

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 or other financial adviser. Prices of 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.

TENAX UCITS ICAV

(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 by the European Union (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations, 2016 (S.I. No. 143 of 2016).

P R O S P E C T U S

Investment Manager Tenax Capital Limited

The date of this Prospectus is May 5, 2017

IMPORTANT INFORMATION

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

The Prospectus

This Prospectus describes Tenax UCITS 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 as amended by the European Union (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations, 2016, with segregated liability between its Funds. The ICAV is structured as an umbrella fund and may comprise several Funds each representing a separate portfolio of assets. The share capital of the ICAV may be divided into different Classes of Shares to denote differing characteristics attributable to particular Classes of Shares.

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 and will be available to the public 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.

Promoter

The promoter of the ICAV is Tenax Capital Limited, the Investment Manager. The Investment Manager’s biography can be found in this Prospectus under the heading “MANAGEMENT AND ADMINISTRATION”.

Redemption Fee

Shares of each Fund may be liable for a Redemption Fee based on a percentage of the Net Asset Value per Share of each Share redeemed. Details of any such charge with respect to one or more Funds will be set out in the relevant Supplement.

The difference at any one time between the sale price (the Net Asset Value per Share to which may be added a Subscription Fee or commission) and the redemption price of Shares (the Net Asset Value per Share 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, in consultation with the Manager and the Investment Manager, 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, in consultation with the Manager and the Investment Manager, result in the ICAV incurring any liability to taxation or suffering any tax, legal, pecuniary or regulatory liability or disadvantage or material administrative disadvantage which the ICAV or its Members or any of them might not 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 Depositary, the Administrator and Shareholders for any loss suffered by it or them as a result of such person or persons acquiring or holding Shares in the ICAV.

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

Investors should note that where disclosed in the relevant Supplement, a Fund may provide for the payment of some or all of its dividends out of capital, for the purpose of seeking to maintain, so far as is reasonable, a stable payment per Share of the relevant Class, which will have the effect of eroding capital. In such circumstances, the maximising of income will be achieved by foregoing the potential for future capital growth. This cycle may continue until all capital is depleted. Distributions out of capital may have different tax implications to distribution of income and therefore investors should seek independent advice in this regard. Distributions out of capital made during the life of a Fund must be understood as a type of capital reimbursement.

United States of America

There will be no public offering of Shares in the United States. The Shares will not generally be available to US Persons, unless they are, among other things, “**accredited investors**” (as defined in Rule 501(a) of Regulation D under the US Securities Act of 1933, as amended (the “**1933 Act**”)) and “**qualified purchasers**” (as defined in Section 2(a) (51) of the US Investment Company Act of 1940, as amended (the “**1940 Act**”)).

The Shares have not been and will not be registered under the 1933 Act or the securities laws of any of the states of the United States, nor is such registration contemplated. The Shares may not be offered, sold or delivered directly or indirectly in the United States or to or for the account or benefit of any US Person except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the 1933 Act and any applicable state laws. Any re-offer or resale of any of the Shares in the United States or to US Persons may constitute a violation of US law.

There is no public market for the Shares in the United States and no such market is expected to develop in the future. The Shares offered hereby are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Instrument, the 1933 Act and applicable state securities law pursuant to registration or exemption therefrom. The Shares are being offered outside the United States pursuant to the exemption from registration under Regulation S under the 1933 Act and inside the United States in reliance on Regulation D promulgated under the 1933 Act and Section 4(2) thereof.

The ICAV has not been and will not be registered under the 1940 Act pursuant to the provisions of Section 3(c)(7) of the 1940 Act. Under Section 3(c)(7), a privately offered fund is excepted from the definition of “**investment company**” if US Person security holders consist exclusively of “**qualified purchasers**” and the Shares are only offered in the US on a private placement basis.

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 a stockbroker or other financial 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 (i.e. exposure and/ or hedging) and/or for the purposes of efficient portfolio management as more particularly disclosed in this Prospectus and the Supplement for the relevant Fund. The ICAV employs a risk management process which enables it to accurately measure, monitor and manage the risks attached to financial derivative positions and details of this process have been provided to the Central Bank. The ICAV will not utilise financial derivatives which have not been included in the risk management process until such time as a revised risk management process has been submitted to and cleared by the Central Bank. The ICAV will provide 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 expected 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

TENAX UCITS ICAV

Directors

Massimo Figna
Furio Pietribiasi
Frank O’Riordan

Registered Office of the ICAV

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Manager

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Investment Manager

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Depository

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Auditors

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Secretary

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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.

“Accounting Period”	means, in respect of each Fund, a period ending on the Annual Accounting Date and commencing, in the case of the first Fund, on the date the ICAV’s registration and, in subsequent such periods, on the day following expiry of the last Accounting Period and, in the case of subsequent Funds, on the date of the Fund’s approval by the Central Bank.
“Act”	means the Irish Collective Asset-management Vehicles Act, 2015 and every amendment or re-enactment of the same.
“Administration Agreement”	means the Administration Agreement made between the Manager, the ICAV and the Administrator dated May 5, 2017 as may be amended and / or supplemented from time to time.
“Administrator”	means CACEIS Ireland Limited.
“AIF(s)”	means Alternative Investment Fund(s) as defined in Directive 2011/61/EU.
“Annual Accounting Date”	means in the case of each Fund, as set out in the relevant Supplement or such other date as the Directors, in consultation with the Manager, may from time to time decide and notify in advance to the Central Bank.
“Application Form”	means any application form to be completed by subscribers for Shares as prescribed by the ICAV or its delegate from time to time and attached to the Supplement of the relevant Fund.
“Auditors”	means Deloitte.
“Base Currency”	means the currency of account of a Fund as specified in the relevant Supplement relating to that Fund.

“Business Day”	means in relation to a Fund such day or days as shall be so specified in the relevant Supplement for that Fund.
“Central Bank”	means the Central Bank of Ireland or any successor regulatory authority with responsibility for the authorisation and supervision of the ICAV.
“Central Bank Regulations”	means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 and every amendment or re-enactment of the same.
“Class”	means a particular division of Shares in a Fund.
“Country Supplement”	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.
“Dealing Day”	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 two Dealing Days in every month occurring at regular intervals.
“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.
“Depositary”	means CACEIS Bank, Ireland Branch.
“Depositary Agreement”	means the Depositary Agreement made between the ICAV and the Depositary dated May 5, 2017 as may be amended and/or supplemented from time to time.
“Directors”	means the directors of the ICAV or any duly authorised committee thereof or delegate thereof.
“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 and Liechtenstein).

“Eligible Assets”

means assets eligible for inclusion in a UCITS portfolio as described in the UCITS Regulations.

“Eligible CIS”

means UCITS collective investment schemes (including money market schemes) and eligible AIFs as described in the UCITS Regulations and Central Bank guidance. These include:

(a) (i) schemes established in Guernsey and authorised as Class A Schemes, (ii) schemes established in Jersey as Recognised Funds, (iii) schemes established in the Isle of Man as Authorised Schemes and (iv) retail investor AIFs authorised by the Central Bank provided such collective investment schemes comply in all material respects with the provisions of the UCITS Regulations and the Central Bank Regulations; and

(b) AIFs authorised in any EEA member state, the United States, Jersey, Guernsey or the Isle of Man which comply in all material respects with the provisions of the UCITS Regulations and the Central Bank Regulations. The consideration of “all material respects” will include, inter alia, consideration of the following: the existence of an independent depositary with similar duties and responsibilities in relation to both safekeeping and supervision, requirements for the spreading of investment risk including concentration limits, ownership restrictions, leverage and borrowing restrictions, availability of pricing information and reporting requirements, redemption facilities and frequency and restrictions in relation to dealings by related parties.

Other jurisdictions and types of AIF may be considered by the Central Bank on the basis of submissions made for that purpose.

To be an Eligible CIS, the scheme may not invest more than 10% of its net asset value in underlying collective investment schemes.

