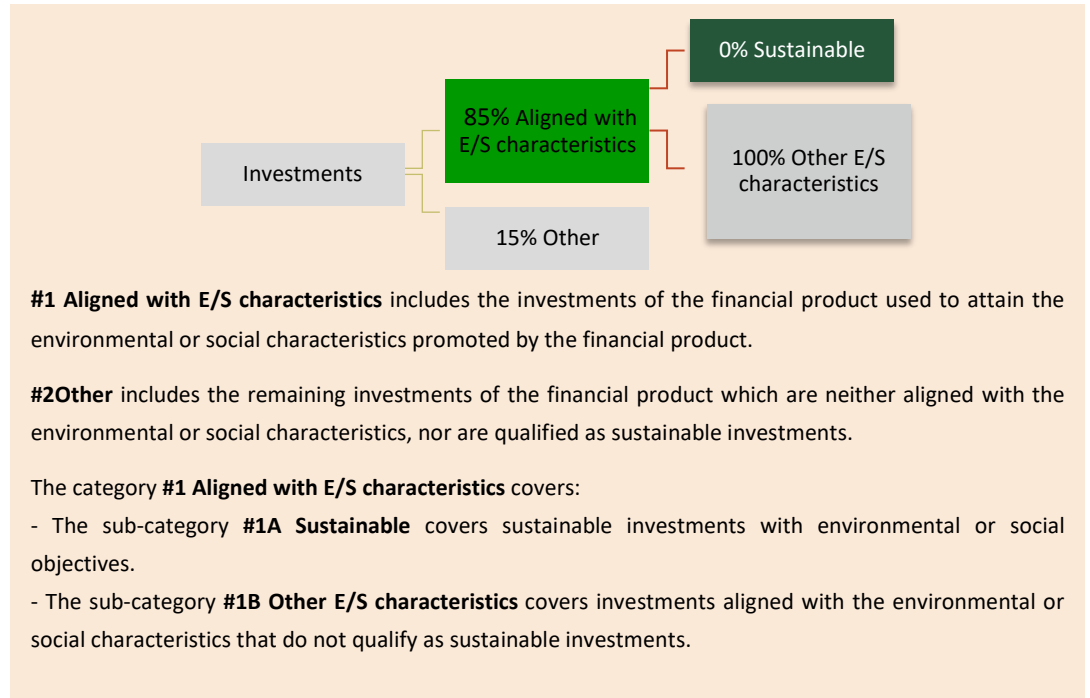
describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

## What is the asset allocation planned for this financial product?

The minimum asset allocation in #1 and #2 is 85% and 15%, respectively. Within the “#1 Aligned with E/S characteristics”, the minimum allocation for “#1A Sustainable” and “#1B Other E/S characteristics” is respectively 0% / 100%.



### ● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Investment Manager considers ESG factors when using FDI for investment purposes. He has implemented a proprietary ESG scoring model for each individual issuer of potential investments by the Fund. This model includes the following: ESG topics are captured and assessed qualitatively and fundamentally, bottom-up based on primary and secondary research. The scoring model ranges from CCC to AAA. At least 85% of the equity portfolio holdings held by the Fund are subject to this ESG analysis by the Investment Manager. In this case, short positions through derivatives on single issuers are covered the same way as long positions. Derivatives used for hedging purposes, baskets and index-based products or cash accounts are excluded from ESG analysis.

**Enabling activities**

directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities**

are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



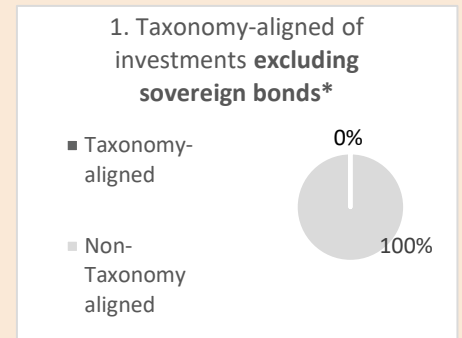
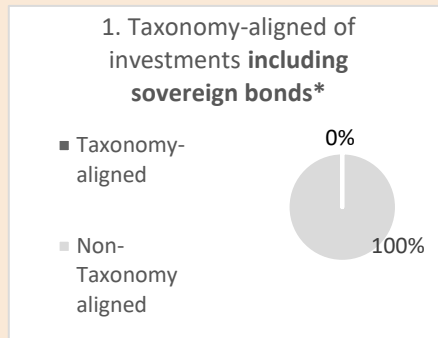
**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The Fund promotes environmental characteristics. As it does not aim to make sustainable investments, its commitment to make “sustainable investments” within the meaning of the EU Taxonomy is set at 0%

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?**

- Yes
  - In fossil gas
  - In nuclear energy
- No

*The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



This graph represents 100% of the total investments.

\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What is the minimum share of investments in transitional and enabling activities?**

N/A



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

N/A

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



### What is the minimum share of socially sustainable investments?

N/A



### What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

The Investment Manager considers ESG factors when using FDI for investment purposes. In this case, short positions through derivatives on single issuers are covered the same way as long positions. Derivatives used for hedging purposes, baskets and index-based products or cash accounts are excluded from ESG analysis. The “#2 Other” can also include long/short positions of small/mid caps that do not yet provide representative ESG data due to the size of the company.



### Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

The Fund does not utilise a reference benchmark with defined sustainability characteristics for the purpose of attaining the environmental or social characteristics.

- **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

N/A

- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

N/A

- **How does the designated index differ from a relevant broad market index?**

N/A

- **Where can the methodology used for the calculation of the designated index be found?**

N/A

#### Reference

**benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



### Where can I find more product specific information online?

**More product-specific information can be found on the website:**

The ESG-Website Disclosure of this document is available on the web page <https://www.credit-suisse.com/microsites/multiconcept/en/our-funds.html>

## SUPPLEMENT 2

### TimeArise

Supplement dated 5 June 2024 to the Prospectus for JMS ICAV 11 February 2022.

This Supplement contains information relating specifically to TimeArise (the “**Fund**”), a Fund of JMS ICAV (the “**ICAV**”), an open-ended umbrella type Irish collective asset-management vehicle with limited liability and segregated liability between Funds authorised by the Central Bank on 29 December 2017 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 27 June 2018 (the “Prospectus”) which immediately precedes this Supplement and is incorporated in this Prospectus. To the extent that there is any inconsistency between the Prospectus and this Supplement, the Supplement shall prevail.**

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) such information 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 entitled “**Risk Factors**” before investing in the Fund.