“Eligible Counterparty”

means (a) a credit institution authorised:

- (i) in the EEA;
- (ii) within a signatory state, other than a member state of the EEA, to the Basle Capital, Convergence Agreement of July 1988 (Switzerland, Canada, Japan, United States); or
- (iii) in Jersey, Guernsey, the Isle of Man, Australia or New Zealand; or

(b) an investment firm, authorised in accordance with the Markets in Financial Instruments Directive in an EEA member state; or

(c) a group company of an entity issued with a bank holding company license from the Federal Reserve of the United States of America (the “**Federal Reserve**”) where that group company is subject to bank holding company consolidated supervision by the Federal Reserve.

“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 March 25, 1957 (as amended by the Maastricht Treaty dated February 7, 1992).

“Financial Instruments”

means the transferable securities, financial derivative instruments (“**FDIs**”) and all other investments as outlined in the Appendix entitled “**Permitted Investments and Investment Restrictions**”, including any cash balances and liabilities of the relevant Fund.

“Fund”	means a sub-fund of the ICAV, the proceeds of the issue of Shares 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.
“ICAV”	means Tenax UCITS ICAV.
“Ineligible Applicant”	means an ineligible applicant as described in the section entitled “The Shares” .
“Initial Offer Period” / “Subscription Period”	means the period as specified in the relevant Supplement, during which Shares in a Fund or Class are initially offered.
“Initial Offer Price”	means the initial price payable for the initial subscription of a Share as specified in the relevant Supplement for each Fund.
“IFRS”	means the International Financial Reporting Standards.
“Instrument”	means the Instrument of Incorporation of the ICAV as amended from time to time in accordance with the requirements of the Central Bank.
“Investment Management Agreement”	means the investment management agreement made between the Manager, the Investment Manager and the ICAV dated May 5, 2017 as may be amended and/or supplemented from time to time.
“Investment Management Fee”	means the fee defined in the section entitled “Investment Management Fee” in the relevant Supplement.
“Investment Manager”	means Tenax Capital Limited.
“Ireland”	means the Republic of Ireland.
“Management Agreement”	means the management agreement made between the ICAV and the Manager dated May 5, 2017 as may be amended and/or supplemented from time to time.
“Management Shares”	means a management share in the capital of the ICAV which shall have the right to receive an amount not to

exceed the consideration paid for such Management Share.

“Manager”

means Bridge Fund Management Limited.

“Member”

means a Shareholder or a person who is registered as the holder of one or more Management Shares in the ICAV, the prescribed particulars of which have been recorded in the register of the ICAV.

“Member State”

means a member state of the European Union.

“Minimum Holding”

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

“Minimum Subscription”

means the minimum initial subscription required for Shares as specified in the relevant Supplement.

“Money Market Instruments”

means instruments normally dealt in on the money market which are liquid and 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

“OECD Governments”

means governments of Australia, Austria, Belgium, Canada, Chile, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, South Korea, Latvia, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Slovakia, 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”

means 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 Agent”

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

“Performance Fee”

means the fee, if any, defined in the relevant Supplement.

“Prospectus”

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

“Redemption Fee”

means unless specified otherwise in the relevant Supplement, a fee of up to 3% of the Net Asset Value of Shares being redeemed. The Redemption Fee is charged at the absolute discretion of the Directors, in consultation with the Manager and the Investment Manager. The party or parties entitled to such fee shall be described in the relevant Supplement.

“Redemption Form”

means any form to be completed by a Shareholder requesting redemption of any or all of their Shares, as prescribed by the ICAV or its delegate from time to time.

“Redemption Price”

means, in respect of each Share being redeemed, the value payable to the investor of each Share based on the Net Asset Value per Share, and any Duties and Charges, each calculated as at the Valuation Day related to the Dealing Day upon which such Share is to be redeemed.

“Redemption Settlement Cut-Off”	means the time by which payment for redemptions must be received in the bank account as specified on the Application Form and in the relevant Supplement for the Fund to permit processing as at the relevant Dealing Day.
“Regulated Market”	means the stock exchanges or markets set out in Appendix II.
“Secretary”	means Tudor Trust Limited.
“Semi-Annual Accounting Date”	means in respect of each Fund such date as shall be specified in the relevant Supplement.
“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 referable to a particular Fund.
“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, unless otherwise specified in the relevant Supplement, a fee, of up to 5 per cent of the aggregate investment amount subscribed. The Subscription Fee is charged at the absolute discretion of the Directors, in consultation with the Manager and the Investment Manager. The party or parties entitled to such fee shall be described in the relevant Supplement.

“Subscription Price”

means, in respect of each Share applied for, the cost to the investor of each Share based on the Net Asset Value per Share adjusted for any Duties and Charges, 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 on

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.

“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 the UCITS Directive.

“UCITS Directive”

means EC Council Directive 2009/65/EC of July 13, 2009 as amended by way of EC Council Directive 2014/91/EU, as may be amended, consolidated or substituted from time to time.

“UCITS Regulations”

means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 as amended by the European Union (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations, 2016) (as amended, consolidated or substituted from time to time).

“UK”

means the United Kingdom of Great Britain and Northern Ireland.

“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.

“1933 Act”

means the United States Securities Act of 1933, as amended.

“1940 Act”

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

1. THE ICAV

General

The ICAV is an open-ended umbrella type Irish collective asset-management vehicle with limited liability and segregated liability between Funds, registered by the Central Bank on January 13, 2017 to carry on business as an ICAV pursuant to the UCITS Regulations. The ICAV has been authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations.

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: Tenax ILS UCITS Fund.

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, return of capital, the level of fees and expenses to be charged, subscription or redemption procedures or the Minimum Subscription and Minimum Holding 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 in consultation with the Manager and the Investment Manager at the time of creation of the relevant Fund.

A change to the investment objective, or any material change to the investment policy of a Fund, as disclosed in the relevant Supplement, 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 to the investment objective and/or a material change to the investment 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.

The list of Regulated Markets on which a Fund's investments in securities and financial derivative instruments, other than permitted investments in unlisted securities and OTC derivative instruments, will be listed or traded is set out in Appendix II.

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. The Investment Manager shall ensure that a Fund with foreign currency borrowings which exceed the value of a "**back-to-back**" deposit treats that excess as borrowings for the purposes of Regulation 103(1) of the UCITS Regulations.

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

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 Central Bank 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 financial derivative instruments 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 Central Bank Regulations, a Fund may use repurchase agreements, reverse repurchase agreements and/or stock-lending agreements for efficient portfolio management purposes only. 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.

None of the Funds will engage in securities financing transactions (lending, repurchase and/or reverse repurchase agreements) within the meaning of EC Regulation 2015/2365 unless otherwise described in the relevant Supplement.

Financial Derivative Instruments

A Fund may invest in financial derivative instruments dealt in on a Regulated Market 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 only enter into OTC derivative transactions with an Eligible Counterparty.

A Fund may use financial derivative instruments traded on a Regulated Market and/or on OTC markets for investment purposes and/or 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 financial derivative instruments in which the Investment Manager may invest on behalf of each Fund,

and the expected effect of investment in such financial derivative instruments on the risk profile of a Fund are set out in the relevant Supplement. The extent to which a Fund may be leveraged through the use of financial derivative instruments will also be disclosed in the relevant Supplement. In addition, the attention of investors is drawn to the section of the Prospectus headed “**Efficient Portfolio Management**” and the risks described 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 derivatives 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 financial derivative instruments. 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 financial derivatives which have not been included in the risk management process until such time as a revised risk management process has been submitted to and cleared by the Central Bank. The ICAV will provide, upon request by Shareholders, supplementary information relating to the risk management methods employed by the ICAV including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

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

Investors should be aware that when the ICAV enters into derivative contracts operational costs and/or fees shall be deducted from the revenue delivered to the relevant Fund. One of the considerations taken into account by the Investment Manager when selecting brokers and counterparties on behalf of a 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. Such direct or indirect costs and fees will be paid to the relevant broker or counterparty which may include the Depositary or entities related to the 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. Counterparties will not be related to the Manager or the Investment Manager. All revenues generated through the use of derivatives, net of direct and indirect operational costs and fees, will be returned to the Fund.

Investment in Financial Indices

Where a Fund intends to gain exposure to one or more financial indices directly or through the use of financial derivative instruments, the relevant Supplement shall state this and shall provide sufficient disclosure to allow a prospective investor to understand the market that the index is representing, why the index is being used as part of the investment strategy of the Fund, whether the investment will be made directly, through investment in the constituents of the index, or indirectly, through a derivative and where additional information on the index may be obtained. Such financial indices may or may not comprise of

Eligible Assets. Where an index does not comprise of Eligible Assets, the index will be cleared by the Central Bank. The Supplement shall also disclose the rebalancing frequency of the financial index in which the relevant Fund invests and its effects on the costs within the index. When the weighting of any particular component exceeds the permitted investment restrictions the procedures to be followed are as set out in the two paragraphs that immediately follow. Where a Fund intends to measure its performance against a particular index, the Supplement shall disclose a description of the index. The Investment Manager shall only gain exposure to financial indices which comply with the requirements of the Central Bank as set out in the Central Bank Regulations and in any guidance issued by the Central Bank. It is not possible to comprehensively list the actual financial indices to which exposure may be taken as they may change from time to time. A list of the indices to which a Fund takes exposure will be set out in the annual financial statements of the relevant Fund. Details of any financial indices used by any Fund will also be provided to Shareholders of that Fund by the Investment Manager on request.

Where the weighting of a particular constituent in the financial index exceeds the investment restrictions set down in the UCITS Regulations, the Investment Manager will as a priority objective look to remedy the situation taking into account the interests of Shareholders and the relevant Fund.

However, where a financial index comprised of Eligible Assets does not fulfil the criteria set out in Article 9(1) of the Commission Directive 2007/16/EC (i.e. sufficiently diversified, representative of an adequate benchmark for the market to which it refers and published in an appropriate manner), investment in such an index by the ICAV on behalf of a Fund is not considered a derivative on a financial index but is regarded as a derivative on the combination of assets comprised in the index. A Fund may only gain exposure to such a financial index where on a "look through" basis, the Fund is in a position to comply with the risk spreading rules set down in the UCITS Regulations taking into account both direct and indirect exposure of the Fund to the constituents of the relevant index.

Hedged Classes

The ICAV may (but is not obliged to) enter into certain currency related transactions in order to mitigate the exchange rate risk between the Base Currency of a Fund or a currency or currencies in which assets of a Fund are denominated and the currency in which Shares in a class of the relevant Fund is designated, where that designated currency is different to the Base Currency or currency of denomination of the assets.

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.

Where a Class of Shares is to be hedged this will be disclosed in the Supplement for the Fund in which such Class is issued. Transactions will be clearly attributable to a specific Class, therefore 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 and it is

intended to hedge the foreign currency exposure of such Classes into another currency, the Fund may aggregate the foreign exchange transactions entered into on behalf of such hedged Classes and apportion the gains/loss 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, 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 taking into account net subscriptions and redemptions applicable to the relevant Dealing Day. Hedged positions will be kept under review to ensure that over-hedged positions do not exceed the permitted level. This review will also incorporate a procedure to ensure that 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 and/or the currency in which the assets of the particular Fund are denominated.

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.

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.

Lack of Operating History

The ICAV is a recently formed entity and has no operating history upon which prospective investors can evaluate the likely performance of a Fund. The past investment performance of the Investment Manager may not be construed as an indication of the future results of an investment in the Fund. There can be no assurance that:

- (i) the Fund's investment policy will prove successful; or
- (ii) investors will not lose all or a portion of their investment in the Fund.

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.

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 their 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 misrepresentation by an investor, etc.

Risks associated with derivative transactions used for hedging and/or efficient portfolio management purposes

General

A Fund may engage in derivatives transactions as part of its investment strategy for hedging risks associated with its portfolio and/ or efficient portfolio management purpose in order to aim at achieving its investment objective. These strategies include the use of listed and/or OTC derivatives, including but not limited to futures, forward contracts, swaps and options. Prices of derivatives are highly volatile and may be subject to various types of risks, including but not limited to market risk, liquidity risk, credit risk, counterparty risk, legal risk and operations risks.

Furthermore, there may be an imperfect correlation between derivative instruments used as hedging instruments and the investments or market sectors to be hedged. This might result in an imperfect hedge of these risks and a potential loss of capital.

In addition, the use of derivatives can involve significant economic leverage and may, in some cases, involve significant risks of loss. The low initial margin deposits normally required to establish a position in such instruments permits leverage. As a result, a relatively small movement in the price of the underlying contract may result in a profit or a loss that is high in proportion to the amount of assets actually placed as initial margin and may result in unlimited further loss exceeding any margin deposited. Also, the ability to use these strategies may be limited by market conditions and regulatory limits and there can be no guarantee that any of these strategies will meet their expected target.

Transactions in over-the-counter derivatives, such as credit derivatives or currency forward contracts for instance, may involve additional risks, as there is no exchange on which to close out an open position. It may be difficult to assess the value of a position and its exposure to risk or to liquidate an existing position.

Additional risks associated with investments in financial derivative instruments (FDI) are summarised below:

Correlation Risk

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

Loss of Favourable Performance

The use of derivative instruments to hedge or protect against market risk may reduce the opportunity to benefit from favourable market movements.

Liquidity Risk

Futures positions may be illiquid or difficult to close out because of limits imposed by the relevant exchange on daily price movements. OTC positions are, by definition, illiquid, but the Investment Manager will only enter into OTC transactions with counterparties which are contractually obliged to close out a position on request.

Market Risk

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

Margin Risk

A Fund may be obliged to pay margin deposits and option premia to brokers in relation to futures and option contracts entered into for the Fund. While exchange traded contracts are generally guaranteed by the relevant exchange, the relevant Fund may still be exposed to the fraud or insolvency of the broker through which the transaction is undertaken. The Fund will seek to minimise this risk by trading only through high quality names.

Risks associated with derivative used for investment or exposure purposes

General

A Fund may engage in derivatives transactions as part of its investment strategy as a tool for exposure and with the aim to achieve its investment objective. These strategies include the use of listed and/or OTC derivatives, including but not limited to futures, forward contracts, swaps, options. Prices of derivatives are highly volatile and may be subject to various types of risks, including but not limited to market risk, liquidity risk, credit risk, counterparty risk, legal risk and operations risks.

Market Risk and leverage

In the event of unfavourable trends involving the derivative strategies put in place, the net asset value may decrease more significantly than the markets on which the Fund is exposed. This leverage can increase expected gains but also strongly emphasises the risks of loss. Certain derivative strategies have risk of loss limited to premium paid while other derivative strategies may have potentially unlimited risk of loss until the position is closed.

However, this risk is mitigated by the fact that the global exposure in relation to the use of derivatives shall not exceed 100% of the Net Asset Value of the relevant Fund in the case of Funds using the net commitment approach. As temporary borrowings may be allowed up to a maximum of 10% of a Fund's Net Asset Value, the global risk exposure using the net commitment methodology in relation to derivatives shall never exceed 110% of the Net Asset Value of the relevant Fund. Furthermore, in case the Fund is using the value-at-risk approach in order to monitor the risk associated with the use of said instruments, the level of value-at-risk shall not exceed the relevant limits set out in the UCITS Regulations and in accordance with the risk management process of the Investment Manager.

Counterparty Exposure and Legal Risk

The use of OTC derivatives, such as forward contracts and swap agreements will expose the relevant Fund to credit risk with respect to the counterparty involved and the risk that the legal documentation of the contract may not accurately reflect the intention of the parties. 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. As some of the derivative instruments in which a Fund may invest may be traded on markets where the trading, settlement and custodial systems are not fully developed, the derivative instruments of a Fund which are traded in such markets and which have been entrusted to sub-custodians in such markets may be exposed to risk in circumstances in which the Depositary will have no liability. 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. 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. With respect to exchange traded derivatives and centrally cleared OTC derivatives, the risk is more complex in that it involves the potential default of the exchange, clearing house or the clearing broker. In these circumstances, a Fund may encounter delays and encounter difficulties with respect to court procedures in seeking recovery of the Fund's assets. 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.