**The Fund may invest principally in FDI and will also use such FDI for efficient portfolio management and hedging purposes. The Fund’s Net Asset Value may have a high volatility due to its investment policy. An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. Further information relating to same (including the expected effect of the use of such instruments) is set out below at the section entitled “FDI Exposure”.**

**Although the Fund may invest substantially in cash deposits, cash equivalents, certificates of deposits and/or Money Market Instruments in certain circumstances, Shares in the Fund are not deposits and are different in nature to a deposit in that the investment is not guaranteed and the value of the investment is capable of fluctuation. Investment in the Fund involves certain investment risks, including the possible loss of principal.**

## 1. Interpretation

The expressions below shall have the following meanings:

<b>“Business Day”</b>	means each day (excluding Saturday and Sunday) on which banks in Ireland, Luxembourg and Switzerland are open. Additional Business Days may be created as the Directors may from time to time determine.
<b>“Dealing Day”</b>	each Friday, provided such day is a Business Day (in the event this is not a Business Day then the Dealing Day will be the previous Business Day before such day) and/or such other day or days as may be determined by the Directors and notified to Shareholders in advance provided that there shall be a Dealing Day at least twice a month occurring at regular intervals. See also the section entitled <b>“Suspension of Valuation of Assets”</b> in the Prospectus.
<b>“Dealing Deadline”</b>	means for each Dealing Day <ul style="list-style-type: none"><li>(i) in relation to subscription requests, 12pm (Irish time) one Business Day before the relevant Dealing Day; and</li><li>(ii) in relation to redemption requests, 12pm (Irish time) seven Business Days before the relevant Dealing Day; and</li><li>(iii) in relation to conversion requests, 12pm (Irish time) one Business Day before the relevant Dealing Day; or</li><li>(iv) such other time as the Directors may determine and notify to Shareholders in advance provided always that the Dealing Deadline is no later than the Valuation Point on that Dealing Day.</li></ul>
<b>“Subscription Settlement Cut-off”</b>	means no later than three Business Days after the relevant Dealing Day.
<b>“Valuation Day”</b>	means each Business Day.
<b>“Valuation Point”</b>	means close of business in the relevant market on each Valuation Day or such time as the Directors

may determine and notify Shareholders in advance provided that the Valuation Point shall be after the Dealing Deadline.

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

**2. Base Currency**

The Base Currency shall be EUR.

**3. Investment Objective**

The investment objective of the Fund is to generate absolute returns over the medium to long term.

There is no guarantee that, in any time period, particularly in the short term, the Fund will achieve its investment objective. Investors should be aware that the value of shares may fall as well as rise.

**4. Investment Policy**

The Fund seeks to achieve its Investment Objective by taking both long and synthetic short investment positions (through the use of FDI, as described below) in equity and equity-related securities (including warrants and convertible bonds, which may embed a derivative – the Fund shall not invest in contingent convertible securities). The Fund may invest up to 10% of its Net Asset Value in warrants. The equity and equity-related securities in which the Fund may invest will generally be listed on Recognised Exchanges (within the list in Appendix II of the Prospectus). The Fund will adhere to the investment restrictions as set out in Appendix I to the Prospectus. In this regard, the Fund may invest up to 10% of its Net Asset Value in equity and equity-related securities which are not admitted to or dealt in on a Recognised Market in accordance with the Regulations.

The Fund may also invest up to 10% of its net assets in units or shares of other collective investment schemes subject to the limits set out in Appendix I of the Prospectus and the limitations contained in the UCITS Regulations. Such collective investment schemes will have investment policies consistent with the investment policies of the Fund.

The Fund may invest directly in equity and equity-related securities or obtain an indirect exposure through the use of FDI, as described below.

For cash management purposes, the Fund may invest in short duration fixed-income instruments, including sovereign, corporate or government bonds which may be fixed or floating rate, investment grade bonds (as rated by a recognised credit rating agency or, if unrated, deemed by the Investment Manager to be of comparable quality). The Fund may also retain

large cash balances pending reinvestment if this is considered appropriate by the Investment Manager in the prevailing market conditions.

### FDI Exposure

In order to seek to achieve its investment objective, the Fund may invest in exchange-traded and over the counter FDI as further outlined below. The Fund may utilise FDI for investment purposes (including FDI on indices, as set out below), for the efficient portfolio management of the Fund or for hedging (including hedging as further outlined under the heading below entitled “*Foreign exchange transactions and other currency contracts*”). A list of Recognised Exchanges on which the FDI may be quoted or traded is set out in Appendix II of the Prospectus. Under the UCITS Regulations, “uncovered” positions in FDI are not permitted (i.e. the Fund should be capable of meeting all its payments and delivery obligations in respect of financial derivative instruments, as set out above). Across the range of FDI that the Fund may use, its policy is to satisfy cover requirements by holding the underlying assets, holding sufficient liquid assets, or by ensuring that the FDI are such that the exposure can be adequately covered without holding the underlying assets. The Fund may also retain large cash balances and cash equivalents (such as commercial paper and certificates of deposit) pending reinvestment if this is considered appropriate to the investment objective.

### *Futures*

Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. Futures contracts allow investors to hedge against market risk or gain exposure to the underlying market. Since these contracts are marked-to-market daily, investors can, by closing out their position, exit from their obligation to buy or sell the underlying assets prior to the contract’s delivery date. Frequently using futures to achieve a particular strategy rather than the underlying or related security often results in lower transaction costs. The Fund will utilise futures to gain exposure to equity and equity-related securities, as outlined above.

### *Options*

There are two forms of options, put and call options. Put options are contracts sold for a premium that gives one party (the buyer) the right, but not the obligation, to sell to the other party (the seller) to the contract, a specific quantity of a particular product or financial instrument at a specified price. Call options are similar contracts sold for a premium that gives the buyer the right, but not the obligation, to buy from the seller of the option at a specified price. Options may also be cash settled. The Fund may be a seller or buyer of put and call options. The Fund may purchase or sell these instruments either individually or in combinations. For example, purchasing a call option would allow the Fund to benefit from any upside in the performance, while limiting its overall exposure to the original premium paid by the Fund. The Fund will utilise options as a substitute for direct investment in specific countries, sectors or equity and equity-related securities.

## *Swaps*

A swap is an agreement negotiated between two parties to exchange the return on a reference interest rate such as a fixed or floating money market rate, for the return on a single stock, equity indices or baskets of stocks. They can be used to express both positive views (by creating a synthetic long position) and negative views (by creating a synthetic short position) on stocks. The Fund will use swaps to gain exposure to equity and equity-related securities. The Fund may also enter swap agreements on a basket of stocks in order to gain exposure or hedge country or sector risks.

Swap agreements may include total return swaps (“**TRS**”). When the Fund enters into a TRS, it receives a periodic return based on the return that would be generated by holding the underlying asset in exchange for a payment typically based on prevailing interbank interest rates plus a margin. The swap can be used to replicate the effect of holding any of the assets in accordance with the investment policy of the Fund. Where the Fund enters into a TRS (or invests in other FDI with the same characteristics) it will do so with counterparties who meet the criteria under the heading “**Eligible Counterparties**” in section 1 of the Prospectus.

### *Contracts for Difference (“CFDs”)*

The Fund may enter into CFDs (which are sometimes referred to as synthetic swaps) which can be used to secure a profit or avoid a loss by reference to fluctuations in the value or price of underlying securities. The Fund may use CFDs in order to gain exposure to the economic performance of equity and equity-related securities without the need for taking or making physical delivery of such securities. Consequently, no rights are acquired or obligations incurred relating to the underlying securities. CFDs may be used as either a substitute for direct investment in the underlying securities or as an alternative to and for the same purposes as futures and options, particularly in cases where there is no futures contract available in relation to specific securities, or where the Investment Manager is of the view that it is an efficient method of gaining exposure to the underlying securities.

### *Total Return Swaps*

As noted above, the Fund may enter into total return swaps.

All types of assets which may be held by the Fund in accordance with its investment objectives and policies may be subject to a total return swap.

The maximum proportion of the Fund’s assets which can be subject to total return swaps is 100% of the Net Asset Value of the Fund.

However, the expected proportion of the Fund’s assets which will be subject to total return swaps is between 30% and 70% of the Net Asset Value of the Fund’s assets. The proportion of the Fund’s assets which are subject to total return swaps at any given time will depend on prevailing market conditions and the value of the relevant investments. The amount of assets engaged in total return swaps, expressed as an absolute amount and as a proportion of the



Fund's assets, as well as other relevant information relating to the use of total return swaps shall be disclosed in the annual report and semi-annual report of the ICAV.

For the purposes of the above, a total return swap is any OTC derivative contract in which one counterparty transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of a reference obligation to another counterparty.

Further information relating to securities financing transactions and total return swaps is set out in the Prospectus at the sections entitled "*Securities Financing Transactions*" and "*Total Return Swaps*".

#### *Financial Indices*

As noted above, the Fund may use FDI on indices for investment purposes in accordance with the investment objective and policies set out in this Supplement.

Due to the broad nature of the investment policies, it is not possible to comprehensively list all of the financial indices to which exposure can be taken and they may change from time to time. However, the following is an example of the type of indices that the Investment Manager may invest when seeking to achieve the investment objective of the Fund;

- The EURO STOXX Small Index is an index based on the STOXX Europe 600 Index and is designed to provide representation of large, mid and small capitalization companies in the Eurozone. The EURO STOXX Small Index is rebalanced quarterly. Further information on the index can be found at [www.stoxx.com/index-details?symbol=SCXE](http://www.stoxx.com/index-details?symbol=SCXE).

Details of any financial indices used by the Fund will be provided to Shareholders by the Investment Manager on request and will be set out in the ICAV's semi-annual and annual accounts. Furthermore, the financial indices to which the Fund may gain exposure will typically be rebalanced on a monthly, quarterly, semi-annual or annual basis. The costs associated with gaining exposure to a financial index will be impacted by the frequency with which the relevant financial index is rebalanced. Where the weighting of a particular constituent in the financial index exceeds the UCITS investment restrictions, the Investment Manager will, as a priority objective, look to remedy the situation taking into account the interests of Shareholders and the Fund. Any such indices will be cleared by the Central Bank or will meet its requirements.

The Fund is actively managed without reference to any benchmark meaning that the Investment Manager has full discretion over the composition of the Fund's portfolio, subject to the stated investment objectives and policies.

#### *Foreign exchange transactions and other currency contracts*

Foreign exchange transactions and other currency contracts including foreign exchange forwards, non-deliverable forwards and foreign exchange options may also be used to provide protection against exchange risks in accordance with the requirements of the Central Bank. Such contracts may be used by the Fund to hedge some or all of the exchange

risk/currency risk arising as a result of the fluctuation between the Base Currency and the currencies in which the Fund's investments are denominated. In connection with this, the Fund may hold net short positions in currencies i.e. it may sell forward currency exposure that exceeds the exposure of the underlying investments to the currency in which the Fund's investments are denominated.

### Investment Philosophy

The investment strategy of the Fund is comprised of a long and a hedging portfolio. The Fund uses a fundamental, bottom-up research approach for both the long portfolio and parts of the hedging portfolio and actively monitors and steers its risk exposure within defined parameters.

I) Long portfolio: Under normal market circumstances (such as outside of financial crises), most of the Fund's assets are invested via a fully researched, actively managed and diversified long portfolio comprising of European Small Cap stocks, with, in the view of the Investment Manager, an attractive risk/return relationship in the mid- to long-term. Holding periods are typically 2-3 years but may be shorter or longer. The number of long positions is typically 40-70 but may be lower or higher, depending on the number and return potential of the investment cases yielded by the research process described below. Long positions in the Fund are typically held directly and not through FDIs, and they are in most market environments the main contributors to overall Fund performance.

II) Hedging portfolio: Under normal market circumstances (such as outside of financial crises), the Fund will make use of a hedging portfolio to reduce the overall risk of the Fund and to benefit from situations where, in the view of the Investment Manager, a share price is trading higher compared to a level which would be justified by its fundamental, intrinsic value. In addition, the Fund can use other instruments to reduce overall market exposure, such as Total Return Swaps on a basket of stocks or instruments linked to financial indices. Short positions entail specific risks in that they theoretically can result in unlimited losses, which is mitigated by setting maximum limits for single short positions. The Investment Manager may leverage the Fund's assets by using FDI. FDIs are mainly used to mitigate risks and to reduce the overall volatility of the portfolio. In most market environments, the hedging portfolio will have a minor contribution to overall fund performance.

The Investment Manager pursues a stringent research and investment process described below.

### *Investment Universe:*

The investment universe of the entities in which the Fund invests is comprised of securities listed in Europe and securities issued by European entities. A maximum of 10% of the assets of the Fund may be invested in equities from outside this investment universe (including emerging market securities). The focus is given to entities with a market capitalisation below EUR 10bn and a sell-side coverage of fewer than 10 analysts, however, other entities from the investment universe may also enter the portfolio at the discretion of the Investment Manager

### *Idea Generation:*

The primary source for new investment ideas is active, primary research by the Investment Manager. Additional sources may also be considered, such as secondary research, quantitative screens or technical analysis.

Special attention is given to entities where their future development is influenced by significant fundamental change. Examples are: New management, new strategy, new products, new key clients, regulatory change, change in business mix, large expansion projects, Acquisitions/divestments, capital increases, and change due to exposure to ESG risks.

#### *Research Process:*

The research process employed by the Investment Manager typically involves the following steps:

##### a) Qualitative analysis

A fundamental, bottom-up analysis is performed for each entity that is analysed by the Investment Manager. Each entity is different and thus the analysis is tailored to each entity. Among other things, some of the following factors might be considered: Management quality, nature of the business model, visibility and drivers of the business, growth drivers, upcoming catalysts, competitive environment, pricing power, operating leverage, strategic assets, regulatory risks and opportunities, environmental risks, social risks, corporate governance, ownership structure, other risk factors (customer concentration, etc.), and quality and consistency of financial reporting.