EMIR Risk

European Union Regulation No 648/2012 on OTC derivatives, central counterparties and trade repositories (also known as the European Market Infrastructure Regulation, or "EMIR"), which applies to the ICAV and the Funds, applies uniform requirements in respect of OTC derivative contracts by requiring certain "eligible" OTC contracts to be submitted for clearing to regulated central clearing counterparties and by mandating the reporting of certain details of OTC contracts to trade repositories. In addition, EMIR imposes requirements for appropriate procedures and arrangements to measure, monitor and mitigate operational counterparty credit risk in respect of OTC contracts which are not subject to mandatory clearing.

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 Financial Instruments. Such Financial Instruments may be valued at their probable realisation value estimated by a third party selected by the Directors or the Manager in consultation with the Investment Manager. Such Financial Instruments 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 Financial Instruments.

The Subscription Price or Redemption Price may be different from a Fund’s Net Asset Value due to Duties and Charges and the application of a Subscription Fee, Redemption Fee or a Contingent Deferred Sales Charge. The Net Asset Value will reflect any anti-dilution levy or swing pricing applied, as further described in the section entitled “THE SHARES: Net Asset Value And Valuation of Assets”.

Share Currency Designation Risk

A Class of Shares of a Fund may be designated in a currency other than the Base Currency of the Fund. 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 may try but is not obliged to mitigate this risk (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 assets. Assets 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 assets will accrue solely to the relevant Class of Shares of the Fund.

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 Investment Manager, or, a collective investment scheme managed by 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 Investment Manager and Key Persons

A Fund will rely upon 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 Investment Manager or any of its key personnel, as well as any significant interruption of the Investment Manager’s business operations, or in the extreme case, the insolvency of the Investment Manager, a Fund may not find successor managers quickly and the new appointment 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 one or more Classes of a particular Fund. Information regarding any Performance Fee will be disclosed 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 the investment strategy implemented for each Fund will be successful. 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.

Taxation

Any change in the taxation legislation in Ireland, or elsewhere, could affect the value of investments held by the ICAV and affect the ICAV's ability to provide a return to investors. 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. Potential investors and Shareholders should note that the statements on taxation, which are set out herein are based on advice which has been received by the Directors regarding the law and practice in force in the relevant jurisdiction as at the date of this Prospectus. As is the case with any investment, there can be no guarantee that a tax position or proposed tax position prevailing at the time an investment is made in the ICAV will endure indefinitely. The attention of potential investors is drawn to the tax risks associated with investing in the ICAV, particularly the section headed "**TAXATION**".

Foreign Account Tax Compliance Act and Common Reporting Standard

Please refer to "Foreign Account Tax Compliance Act" and "Common Reporting Standard" in the section headed "**THE SHARES**".

Cyber Security Risk

The ICAV and its service providers are susceptible to operational and information security and related risks of cyber security incidents. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber security attacks include, but are not limited to, gaining unauthorised access to digital systems (e.g., through "**hacking**" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data or causing operational disruption. Cyber attacks also may be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e. efforts to make services unavailable to intended users). Cyber security incidents affecting the Manager, the Investment Manager, the Administrator or the Depositary or other service providers such as financial intermediaries have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, including by interference with a Fund's ability to calculate its NAV; impediments to trading for a Fund's portfolio; the inability of Shareholders to transact business with the ICAV; violations of applicable privacy, data security or other laws; regulatory fines and penalties; reputational damage; reimbursement or other compensation or remediation costs; legal fees; or additional compliance costs. Similar adverse consequences could result from cyber security incidents affecting issuers of securities in which a Fund invests, counterparties with which the ICAV engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions and other parties. While information risk management systems and business continuity plans have been developed which are designed to reduce the risks associated with cyber security, there are inherent limitations in any cyber security risk management systems or business continuity plans, including the possibility that certain risks have not been identified.

Operation of Cash Accounts

Subscription monies delivered by an investor to the Fund prior to the relevant Dealing Day or prior to the

end of the Initial Offer Period are required to be wired to the account details in the Application Form. Provided that all documentation required by the Fund and the Administrator for anti-money laundering and customer identification purposes has been received, subscriptions will be processed and Shares in the relevant Fund issued on the relevant Dealing Day. Subscriptions will not be processed and Shares will not issue until all anti-money laundering documentation has been received. Accordingly, subscription monies received prior to the Dealing Day will not be subject to the Investor Money Regulations 2015 or any equivalent client asset protection regime and shall not form part of the assets of the relevant Fund until transferred to the Fund's account. This is on the basis that the relevant bank account is the Depository's "nostro" or general cash account and is not a collection account within the meaning of the Investor Money Regulations 2015, i.e. it is not designated as a subscription/redemption account and is not an account which is opened to hold monies for the benefit of an investor in the Fund. Accordingly, investors should note that prior to transfer to the Fund account investors may be exposed to the creditworthiness of the relevant credit institution where subscription monies are held and the ICAV shall have no fiduciary duties to the investor in respect of such monies.

In the event of the failure or a delay on the part of the investor in the settlement of subscription proceeds owed to the relevant Fund, the Directors reserve the right to charge the relevant Shareholder for any interest or other costs incurred by the Fund arising from such delay or failure to settle subscription monies on time including any costs associated with temporary borrowing. If the Shareholder fails to reimburse the Fund for those charges, the Directors will have the right to sell all or part of the investor's holdings of Shares in the Fund in order to meet those charges and/or to pursue that Shareholder for such charges. Further, the Directors reserve the right to reverse any allotment of Shares in the event of a failure by an applicant to settle the subscription monies on a timely basis. In such circumstances, the Directors shall compulsorily redeem any Shares issued and the Shareholder shall be liable for any loss suffered by the Fund in the event of any shortfall arising from the redemption proceeds.

Any failure to supply the ICAV or the Administrator with any documentation requested by them for anti-money laundering or client identification purposes will result in a delay in the settlement of redemption proceeds. In such circumstances, the Administrator will process any redemption request received by a Shareholder. Upon redemption, the Shares of the redeemed Shareholder will be cancelled and the Shareholder will be treated as an unsecured creditor of the Fund. However the proceeds of that redemption shall remain an asset of the Fund and the redeeming investor will rank as an unsecured creditor of the Fund until such time as the Administrator is satisfied that its anti-money-laundering and anti-fraud procedures have been fully complied with, following which redemption proceeds will be released. In the event of the insolvency of the Fund before such monies are transferred from the Fund's account to the redeeming investor, there is no guarantee that the Fund will have sufficient funds to pay its unsecured creditors in full. Investors who are due redemption proceeds which are held in the Fund's account will rank equally with other unsecured creditors of the relevant Fund and will be entitled to pro-rata share of any monies made available to all unsecured creditors by the insolvency practitioner. Accordingly, Shareholders and investors should ensure that all documentation required by the Fund or Administrator to comply with anti-money laundering and anti-fraud procedures are submitted promptly to the Fund/Administrator when subscribing for Shares.

Any failure to supply the ICAV or the Administrator with any documentation requested by them for anti-money laundering or client identification purposes, as described above, will result in a delay in the

settlement of dividend payments (if any). In such circumstances, any sums payable by way of dividend to Shareholders shall remain an asset of the relevant Fund until such time as the ICAV or the Administrator, as applicable, is satisfied that its anti-money-laundering and client identification purposes have been fully complied with, following which such dividend will be paid. In the event of the insolvency of the Fund before such monies are transferred to the Shareholder there is no guarantee that the Fund will have sufficient funds to pay its unsecured creditors in full. Investors who are due dividend proceeds which are held in the Fund's account will rank equally with other unsecured creditors of the Fund and will be entitled to pro-rata share of any monies made available to all unsecured creditors by the insolvency practitioner.

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 and any Fund may be exposed to risks of an exceptional nature from time to time.

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.

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 investment policy. The Directors have delegated the day to day management of the ICAV and custody of the assets of each Fund to the Manager and Depositary respectively. 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 act as administrator of the ICAV.