In analysing entities, the Investment Manager utilises a combination of recognised techniques of securities analysis in addition to its own experience in the markets in which the Fund is investing. Sources of information on which its investment decisions are based may include general economic data, forecasts prepared by government and private sources, industry trade publications, various statistical sources, information material published by publicly held corporations, information and projections provided by the research departments of brokerage firms, interviews with key industry contacts, corporate officers and other individuals familiar with the entities and industries under consideration.

##### b) Financial analysis

Under normal circumstances, the Investment Manager performs a financial analysis using entity-specific, proprietary financial models. Among other things, some of the following factors might be considered: Balance sheet quality, order intake, revenue and revenue growth, margins and profitability, operating leverage, cash flow, capital intensity, expansion capital expenditure, consensus estimates, valuation, dividends and payout ratio.

The measures used to evaluate the “fair value” under different scenarios depend on the nature of the investment case. Typically, among others, at least one of the following valuation measures is considered:

- Multiples (price-to-earnings ratio (“P/E”), PE/growth, enterprise value (“EV”)/sales, EV/EBIT, etc.),
- Yield measures (dividend yield, free cash flow – yield, earnings yield),
- Discounted cash flows,

- Sum-of-the-parts,
- Peer group comparison,
- Economic Value Added (“EVA”) based measures (including EV, capital employed, return on capital employed and ROCE and weighted average cost of capital).

c) Exclusions (“Negative screening strategy”)

The Investment Manager discounts certain potential investments based on its sustainable investment policy (which includes details on the environmental, social and governance (“ESG”) integration and exclusion approach of the Investment Manager), as further detailed below under “Integration of Sustainability Risk”.

Before a portfolio adjustment is executed, the portfolio of the Fund is analysed as a whole, including the proposed adjustments. Any adjustments are subject to the general investment restrictions applicable to the Fund.

After an investment decision has been taken, the Investment Manager decides whether to make the investment directly or through FDI, based on (but not limited to) expected return profiles, anticipated time horizons, implied volatility levels and liquidity.

Portfolio Construction

*Long portfolio*

The Investment Manager aims to invest, in normal circumstances, into about 40 – 70 long positions as described above. The size of the position will be driven by various factors, such as:

- Relationship between risk and expected return of a case,
- General quality and risk of a case,
- Expected, upcoming catalysts,
- Fundamental business momentum of a case,
- Conviction level of the Investment Manager, or
- Technical analysis,

The Fund will limit individual long positions to a maximum of 10% of Net Asset Value and short positions to a maximum of 10% of Net Asset Value.

Under normal circumstances, the expected long exposure amounts to c. 100% and the expected hedging exposure to c. 50% of the assets of the fund.

Environmental, Social and Governance (ESG) Factors

The Fund is categorised as an Article 8 fund for the purposes of the SFDR. As such, the Fund promotes environmental or social characteristics but does not have sustainable investment as its objective. While the Fund promotes environmental characteristics in the manner described below and in Annex 2, it does not currently commit to investing in any “sustainable investments” within the meaning of the SFDR. Accordingly, it should be noted that the investments underlying this fund do not take into account the EU criteria for environmentally sustainable economic activities within the meaning of Article 6 of Regulation (EU) 2020/852. The Manager is keeping this situation under active review and where sufficient reliable, timely and verifiable data on the Fund’s investments become available, this Supplement will be updated.

### Integration of Sustainability Risk

The Investment Manager will take into account ESG factors when analysing potential investments (as set out further below and in Annex 2 hereto). Such analysis of ESG factors is an integral part of the Investment Manager's research and valuation process. When assessing the sustainability risk associated with underlying investments, the Investment Manager assesses the risk that the value of such underlying investments could be materially negatively impacted by an environmental, social or governance event or condition (an "**ESG Event**").

Sustainability risk is identified, monitored and managed by the Investment Manager in the following manner:

The Investment Manager has implemented a proprietary ESG scoring model for each individual issuer of potential investments by the Fund. This model includes the following: ESG topics are captured and assessed qualitatively and fundamentally, bottom-up based on primary and secondary research. The materiality of a particular ESG Event varies from industry to industry (as further described in Part 2 of Annex 2 to this Supplement), therefore the Investment Manager believes it is important to integrate ESG factors into the assessment of a potential investment rather than as a pre-screen or overlay. The scoring model ranges from CCC to AAA. At least 85% of the equity portfolio holdings held by the Fund are subject to this ESG analysis by the Investment Manager.

In addition, the Investment Manager considers ESG factors when using FDI for investment purposes. In this case, short positions through derivatives on single issuers are covered the same way as long positions. Derivatives used for hedging purposes, baskets and index-based products or cash accounts are excluded from ESG analysis.

The Investment Manager may also consider ESG factors when using FDI for investment purposes. In this case, short positions through FDI on single issuers are covered the same way as long positions. FDI used for the purposes of efficient portfolio management are excluded from such ESG analysis.

The Investment Manager may also consider ESG factors when using FDI for investment purposes. In this case, short positions through FDI on single issuers are covered the same way as long positions. FDI used for the purposes of efficient portfolio management are excluded from such ESG analysis.

The strategy aims to maintain an aggregate, position weighted internal ESG-score of at least "**A**" across those assets of the Fund that are subjected to the Investment Manager's internal ESG analysis. The internal ESG-score of an individual investment held by the Fund can be below this minimum score. In the event that the aggregate, position weighted internal ESG-score across all equity investments in the Fund falls below A the Investment Manager may seek to address this by altering the composition of the portfolio, if necessary this may require divestment of certain assets.

The Investment Manager also applies a norm-based exclusion approach/negative screening strategy. The Investment Manager excludes investments involving controversial and nuclear weapons as well as controversial countries/jurisdictions. Based on this, the Investment Manager does not invest in nuclear weapons, biological or chemical weapons, anti-personnel mines, and cluster ammunitions. The Swiss Law “Bundesgesetz über das Kriegsmaterial (KMG)” of December 13, 1996 (as amended) forms the basis for the Investment Manager’s norm-based exclusions.

Further information on the ESG integration and exclusion approach/negative screening strategy of the Investment Manager can be found on <https://www.jmsinvest.ch/esg>. Further information on the ESG approach of the Fund can be found on <https://www.credit-suisse.com/media/assets/microsite/docs/multiconcept/mcfm-entity-level-disclosure-esg-sfdr.pdf>.

During the life of an investment, sustainability risk is monitored through review of ESG data published by the issuer (where relevant) or selected data providers to determine whether the level of sustainability risk has changed since the initial assessment was conducted. This review is conducted on at least an annual basis. Where the sustainability risk associated with a particular investment has increased beyond the ESG risk appetite for the Fund, the Investment Manager will consider selling or reducing the Fund’s exposure to the relevant investment, taking into account the best interests of the Shareholders of the Fund.

The Manager delegates the portfolio management of all of the collective investment schemes under its management to a number of portfolio managers and as such does not currently have access to sufficient ESG information for determining and weighting, with adequate accuracy, the negative sustainability effects across all of these portfolio managers. Therefore, the Manager has decided not to consider directly and at its level the adverse impacts of investment decisions on sustainability factors according to Article 4 of the SFDR.