Directors

The Directors of the ICAV are:

Mr. Massimo Figna

Mr. Figna, an Italian national and UK resident, has approximately 20 years' experience in the European insurance and banking industries. He graduated with a first class degree in Economics in 1995 and completed a master's course in actuarial mathematics in the same year. He subsequently undertook the Securities Representative Certificate in 1999 and the Investment Management Certificate - Part 2 Investment Practice in 2004. Mr. Figna is a qualified chartered accountant and auditor in Italy. Between September 1993 and April 1995 Mr. Figna taught financial mathematics to accounting students. From December 1995 to December 1997 Mr. Figna was engaged as an auditor and consultant in the financial sector by Arthur Anderson S.p.A in Milan. He then worked as an equity analyst in the Italian insurance sector for Banca S. PaoloIMI in Milan until September 1999. From September 1999 to September 2004 Mr. Figna was an Executive Director with UBS in London and was one of the top five ranked insurance sector analysts in the 2003 Thomson Extel Survey of investment professionals.

Mr. Furio Pietribiasi

Mr. Pietribiasi, an Italian national and Irish resident, is an experienced professional in the financial industry with extensive knowledge in traditional and alternative investments and he has been in Ireland with Mediolanum since late 1998, covering a number of roles, including Head of Investments, Head of product development in Europe and General Manager of the Asset Management Company. Since 2008 he has been heading all Mediolanum operations in Ireland and Luxembourg where he is a member of the board of directors of the Mediolanum companies. Mr. Pietribiasi has been Chairman of the Board of Directors of the Irish Association of Investment Managers for a number of years. He started his career in investment management in Mediolanum Gestione Fondi in Milan and prior to that he worked in one of the leading legal and fiscal professional practice in Italy. Mr. Pietribiasi holds a MSc in Finance and Economics.

Mr. Frank O'Riordan

Mr O'Riordan, an Irish national and Irish resident, is currently President of the Securities and Investments Institute in Ireland and Director/Trustee of the AIB Group Pension Scheme, a role that he has held since 2012. He is also chair of the Investment Committee of the AIB Group Pension Scheme responsible for the

monitoring of its investment managers and the overall asset strategy of the Scheme. Mr O’Riordan serves on a number of advisory boards and has provided consultancy advice to asset management and fund management companies. Mr. O’Riordan joined AIB Investment Managers Ltd. (“AIBIM”), the asset management subsidiary of the AIB Group in 1987. Initially, Mr. O’Riordan was responsible for the management and development of AIBIM’s investment services in Ireland, the UK and the US. He was subsequently appointed as a Board Member of AIBIM in 2002 and in 2006 was named Chief Executive and Chief Investment Officer. During this time, Mr. O’Riordan was also Chairman of AIB Funds Management Ltd, responsible for AIB’s funds business incorporating an extensive suite of investment funds. Mr. O’Riordan retired from this position in 2012 following the sale of AIBIM. Mr. O’Riordan graduated from University College Dublin (UCD) with Honours in Economics in 1977. He completed a Master’s degree in Economics at UCD in 1979.

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

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

The Manager

The ICAV has appointed Bridge Fund Management Limited as its manager pursuant to the Management Agreement and Bridge Fund Management Limited 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 privately owned company incorporated with limited liability in Ireland on 16 December 2015 with registration number 573961. The Manager is authorized by the Central Bank to act as a fund management company pursuant to the UCITS Regulations and an Alternative Investment Fund Manager (AIFM) pursuant to the European Communities (Alternative Investment Fund Managers) Regulations, 2013, as amended. Its principal business is acting as manager of investment funds. 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’s corporate secretarial function is provided by the Secretary.

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:

David Dillon

David Dillon is a solicitor having qualified in 1978. He is a graduate of University Collective Dublin (Bachelor of Law) and has an MBA from Trinity College Dublin. David was a founding partner of the law

firm Dillon Eustace. David is a director of a number of Irish based investment and fund management companies. He has served as a member of a number of committees and sub-committees established by the Irish Law Society relating to commercial and financial services law. He is a former Chairman of the Investment Funds Committee (Committee I) of the International Bar Association, past Chairman of the Irish government's IFSC Funds Working group and a member of the IFSC's Clearing Group. He was a member of the Certified Accountant Accounts Awards Committee. He is currently on the organising committee of the Globalisation of Investment Funds organised by the ICI and the IBA. He worked with the international law firm of Hamada and Matsumoto (now Mori Hamada and Matsumoto) in Tokyo during 1983/1984. Mr. Dillon speaks regularly at international fora.

Paul MacNaughton

Paul McNaughton has over 30 years' experience in the banking/finance, fund management and securities processing industries. In addition, Paul spent 10 years with IDA (Ireland) both in Dublin and in the USA marketing Ireland as a location for multinational investment. He went on to establish Bank of Ireland's IFSC Funds business before joining Deutsche Bank to establish their funds business in Ireland. He was overall Head of Deutsche Bank's Offshore Funds business, including their hedge fund administration businesses primarily based in Dublin and the Cayman Islands, before assuming the role of Global Head of Deutsche's Fund Servicing business worldwide. Paul left Deutsche Bank in August 2004 after leading the sale of Deutsche's Global Custody and Funds businesses to State Street Bank and now acts as an advisor and non-executive director for several investment companies and other financial entities. Paul is a director of the Irish Stock Exchange Limited. Paul holds an Honours Economics Degree from Trinity College Dublin. He was the founding Chairman of Irish Funds, formerly the Irish Funds Industry Association and a member of the Irish Government Task Force on Mutual Fund Administration.

Patrick Robinson

Patrick Robinson has over 15 years' experience in the asset management and funds services industry. Patrick began working as a consultant with Bridge Consulting Limited, an affiliate of the Manager, in October 2009, before becoming Chief Executive Officer in August 2014. Patrick has an in-depth knowledge of UCITS and AIFM requirements and has project managed fund launches to include providing assistance on product development. He has established the risk, compliance and operational infrastructures of a number of asset management firms. Patrick joined Bridge Consulting Limited from RBS Fund Services (Ireland) Ltd where he headed the Operations Team responsible for the supervision and oversight of a variety of managers and service providers contracted to funds managed by RBS FSI. Prior to this Patrick worked with Olympia Capital (Ireland) Ltd where he managed the fund accounting operations for an array of clients with a diverse range of alternative fund products. He holds a Masters degree in Finance and Investment from the University of Ulster.

Hugh Grootenhuis

Hugh Grootenhuis graduated from the University of Cambridge where he read geography and land economy. Mr. Grootenhuis worked for the Schroder banking group for eighteen years where he obtained a wide range of investment banking experience. He worked for Schroders in Tokyo and Singapore, as well as London, and spent the majority of his time in the international equity capital markets group. In

Singapore, he was the director responsible for Schrodgers' South East Asian capital markets business. Mr. Grootenhuis joined Waverton Investment Management Limited ("Waverton", previously called J O Hambro Investment Management Limited) in 1999 as a director of new business. While with Waverton, he was responsible for marketing Waverton's private client business as well as structuring new long only and hedge fund vehicles. In May 2007 he was appointed head of all the funds business and joined the executive board. In June 2009 he was appointed Chief Executive Officer and acted in this capacity until July 2015. Mr. Grootenhuis was appointed as a special advisor to S.W. Mitchell Capital LLP in January 2016 to assist with the development of its business, including governance and oversight. Mr. Grootenhuis is also a director of the S.W. Mitchell Capital plc, Dublin range of UCITS funds, and SWMC European Fund and SWMC Small Cap European Fund, Cayman long/short funds.

The Investment Manager

The Manager has appointed Tenax Capital Limited (the "Investment Manager") as its investment manager and distributor pursuant to 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 is an investment management company incorporated in England and Wales on 30 July, 2004. Its principal business is to provide specialist investment management services.

It is authorised by the FCA as an Alternative Investment Fund Manager (AIFM) pursuant to Directive 2011/61/EU as implemented in the United Kingdom ("AIFMD"). The Investment Manager acts as investment manager of the ICAV on the basis of its freedom to provide portfolio management services cross-border within the EU pursuant to its permissions under Article 6(4) the AIFMD.

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

Further information regarding the Investment Manager is available at <https://www.tenaxcapital.com>.

Depository

The ICAV has appointed CACEIS Bank, Ireland Branch as Depository pursuant to the Depository Agreement.

CACEIS Bank acting through its Ireland branch (CACEIS Bank, Ireland Branch) is a public limited liability company (société anonyme) incorporated under the laws of France, having its registered office located at 1-3, place Valhubert, 75013 Paris, France, registered with the French Register of Trade and Companies.