### **FDI Costs**

Investors should be aware that when the Fund enters into FDI contracts (including those used for currency hedging as described in greater detail below), operational costs and/or fees shall be deducted from the revenue delivered to the Fund.

In the case of total return swaps and contracts for differences, such fees and costs may include financing fees and in the case of FDI which are listed on Recognised Exchanges and/or centrally cleared, such fees and costs may include brokerage, exchange and clearing house fees. One of the considerations taken into account by the Investment Manager when selecting brokers and counterparties to FDI transactions on behalf of the Fund is that any such costs and/or fees which are deducted from the revenue delivered to the Fund shall be at normal commercial rates and shall not include any hidden revenue.

Such direct or indirect costs and fees will be paid to the relevant broker or counterparty to the FDI transaction, which, in the case of FDI used for currency hedging purposes, may include the Depository or entities related to the Manager and/or Depository. The identity of the entities to

which such direct and indirect costs and fees are paid shall be disclosed in the annual financial statements of the ICAV.

### **Leverage**

The Fund will use the commitment approach methodology for the calculation of its global exposure. As the Fund uses the commitment approach it must ensure that its global exposure relating to derivative instruments does not exceed its total Net Asset Value and the Fund may not therefore be leveraged in excess of 100% of its Net Asset Value.

The Investment Manager will not utilise FDI other than those listed above until such time as a revised risk management process has been prepared, submitted to and cleared by the Central Bank.

Risks associated with the use of FDI are detailed in the Prospectus at the section entitled "Risk Factors".

### **Share Class Currency Hedging**

Foreign exchange transactions may be used for Class currency hedging purposes. Where a Class of Shares is designated as a hedged Class, that Class will be hedged against exchange rate fluctuation risks between the denominated currency of the Class and the Base Currency of the Fund. Such hedging strategy shall be subject to the conditions and within the limits laid down by the Central Bank and may not be implemented in the following circumstances;

- if the Net Asset Value of the Fund falls below CHF5,000,000 or any other level whereby the Investment Manager considers that it can no longer hedge the currency exposure in an effective manner.

Further information is set out in the Prospectus at the section entitled "Hedged Classes". It should be noted that the successful execution of a hedging strategy which mitigates this currency risk exactly cannot be assured.

Where a Class is unhedged, a currency conversion will take place on subscriptions, redemptions, conversions and distributions.

### **Borrowing Powers**

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

## **5. Profile of a Typical Investor**

An investment in the Fund is suitable for investors seeking capital appreciation and who are willing to accept the risk of stock exchange volatility and the other risks of investing in the Fund including a substantial or complete loss of their investment. There are significant risks associated with an investment in the Fund.

## 6. Information on Share Classes

Class	Initial price per share	Initial Subscription during the S Class Fundraising Period*	Initial Subscription	Minimum Subsequent Subscription	Minimum Redemption Amount	Minimum Holding	Share Class Hedging
S EUR	100	EUR 50,000	EUR 10,000,000	EUR 1,000	EUR 1,000	EUR 10,000,000	No
S CHF	100	CHF 50,000	CHF 10,000,000	CHF 1,000	CHF 1,000	CHF 10,000,000	Hedged
S USD	100	USD 50,000	USD 10,000,000	USD 1,000	USD 1,000	USD 10,000,000	Hedged
I EUR	100	N/A	EUR 250,000	EUR 1,000	CHF 1,000	EUR 250,000	No
I CHF	100	N/A	CHF 250,000	CHF 1,000	CHF 1,000	CHF 250,000	Hedged
I USD	100	N/A	USD 250,000	USD 1,000	USD 1,000	USD 250,000	Hedged
B EUR	100	N/A	0	0	0	0	No
B CHF	100	N/A	0	0	0	0	Hedged
B USD	100	N/A	0	0	0	0	Hedged

The S EUR Class, the S CHF Class and the S USD Class are, together, the “**S Classes**”. The I EUR Class, the I CHF Class and the I USD Class are, together, the “**I Classes**”. The B EUR Class, the B CHF Class and the B USD Class are, together, the “**B Classes**”.

### *Initial Offer Period*

The Initial Offer Period for any Class of Shares in the Fund shall begin at 9 a.m. (Irish time) on 16 February 2022 and will close at 5pm (Irish time) on 25 February 2022.

The Initial Offer Period for any Class of Shares in the Fund may be shortened or extended in accordance with the Central Bank’s requirements. The Central Bank will be notified in advance of any shortening or extension if subscriptions for Shares have been received or otherwise on an annual basis.

Investors may apply to subscribe for Shares during the Initial Offer Period at the Initial Offer Price for each Class. All applications for Shares must be received by the Dealing Deadline.

Subscription monies should be paid to the account specified in the Application Form so as to be received in cleared funds by the deadline outlined for payment in the Prospectus.



### *Following the close of the Initial Offer Period*

Following the close of the Initial Offer Period, all applications for Shares must be received by the Dealing Deadline in the manner set out in the Prospectus. Subscription monies should be paid to the account specified in the Application Form so as to be received in cleared funds by the deadline outlined for payment in the Prospectus.

### *\* Additional information regarding the S Classes (the S Class Fundraising Period)*

From the launch of the Fund until 30 June 2022 (or such other date as can be determined by the Directors at their discretion (the **S Class Fundraising Period**), the Initial Subscription amount for investment into the S Classes shall be a lower amount than after the S Class Fundraising Period, as set out above.

Investors subscribing for at least 20,000 Shares of an S Class during the S Class Fundraising Period are eligible for subsequent subscriptions into the same S Share Class even if they do not meet the minimum holding requirement of the relevant Class.

Investors subscribing fewer than 20,000 Shares of an S Class during the S Class Fundraising Period are not eligible for subsequent subscriptions into the same S Class unless they meet the Minimum Holding requirements of the relevant S Class.

After the S Class Fundraising Period, the Directors may approve at their discretion investments into the S Classes, even if they do not meet the minimum thresholds in the table above for Minimum Subsequent Subscription, Minimum Redemption Amount and Minimum Holding.

In addition, investors should note the fees in respect of each Class are set below out under the heading "**12. Fees and Expenses**". Full details on how to purchase Shares are set out in the "Application for Shares" section of the Prospectus.

## **7. Initial Subscription and Minimum Holding Size**

Each investor must satisfy the Initial Subscription requirements applicable to the relevant Class as outlined above and must retain Shares having a Net Asset Value of the Minimum Holding applicable to the relevant Class as outlined above.

The Directors reserve the right to differentiate between Shareholders and to waive or reduce the Initial Subscription and Minimum Holding for certain investors.

## **8. Application for Shares**

Applications for Shares may be made through the Administrator through the process described in the Prospectus.

## **9. Redemption of Shares**

Requests for redemption of Shares may be made through the Administrator through the process described in the Prospectus.