It is an authorised credit institution supervised by the European Central Bank (ECB) and the Autorité de contrôle prudentiel et de résolution (ACPR). It is further authorised to carry out banking activities in Ireland through its Ireland branch.

The Depositary's duties include the following:-

- (i) safekeeping the assets of each Fund which includes (i) holding in custody all financial instruments that may be held in custody; and (ii) verifying the ownership of other assets and maintaining records accordingly;
- (ii) ensuring that each Fund's cash flows are properly monitored and that all payments made by or on behalf of applicants upon the subscription to Shares of the relevant Fund have been received;
- (iii) carrying out its oversight functions and ensuring that issues, redemptions and cancellations and the valuation of the Shares of the Funds are calculated in accordance with the UCITS Regulations;
- (iv) carrying out the instructions of the ICAV, unless they conflict with the UCITS Regulations;
- (v) ensuring that in transactions involving the assets of a Fund any consideration is remitted to the relevant Fund within the usual time limits; and
- (vi) ensuring that each Fund's income is applied in accordance with the UCITS Regulations.

Depositary Liability

Pursuant to the Depositary Agreement, the Depositary 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 UCITS 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 reasonable 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 UCITS Regulations.

Delegation

The Depositary may delegate its safekeeping functions to one or more delegates in accordance with, and subject to the UCITS Regulations and on the terms set out in the Depositary Agreement 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 IV. The list may be updated from time to time.

Conflicts

From time to time actual or potential conflicts of interest may arise between the Depositary and its delegates, for example, and without prejudice to the generality of the foregoing, where an appointed delegate is an affiliated group company and is providing a product or service to the ICAV and has a

financial or business interest in such product or service, or receives remuneration for other related products or services it provides to the ICAV. These services may include currency hedging services as well as acting as counterparty to OTC transactions and providing credit facility arrangements to the ICAV. The Depositary maintains a conflict of interest policy to address this.

The Depositary and/or its affiliates may act as the depositary, trustee and/or administrator of other funds. It is therefore possible that the Depositary (or any of its affiliates) may in the course of its business have conflicts or potential conflicts of interest with those of the ICAV and/or other funds for which the Depositary (or any of its affiliates) act. In the event of any potential conflict of interest which may arise during the normal course of business, the Depositary will have regard to the applicable laws. Where a conflict or potential conflict of interest arises, the Depositary will have regard to its obligations to the ICAV and will treat the ICAV and the other funds for which it acts fairly and such that, so far as is practicable, any transactions are effected on terms which are not materially less favourable to the ICAV than if the conflict or potential conflict had not existed.

Up-to-date information regarding the Depositary's identity, a description of its duties, its delegation of any of its duties and the applicable conflicts of interests will be made available to investors on request.

The Depositary in no way acts as guarantor or offeror of the ICAV's Shares or any underlying investment. The Depositary is a service provider to the ICAV and has no responsibility or authority to make investment decisions, or render investment advice, with respect to the assets of the ICAV.

Administrator

The Manager has appointed CACEIS Ireland Limited as administrator and registrar of the ICAV pursuant to the Administration Agreement with responsibility for the day-to-day administration of the ICAV's affairs including the calculation of the Net Asset Value per Share of each Fund and the preparation of the financial statements of each Fund, subject to overall supervision of the Manager.

The Administrator was incorporated in Ireland as a private limited company on 26 May 2000 with registered number 327980 and is authorised by the Central Bank. The Administrator is owned by CACEIS which is a joint venture between Credit Agricole S.A. (85%) and Natixis S.A. (15%). The Administrator's principal business is the provision of fund administration, accounting, registration, transfer agency and related shareholder services to collective investment schemes.

Secretary

The ICAV has appointed Tudor Trust Limited as its secretary. Tudor Trust Limited is a private company, limited by shares, incorporated in Ireland and is affiliated with Dillon Eustace, the Irish legal advisors of the ICAV.

Paying Agents / Representatives / Sub-Distributors

Local laws/regulations in EEA Member States 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 Depositary for the account of the ICAV or the relevant Fund; and
- (b) redemption monies payable by such intermediate entity to the relevant Shareholder.

Fees and expenses of Paying Agents appointed by the ICAV and/or the Manager 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, the Investment Manager, the Depositary, the Administrator 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 Manager and/or 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.

It is anticipated that the Depositary one of its group companies may provide a currency hedging service to the ICAV in respect of one or more Funds and will have a financial or business interest in such service and will receive remuneration for such services. The Depositary maintains a conflict of interest policy to address this and the Investment Manager monitors such service.

The management of the collateral policy of the ICAV in respect of stock lending and repurchase agreements transactions, is consistent with the one described above.

Neither the Investment Manager nor the Manager nor any of their respective affiliates are 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 Manager and the Investment Manager and their respective officers, partners and employees will devote as much of their time to the activities of the ICAV as they deem necessary and appropriate. The Manager and the Investment Manager and their respective 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, their respective delegates and 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 Manager and/or the Investment Manager and their respective 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 an Investment Management Fee or Performance Fee which are calculated on the basis of the Net Asset Value.

Each of the Parties will use its reasonable endeavours to ensure that the performance of their respective duties will not be impaired by any such involvement they may have and that any conflicts which may arise will be resolved fairly.

There is no prohibition on transactions with the ICAV by the Manager, the Investment Manager, the Depositary, the Administrator or entities related to any of them including, without limitation, holding, disposing or otherwise dealing with Shares issued by or property of the ICAV (each a "**Transaction**" together the "**Transactions**") 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 conducted at arm's length and are in the best interests of Shareholders and

- (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 Manager in consultation with the Directors as being independent and competent in the case of transactions involving the Depositary); or
- (b) execution on best terms on organised investment exchanges under their rules; or

- (c) where (a) and (b) are not practical, execution on terms which the Depositary is (or, in the case of a transaction entered into by the Depositary, the Manager, in consultation with the Directors, is) satisfied conform with the principle that such transactions are conducted at arm's length and are in the best interests of Shareholders.

The Depositary (or the Manager, in consultation with the Directors, 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 Manager, in consultation with the Directors, 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 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 an associated company of the Investment Manager 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 or an associated company of the Investment Manager will be made available to investors and prospective investors upon request.

“Knowledgeable Persons” means

- (i) the Manager, the Investment Manager and any affiliate of either of them;
- (ii) any other company appointed to provide investment management or advisory services to the ICAV;
- (iii) a Director or executive of the Manager or the Investment Manager or the ICAV or of another company appointed to provide investment management or advisory services to the ICAV;
- (iv) an employee, executive or partner of the Manager or the Investment Manager or of a company appointed to provide investment management or advisory services to the ICAV, where such person:
- is directly involved in the investment activities of the ICAV; or
 - is of senior rank and has experience in the provision of investment management services;

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.

Details of interests of the Directors are set out in the Section of the Prospectus entitled **“General Information - Directors' Interests”**.

Soft Commissions

The Directors do not anticipate that the Investment Manager, its delegates or connected persons of the Investment Manager will engage in soft commission arrangements with any brokers. Should the Investment Manager receive research products and services from brokers and other persons through whom investment transactions are carried out the Investment Manager must ensure that such arrangements are made on best execution terms and the services provided must be of a type which assist in the provision of investment services to the ICAV.

Cash/Commission Rebates and Fee Sharing

Where the Manager or the Investment Manager or any of their respective delegates 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. Full details of any such arrangements including fees payable to the Manager or the Investment Manager or any of their respective delegates will be disclosed in the Supplement for the relevant Fund. The Manager or the Investment Manager or their respective 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 them in this regard.

3. FEES, CHARGES AND EXPENSES

Establishment Expenses

All fees and expenses relating to the establishment and organization of the ICAV including the fees of the ICAV's professional advisers and registering the Funds for marketing in various markets will be borne by the Funds in existence. Such fees and expenses are estimated not to exceed €50,000 (excluding VAT) and may be amortized over the first five Accounting Periods of the ICAV.

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 Directors, the Manager, the Investment Manager, the Depositary, the Administrator, 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, legal and other professional advisory fees, regulatory fees, auditing fees, distribution 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 using other methods that will be fair and equitable to investors, provided that fees and expenses attributable solely 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.

Depositary's Fees

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

Remuneration Policy of the Manager

In line with the provisions of the UCITS Regulations, the Manager applies its remuneration policy and practices in a way and to the extent that is proportionate to its size, its internal organisation and the nature, scope and complexity of its activities. Further information on the remuneration policy of the Manager is available on <https://bridgeconsulting.ie/management-company-services/>.

As the Manager has delegated the investment management of the Funds to the Investment Manager, the Manager will ensure that the Investment Manager applies in a proportionate manner the remuneration rules as detailed in the UCITS Regulations or, alternatively, that the Investment Manager is subject to equally effective remuneration requirements in the United Kingdom.

Details of the 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 the composition of the remuneration committee, where such a committee exists, will be available free of charge upon request from the Manager.

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.

Performance Fee

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

Sub-Distributors' Fees

The fees of any sub-distributors may be paid out of the assets of the relevant Fund or as may otherwise be disclosed 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.

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.

Subscription Fee

The Directors in consultation with the Manager and the Investment Manager are empowered to levy a subscription fee not exceeding 5% of the value of the Shares being acquired. Details of the subscription fee, if any, will be set out in the relevant Supplement.

Redemption Fee

The Directors in consultation with the Manager and the Investment Manager are empowered to levy a redemption fee based not exceeding 3% of the Net Asset Value of the Shares being redeemed. Details of the redemption fee, if any, will be set out in the relevant Supplement.

Conversion Fee

The Directors in consultation with the Manager and the Investment Manager may charge a fee on the conversion of Shares in any Fund to Shares in another Fund up to a maximum of 5% of Net Asset Value of Shares in the original Fund. Details of the conversion fee to be charged (if any) can be found in the relevant Supplement.

Anti-Dilution Levy

Where disclosed in the relevant Supplement, the Directors, in consultation with the Manager and the Investment Manager, are entitled to implement an anti-dilution levy in respect of a Fund or Class as described in this Prospectus in the section entitled "Net Asset Value and Valuation of Assets".

Swing Pricing

Where disclosed in the relevant Supplement, the Directors, in consultation with the Manager and the Investment Manager, are entitled to implement swing pricing in respect of a Fund or Class as described in this Prospectus in the section entitled "Net Asset Value and Valuation of Assets".

Directors' Fees

The Instrument authorises the Directors to charge a fee for their services at a rate determined by the Directors. The Directors shall receive a fee for their services which shall in aggregate be up to a maximum of €70,000 per annum. The Directors' fees may vary over time depending on such factors as the number of Funds in the ICAV and the Net Asset Value of the Funds. The actual fee charged by the Directors to the ICAV will be disclosed in the annual reports of the Funds. 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. All Directors will be entitled to reimbursement by the ICAV of expenses properly incurred in connection with the business of the ICAV or the discharge of their duties.

Secretary's Fees

The ICAV shall pay the Secretary an annual fee for acting as corporate secretary to the ICAV of up to €7,500 per annum plus VAT which shall be payable semi-annually in arrears. The Secretary shall also be entitled to charge the ICAV for its reasonable out-of-pocket expenses.

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 in consultation with the Manager 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 using 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 in consultation with the Manager may calculate such fees or expenses on an estimated figure for yearly or other periods in advance and accrue them in equal proportions between all Funds over any period.

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 Subscription 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 by the Manager or the Administrator of appropriately authorised original written instructions from the relevant Shareholder to the ICAV.

The Directors in consultation with the Manager and the Investment Manager 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 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 in consultation with the Manager and the Investment Manager have the 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 this Prospectus or any law or regulation.

None of the ICAV, the Manager, the Investment Manager, the Administrator, 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 in consultation with the Manager 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 in consultation with the Manager 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

Applications for Shares in the relevant Fund may be made through the Administrator. Initial subscriptions should be made by all investors using an Application Form obtained from the Administrator and shall be submitted to the Administrator by fax, or pdf attached to any email as agreed with the Administrator with the original to follow promptly by post to the Administrator. Once submitted the Application Form shall, subject to applicable law and regulation, be irrevocable and binding on the Investor.

The Directors in consultation with the Manager and the Investment Manager 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 accepted and received by the Administrator prior to the relevant Dealing Deadline for any Dealing Day will normally be processed as at that Dealing Day. Any applications received after the relevant Dealing Deadline for the Fund for a particular Dealing Day will be processed as at the following Dealing Day unless the Directors in their absolute discretion in consultation with the Manager and the Investment Manager 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 the 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 in consultation with the Manager and the Investment Manager.

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 the Fund following the initial subscription may be made to the Administrator by fax, pdf attached to an email or Swift as may be permitted by the Directors in consultation with the Manager and the Investment Manager and agreed with the Administrator in accordance with the requirements of the Central Bank. Applications by facsimile, pdf attached to an email or such other means as agreed with the Administrator, 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, in consultation with the Manager and the Investment Manager, 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 in consultation with the Manager and the Investment Manager 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 Fund.

Issue of Shares

Shares will be issued at the Net Asset Value per Share calculated as at the relevant Dealing Day, except in respect of Shares issued during the Initial Offer Period (or Shares of a Class issued for the first time) which will be issued at the Initial Offer Price. This price could be less than the Subscription Price per Share for that Dealing Day due to the effect of 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 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.

Timing of Payment

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 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 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 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.

Confirmation of Ownership

Written confirmation of each purchase of Shares in the Fund will normally be sent by the Administrator to Shareholders within 10 Business Days of the Net Asset Value being published (or such other period of time as may be set out in the Supplement). Title to Shares will be evidenced by the entering of the investor's name on the ICAV's register of Members and no certificates will be issued.

Subscriptions in Specie

In accordance with the provisions of the Instrument, the ICAV may at the discretion of the Directors in consultation with the Manager and the Investment Manager accept in specie applications for Shares provided that the nature of the assets to be transferred into the Fund qualify as investments of the 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 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 and 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.

Anti-Money Laundering and Countering Terrorist Financing Measures

Measures provided for in the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 and the Criminal Justice Act 2013 (as amended) which are aimed towards the prevention of money laundering, require detailed verification of each applicant's identity, address, source of wealth and the supporting documentation for the source of wealth. For example, an individual will be required to produce a copy of his/her passport or identification card that bears evidence of the individuals' identity, date of birth and signature duly certified by a notary public or other person specified in the Subscription Form together with two different original/certified documents bearing evidence of the individual's address such as a utility bill or bank statement which are not older than six months old. The source of wealth and the supporting documentation is required for all individuals, joint accounts and trusts. The documentation required in respect of corporate applicants will be dependent on the country of incorporation or creation. Certified constituting, constitutional and verification documentation in respect of the beneficial owners may be required in certain cases.

Depending on the circumstances of each application, a detailed verification may not be required where (a) the investor is a regulated credit or financial institution, or (b) the application is made through a regulated financial intermediary. These exceptions will only apply if the financial institution or intermediary referred to above is located in a country which has equivalent anti-money laundering legislation to that in place in Ireland. Applicants may contact the Administrator in order to determine whether they meet the above exceptions.

The Administrator reserves the right to request such information and documentation as is necessary to identity, verify the source of wealth and supporting documentation for the source of wealth of an applicant. In the event of delay or failure by the applicant to produce any information and documentation required for verification purposes, the Administrator may not process the application and return all subscription monies and/or payment of redemption proceeds may be delayed and none of the ICAV, the Fund, the Directors, the Depositary, the Manager, the Investment Manager or the Administrator shall be liable to the subscriber or Shareholder where an application for Shares is not processed in such circumstances. If an application is rejected, the Administrator will return application monies or the balance thereof by telegraphic transfer in accordance with any applicable laws to the account from which it was paid at the cost and risk of the applicant. The Administrator may refuse to pay redemption proceeds where the requisite information and documentation for verification purposes has not been produced by a Shareholder.