Notwithstanding anything contained in the Prospectus, redemption proceeds in respect of Shares which have been redeemed will be paid within three Business Days of the relevant Valuation Day.

## **10. Conversion of Shares**

Subject to the Initial Subscription and Minimum Holding requirements of the relevant Classes, Shareholders may request conversion of some or all of their Shares in one Fund of the ICAV or Class to Shares in another Fund of the ICAV or Class or another Class in the Fund in accordance with the procedures specified in the Prospectus under the heading “**Conversion of Shares**”.

### **Conversion Charge**

It is not currently intended to impose a conversion charge on the conversion of Shares in any Class to Shares in another Class of a Fund.

## **11. 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.

## **12. Fees and Expenses**

All fees are quoted without applicable taxes, if any.

### **Management Fee, Administration Fee, Registrar and Transfer Agent Fee and Depositary Fee**

#### *Management Fee*

In accordance with Section 3 of the Prospectus (“*FEES, CHARGES AND EXPENSES*”), the management fee is composed of the management company fee, the investment management and the distribution fee (the “**Management Fee**”).

The breakdown of the Management Fee is, as follows;

<b>Class</b>	<b>Management Company Fee</b>	<b>Investment Management Fee</b>	<b>Distribution Fee</b>
S Classes	Up to 0.05%	1.0%	Up to 0.0%
I Classes	Up to 0.05%	1.2%	Up to 0.0%
B Classes	Up to 0.05%	1.7%	Up to 0.0%

The management company fee in favour of the Manager is accrued and calculated on each Valuation Point on the basis of the Net Asset Value of the respective Class and payable monthly in arrears, subject to a minimum fee of up to 40,000 EUR p.a. for providing the services under the Management Agreement.

The investment management fee in favour of the Investment Manager is accrued and calculated on each Valuation Point on the basis of the Net Asset Value of the respective Class and payable monthly in arrears.

The distribution fee in favour of the Distributor is accrued and calculated on each Valuation Point on the basis of the Net Asset Value of the respective Class and payable monthly in arrears.

#### *Administration Fee, Registrar and Transfer Agent Fee*

The Administrator is entitled to receive a fee for its administration services of up to 0.06% p.a. accrued and calculated on each Valuation Point on the basis of the Net Asset Value of the respective Class and payable monthly in arrears, subject to a minimum fee of up to EUR 40,000 p.a. (each plus any applicable taxes).

In addition to the monthly administration fee, the Administrator is entitled to an annual registrar and transfer agency fee to be paid out of the assets of the Fund for its services as registrar and transfer agent of a variable amount for transactions and account maintenance depending on the actual number of transactions and accounts (each plus any applicable taxes, if any).

#### *Depositary Fee*

The Depositary is entitled to receive fees for its services, as follows (i) a safekeeping fee of up to 0.04% p.a. accrued and calculated monthly on each Valuation Point on the basis of the Net Asset Value of the Fund, payable monthly in arrears, subject to a minimum fee of up to EUR 24,000 per annum (ii) an oversight fee of EUR 10,000 p.a., and (iii) transaction costs which depend on the actual number of transactions (each plus any applicable taxes).

The Depositary shall also be entitled to be repaid out of the assets of the Fund for safekeeping fees and expenses of any sub-custodian appointed (which shall be at normal commercial rates).

### *Performance Fee*

The Investment Manager is entitled to receive a performance related fee (the "**Performance Fee**") in respect of the S Classes, the I Classes and the B Classes.

The Performance Fee is equal to 15% of the excess of the Net Asset Value per Share (after the deduction of the Management Fee and all other payments and expenses but before the deduction of any accrued Performance Fee) at the end of a Performance Period (as defined below) over the High Water Mark (as defined below). No Performance Fee shall be payable unless the Net Asset Value per Share exceeds the High Water Mark.

"High Water Mark" means the previous highest of:

- (i) the highest Net Asset Value per Share of the relevant Class at the end of any previous Performance Period on which the Performance Fee was paid; and
- (ii) the Initial Offer Price of the relevant Share class, provided that in the case of Shares issued during a Performance Period, the Performance Fee accrual is adjusted to reflect the Net Asset Value per Share at which those Shares are issued. This is intended to mitigate (but not eliminate) the effect that would otherwise apply if the Fund bore a Performance Fee in respect of the Shares as if they were in issue since the start of the Performance Period.

The current "**Performance Period**" runs from the end of the Initial Offer Period until 31 December 2023. Thereafter, "**Performance Period**" means each calendar year.

The Performance Fee (if any) will accrue on each Valuation Day. The amount accrued on each Valuation Day will be determined by calculating the Performance Fee that would be payable if that day was the last day of the current Performance Period. The Performance Fee will be payable by the Fund to the Investment Manager annually in arrears normally within 20 Business Days of the end of each Performance Period.

The Performance Fee, if any, is calculated on Net Asset Value per Share (after the deduction of the Management Fee and all other payments and expenses but before the deduction of any accrued Performance Fee) at the end of each Performance Period including, for the avoidance of doubt any net realised and unrealised gains and losses. As a result, a Performance Fee may be paid on unrealised gains, which may subsequently never be realised. There is no repayment of any Performance Fee already paid if the Net Asset Value per Share subsequently falls back below the High Water Mark even if an investor redeems its holding.

### Deemed End of Performance Period

Shares in the S Classes, I Classes and B Classes redeemed other than at the end of a Performance Period will be treated as if the date of redemption was the end of the Performance Period and the above provisions shall apply. For the avoidance of doubt, this will not create a new High Water Mark. In the event of a partial redemption, Shares will be treated as redeemed

on a pro rata basis. Any Performance Fee payable to the Investment Manager shall be paid within 20 Business Days of the end of the relevant Performance Period.

If the Investment Management Agreement is terminated other than at the end of a Performance Period, the date of termination will be deemed to be the end of the Performance Period and the above provisions shall apply.

#### Performance Fee – No Equalisation

The methodology used in calculating the Performance Fee in respect of each of the S Classes, I Classes and B Classes may result in inequalities between investors in relation to the payment of Performance Fees (with some investors paying disproportionately higher Performance Fees in certain circumstances, such as where the performance of the Fund declines prior to the issue of Shares to new investors) and may also result in certain investors having more of their capital at risk at any time than others (as no equalisation methodology is employed in respect of the Performance Fee calculation).

The calculation of the Performance Fee shall be verified by the Depositary. The calculation of the Performance Fee is not open to manipulation.

A worked example of the performance fee applicable to the Fund is provided at Annex 1 to this Supplement.

#### *Anti-Dilution Levy*

An Anti-Dilution Levy may be charged at the discretion of the Directors as outlined in the Prospectus in the section entitled “**Anti-Dilution Levy**”.

#### *Establishment Costs*

The cost of establishing the Fund and the preparation and printing of the relevant Supplement is expected not to exceed EUR 50,000 and will be charged to the Fund and amortised over the first five years of the Fund’s operation or such other period as the Directors may determine.

A detailed summary of each of the fees and expenses of the Fund and the Company is set out in the section of the Prospectus headed “**Fees and Expenses**”.

### **13. Dividends and Distributions**

The Directors do not anticipate that any dividends or other distributions will be paid to holders of Shares out of the Fund’s earnings and profits. It is intended that such income will be reinvested by the Fund for the benefit of the Shareholders.

### **14. Risk Factors**

The attention of investors is drawn to the “**Risk Factors**” section in the Section of the Prospectus entitled “**The ICAV**”.

In addition, investors should take into account the following risk factors, outlined below.

#### *Small and Mid Cap Stocks*

Investing in the securities of smaller, lesser-known companies involves greater risk and the possibility of greater price volatility due to the less certain growth prospects of smaller firms, the lower degree of liquidity of the markets for such stocks and the greater sensitivity of smaller companies to changing market conditions.

#### *Distressed Securities*

Where the Fund invests in securities of companies which are restructuring, financially leveraged and may be involved or have recently been involved in major strategic actions, restructurings or other form of reorganization, their securities are likely to be particularly risky investments although they may offer the potential for correspondingly high returns. Such companies’ securities may be considered speculative and the ability of such companies to pay their debts on schedule could be affected by adverse interest rate movements, changes in the general economic climate, economic factors affecting a particular industry or specific developments within such companies. In addition, there is no minimum credit standard that is a prerequisite to an investment by the Fund in any instrument and a significant portion of the obligations and the preferred stock in which the Fund may invest may be less than investment grade.

#### *Portfolio Turnover*

Turnover of the Fund’s investments may be higher than the average for other more traditional portfolios and accordingly the level of commissions paid and other transaction costs may be higher than average.

#### *Sustainability risks*

The Fund could be exposed to some Sustainability Risks, which may differ depending on the investment instruments. In particular, some companies, markets and sectors may have greater exposure to Sustainability Risks than others may.

Such Sustainability Risks are integrated into the investment decision making and risk monitoring to the extent that they represent a potential or actual material risks and/or opportunities to maximizing the long-term risk-adjusted returns.

### Annex 1 to Supplement 2 – Performance Fee worked example

The table below shows the operation of the Performance Fee over a hypothetical five year period.

Period	Initial NAV (A)	HWM (B)	Performance during year (C)	NAV before Performance Fee (D)	Performance Fee Rate (E)	Performance Fee Due (F)	NAV after Performance Fee
Year 1	100.00	100.00	5.00%	105.00	15%	0.75	104.25
Year 2	104.25	104.25	3.00%	107.38	15%	0.47	106.91
Year 3	106.91	106.91	-2.00%	104.77	15%	0.00	104.77
Year 4	104.77	106.91	10.00%	115.25	15%	1.25	114.00
Year 5	114.00	114.00	1.00%	115.14	15%	0.17	114.97

**Initial NAV:** Value of the relevant Class at end of performance period after expenses have been applied but before the Performance Fee is calculated **(A)**

**HWM:** the highest Net Asset Value per Share of the relevant Class at the end of any previous Performance Period on which the Performance Fee was paid **(B)**

**Performance during year:** Performance of the share class at the end of the Performance Period **(C)**

**NAV before Performance Fee** =  $B + (B \times C)$  **(D)**

**Performance Fee Rate:** the rate at which a Performance Fee is to be paid in respect of the Class **(E)**

**Performance Fee Due** =  $(D - B) \times E$  **(F)**

**NAV after Performance fee** =  $D - F$  (note that “NAV after Performance Fee” in each year becomes the “Initial NAV” for the subsequent year)

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: TimeArise (the "Subfund")

Legal entity identifier: 54930000KJLN1RDVX325

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?

Yes

No

It will make a minimum of **sustainable investments with an environmental objective**: \_\_\_%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It will make a minimum of **sustainable investments with a social objective**: \_\_\_%

It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promotes E/S characteristics, but **will not make any sustainable investments**

#### Sustainable

**investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.





**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## What environmental and/or social characteristics are promoted by this financial product?

This Fund promotes environmental or social characteristics but does not have sustainable investment as its objective. The Fund does not have a reference benchmark designated for the purpose of attaining the environmental or social characteristics promoted by the Fund.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

N/A

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

N/A

- **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

The proprietary ESG scoring includes the consideration of Principle adverse impacts where applicable for a specific investment, however the fund does not use PAIs for the overall portfolio target except for exclusions.

How have the indicators for adverse impacts on sustainability factors been taken into account?

N/A

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The Investment Manager applies a norm-based exclusion approach/negative screening strategy. The Swiss Law "Bundesgesetz über das Kriegsmaterial" (KMG) of December 13, 1996 (as amended) forms the basis for the Investment Manager's norm-based exclusions.



## Does this financial product consider principal adverse impacts on sustainability factors?

- Yes
- No



## What investment strategy does this financial product follow?

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The ESG scoring model implemented by the Investment Manager is made up of the three dimensions of "E" (environmental), "S" (social) and "G" (governance). The issuer of each potential investment is accorded a score of -1, 0 or +1 per dimension. The sum of the points gives the overall ESG score of the issuer of a potential investment. The Investment Manager distinguishes between sectors in its ESG scoring approach. Risks from ESG events are assessed differently depending on the sectors in which the issuers operate. An ESG Event that is material in one sector may be less or more material in another sector. The actual factors considered for a specific issuer depend on the sector and business model and are assessed individually. Nevertheless, typical factors for each sector have been identified. The following table shows the most important factor for the "Environmental" and "Social" dimensions in respect of each of those sectors. The "Governance" dimension is of equal importance in all the sectors and thus not separately listed in the table. The factors listed below represent a snapshot of the current model and might change with further development and refinement of the research approach or when additional ESG data becomes available.

Sector	Environmental dimension	Social dimension
Energy	Climate change impact of product	Health and Safety
Materials	Climate change impact of product	Labour management
Industrials	Opportunities in clean tech	Labour management
Consumer Discretionary	Climate change impact of product	Labour management
Consumer staples	Climate change impact of product	Product safety and quality
Health Care	Toxic emissions and waste	Product safety and quality
Financials	Climate change impact of service	Consumer protection
Information Technology	Opportunities in clean tech	Social impact of product
Communication	Climate change impact of service	Social impact of product
Utilities	Climate change impact of product	Labour management

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Fund does not commit to having a minimum rate to reduce the scope of the investments considered prior to the application of the investment strategy.

- ***What is the policy to assess good governance practices of the investee companies?***

Investments in companies that are involved in controversial business practices and/or are active in controversial business areas are excluded. These are for example companies that violate the standards described above.



**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

## What is the asset allocation planned for this financial product?

The minimum asset allocation in #1 and #2 is 85% and 15%, respectively. Within the “#1 Aligned with E/S characteristics”, the minimum allocation for “#1A Sustainable” and “#1B Other E/S characteristics” is respectively 0% / 100%.



### ● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Investment Manager considers ESG factors when using FDI for investment purposes. He has implemented a proprietary ESG scoring model for each individual issuer of potential investments by the Fund. This model includes the following: ESG topics are captured and assessed qualitatively and fundamentally, bottom-up based on primary and secondary research. The scoring model ranges from CCC to AAA. At least 85% of the equity portfolio holdings held by the Fund are subject to this ESG analysis by the Investment Manager. In this case, short positions through derivatives on single issuers are covered the same way as long positions. Derivatives used for hedging purposes, baskets and index-based products or cash accounts are excluded from ESG analysis.

**Enabling activities**

directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities**

are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



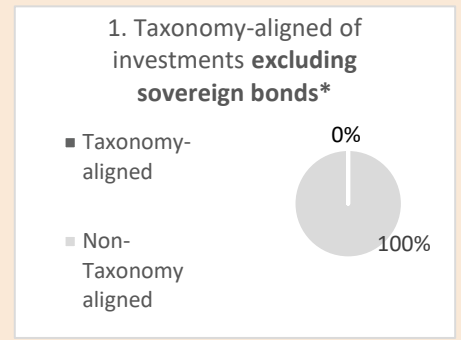
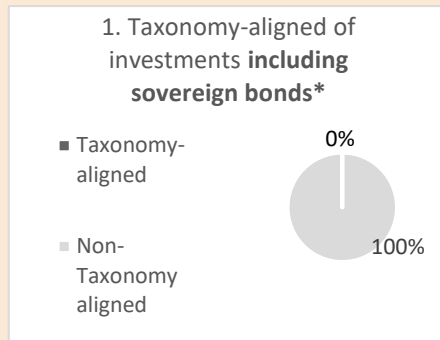
**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The Fund promotes environmental characteristics. As it does not aim to make sustainable investments, its commitment to make “sustainable investments” within the meaning of the EU Taxonomy is set at 0%

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>2</sup>?**

- Yes
  - In fossil gas
  - In nuclear energy
- No

*The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



This graph represents 100% of the total investments.

\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What is the minimum share of investments in transitional and enabling activities?**

N/A



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

N/A



**What is the minimum share of socially sustainable investments?**

<sup>2</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

N/A



**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The Investment Manager considers ESG factors when using FDI for investment purposes. In this case, short positions through derivatives on single issuers are covered the same way as long positions. Derivatives used for hedging purposes, baskets and index-based products or cash accounts are excluded from ESG analysis. The “#2 Other” can also include long/short positions of small/mid caps that do not yet provide representative ESG data due to the size of the company.



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

The Fund does not utilise a reference benchmark with defined sustainability characteristics for the purpose of attaining the environmental or social characteristics.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

N/A

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

N/A

- ***How does the designated index differ from a relevant broad market index?***

N/A

- ***Where can the methodology used for the calculation of the designated index be found?***

N/A



**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

The ESG-Website Disclosure of this document is available on the web page <https://www.credit-suisse.com/microsites/multiconcept/en/our-funds.html>



## ADDITIONAL INFORMATION FOR INVESTORS IN SWITZERLAND

This Country Supplement contains information for Swiss investors in respect of JMS ICAV (the "ICAV") and forms part of and must be read in conjunction with the prospectus for JMS ICAV (and the Fund Supplements thereto, as amended or supplemented from time to time (the "Prospectus")).

All capitalised terms herein contained shall have the same meaning in this country supplement as in the Prospectus, unless otherwise indicated.

### 1. Representative in Switzerland

Effective as of 30 April 2024, the Representative of the Company in Switzerland is UBS Fund Management (Switzerland) AG, Aeschenvorstadt 1, CH-4051 Basel as a result of the merger by absorption with Credit Suisse Funds AG.

### 2. Paying agent in Switzerland

Effective 01 July 2024, the Paying Agent of the Company in Switzerland is UBS Switzerland AG, Bahnhofstrasse 45, CH-8001 Zurich, as a result of the merger by absorption with Credit Suisse (Switzerland) Ltd.

### 3. Place for obtaining the relevant documents

The prospectus and any additions to the prospectus, the Key Investor Information Documents, the certificate of incorporation, and the annual and semi-annual reports can be obtained free of charge from the representative in Switzerland.

### 4. Publications

- a) Publications concerning foreign collective investment schemes are published in Switzerland on the electronic platform [www.swissfunddata.ch](http://www.swissfunddata.ch).
- b) The issue and redemption prices and/or net asset value per unit, with the note "excluding commissions," are published at least weekly on Fridays on the electronic platform [www.swissfunddata.ch](http://www.swissfunddata.ch).

### 5. Payment of retrocessions and granting of rebates/discounts

The management company and its agents may pay retrocessions as remuneration for distribution / offering activity in respect of fund units in Switzerland. This remuneration may be deemed payment for the following services in particular:

- Market, promote, distribute, offer or otherwise offer or arrange investments in investment products;
- Provide initial and on-going investment services to clients including, for example, investment advice and/or discretionary management services;
- Provide assistance to clients in the completion of subscription forms and providing required anti-money laundering and know your customer information to satisfy requirements of the appointed investment products' administrator;
- Provide on-going administration support to investors once invested in the investment products, including support in relation to the completion of redemption forms, delivery of documents relating to investment products and delivering performance reports and updates

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the Investors.

Disclosure of the receipt of retrocessions is based on the applicable provisions of FinSA.

On request, the recipients of retrocessions must disclose the amounts they actually receive for distributing / offering the collective investment schemes of the investors concerned.

In the case of distribution / offering activity in and from Switzerland the investment fund and/or the management company and their agents may upon request, pay rebates/discounts directly to investors. The purpose of rebates/discounts is to reduce the fees or costs incurred by the investor in question.

Rebates/Discounts are permitted provided that the following applies:

- The rebate/discounts are paid from fees from the investment fund and/or its management company and thus will not impact the fund's net assets.
- The rebate/discounts are granted on the basis of objective criteria.
- The rebate/discounts are granted to the same extent and within the same timeframe to all investors requesting a discount who fulfil the objective criteria.

The objective criteria for rebate/discounts to be granted by the investment fund or its management company are:

- the subscribed volume and/or the total volume held by the investor in the investment fund; or
- if applicable, in the product range of the promoter;
- the amount of the fees generated by the investor;
- the investment behaviour shown by the investor (e.g. expected investment period);
- the investor's willingness to provide support during the launch phase of an investment fund.

At the investor's request, the investment fund or its management company will disclose the relevant discount amount free of charge.

## **6. Place of performance and place of jurisdiction**

With respect to the shares offered in Switzerland the place of performance is at the registered office of the representative. The place of jurisdiction is at the registered office of the representative or the registered office or domicile of the investor.

## **7. Option to pass on the investment management fee**

Investment managers may, at their own discretion, pass on all or part of the compensation they receive to individual investors and other recipients.

DATED: 1<sup>st</sup> July 2024

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