Each subscriber and Shareholder will be required to make such representations as may be required by

the ICAV in connection with applicable anti-money laundering programmes, including representations that such subscriber or Shareholder is not a prohibited country, territory, individual or entity listed on the United States Department of Treasury's Office of Foreign Assets Control ("**OFAC**") website and that it is not directly or indirectly affiliated with any country, territory, individual or entity named on an OFAC list or prohibited by any OFAC sanctions programmes. Such subscriber or Shareholder shall also represent that amounts contributed by it to the Fund were not directly or indirectly derived from activities that may contravene U.S. Federal, State or international laws and regulations, including any applicable anti-money laundering laws and regulations. Each applicant will also be required to represent that it is not listed or directly or indirectly affiliated with any person, group or entity listed on the European Union consolidated list of persons, groups and entities that are subject to Common Foreign and Security Policy ("**CFSP**") related financial sanctions, which can be found on the European Commission's website, and that it is not subject to any CFSP sanctions programmes. Each applicant will be required to represent that subscription monies are not directly or indirectly derived from activities that may contravene United States Federal or State, or international, or European Union laws and regulations including, in each case, anti-money laundering laws and regulations.

The Administrator may disclose information regarding investors to such parties (e.g., affiliates, attorneys, auditors, administrators or regulators) as it deems necessary or advisable to facilitate the transfer of the Shares, including but not limited to being in connection with anti-money laundering 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 procedures, the Directors may implement additional restrictions on the transfer of Shares.

The Directors and the Administrator may impose additional requirements from time to time to comply with all applicable anti-money laundering laws and regulations, including the USA Patriot Act.

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 data protection legislation in Ireland. This data will be used for the purposes of client identification, administration, statistical analysis, market research, to comply with any applicable legal or regulatory requirements. Data may be disclosed to third parties including regulatory bodies, tax authorities, delegates, advisers and service providers of the ICAV and their or the ICAV's duly authorised agents and any of their respective related, associated or affiliated companies wherever located (including outside the EEA) for the purposes specified. By signing the Application Form, investors consent to the obtaining, holding, use, disclosure and processing of data for any one or more of the purposes set out in the Application Form. Investors have a right to obtain a copy of their personal data kept by the ICAV and the right to rectify any inaccuracies in personal data held by 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, in consultation with the Manager and the Investment Manager, might result in the ICAV, the Shareholders as a whole or the 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 the Fund being required to register under any applicable US securities laws.

Unless otherwise disclosed in the Supplement, Shares may generally not be issued or transferred to any US Person, except that the Directors may authorise the issue or transfer of Shares to or for the account of a US Person provided that:

- (a) such US Person certifies that it is an “**accredited investor**” and a “**qualified purchaser**”, in each case as defined under applicable US federal securities laws;
- (b) such issue or transfer does not result in a violation of the 1933 Act or the securities laws of any of the states of the United States;
- (c) such issue or transfer will not require the ICAV to register under the 1940 Act or to file a prospectus with the US Commodity Futures Trading Commission or the US National Futures Association pursuant to regulations under the US Commodity Exchange Act;
- (d) such issue or transfer will not cause any assets of the Fund to be “plan assets” for the purposes of ERISA; and
- (e) such issue or transfer will not result in any adverse regulatory or tax consequences to the Fund or its Shareholders as a whole.

Each applicant for, and transferee of, Shares who is a US Person will be required to provide such representations, warranties or documentation as may be required by the Directors to ensure that these requirements are met prior to the issue or the registration of any transfer of Shares. If the transferee is not already a Shareholder, it will be required to complete the Application Form.

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 December 21, 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.

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

Common Reporting Standard

Drawing extensively on the intergovernmental approach to implementing FATCA, the OECD developed the Common Reporting Standard ("CRS") to address the issue of offshore tax evasion on a global basis. 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 are expected to begin 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 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.

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

Requests for the redemption of Shares should be made to the Administrator and may be submitted by facsimile or pdf attached to any email or such other means as agreed with the Administrator in accordance with the Central Bank's requirements. Redemption requests should be made by submitting a completed Redemption Form to the ICAV care of the Administrator. Redemption Forms may be submitted

by fax or pdf attached to any email. Redemption Forms received prior to the Fund's Dealing Deadline for any Dealing Day will be processed as at that Dealing Day. Any Redemption Forms received after the Fund's Dealing Deadline for a Dealing Day will normally be processed on the next Dealing Day. Redemption Forms received after the Fund's Dealing Deadline but prior to the Valuation Point will only be accepted in exceptional circumstances, as determined and agreed by the Directors in consultation with the Manager and the Investment Manager.

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

Shareholders will normally be repaid in the currency of denomination of the relevant Class from which the Shareholder has redeemed Shares.

Redemptions in Specie

The ICAV may, at the discretion of the Directors in consultation with the Manager and the Investment Manager 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 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 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 Fund.

Redemption Limit

Unless otherwise disclosed in the Supplement, the limitations on redemptions set out below shall be applicable to the relevant Fund.

Where in respect of any Fund to which these redemption limits apply, the total requests for redemption on any Dealing Day exceed at least 10% of the total number of Shares in the Fund or at least 10% of the Net Asset Value of the Fund and the Directors, in consultation with the Manager and the Investment Manager, decide to refuse to redeem any Shares in excess of 10% of the total number of Shares in the Fund or 10% of the Net Asset Value of the Fund or such higher percentage that the Directors may determine, the ICAV shall reduce pro rata any request for redemption on that Dealing Day and shall treat the redemption requests as if they were received on each subsequent Dealing Day until all the Shares to which the original request related have been redeemed.

Compulsory 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 in consultation with the Manager and the Investment Manager 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.

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 four nor more than twelve weeks' notice expiring on a Dealing Day to Shareholders of its intention to redeem such Shares; or
- (b) if the Shareholders 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 in consultation with the Manager and the Investment Manager 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 Minimum Subscription and Minimum Holding 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 in consultation

with the Manager and the Investment Manager 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) of up to 1% of the Net Asset Value of the Shares in the Original Fund.

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

The relevant Supplement may disclose the power of the Directors to compulsorily switch Shares of one Class into Shares of another Class under certain circumstances.

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

Unless otherwise provided in a particular Supplement, the methodology used to determine the Net Asset Value of each Fund and Class and Share of each Fund shall be as set out below.

The Net Asset Value of the Fund and 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 the Fund shall be determined as at the Valuation Point for the relevant Valuation Day by valuing the assets of the Fund (including income accrued but not collected) and deducting the liabilities of the 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 the 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 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 the Fund will be expressed in the Base Currency of the Fund, or in such other currency as the Manager may determine either generally or in relation to a particular Class or in a specific case, in consultation with the Investment Manager.

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 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 Fund:

- (a) Securities which are listed or traded on a Regulated Market save as hereinafter provided at (g) will be valued at the closing (bid, offer or mid, as appropriate to each Fund and as disclosed in the relevant Supplement) or, if no closing price is available, at the last known market prices. Where a security is listed or traded on more than one Regulated Market the relevant exchange or market shall be the one that constitutes the main market or the one which the Directors (in consultation with the Manager and the Investment Manager) determines provides the fairest criteria in determining a value for the relevant securities. Securities listed or traded on a Regulated Market, but acquired or traded at a premium or at a discount outside or off the relevant exchange or market may be valued taking into account the level of premium or discount at the Valuation Point.
- (b) Securities which are listed or traded on a Regulated Market where the market price is

unrepresentative or not available, and unlisted securities, shall be valued at the probable realisation value estimated with care and good faith by;

- (i) the Directors; or
- (ii) a competent person appointed by the Directors and approved for the purpose by the Depositary; or
- (iii) by any other means provided the value is approved by the Depositary.

Fixed income securities may be valued by any of the persons listed in (i), (ii) or (iii) immediately above using matrix pricing (i.e. valuing securities by reference to the valuation of other securities which are considered comparable in rating, yield, due date and other characteristics) where reliable market quotations are not available.

- (c) Cash in hand or on deposit will be valued at its face/nominal value plus accrued interest, where applicable, to the end of the relevant day on which the Valuation Point occurs.
- (d) Exchange traded futures and options contracts (including futures and options on indices) which are dealt in on a Regulated Market shall be valued based on the settlement price as determined by the market where the exchange traded future/option contract is traded. If the settlement price is not available, the contract shall be valued at the probable realisation value estimated with care and in good faith by (i) the Directors; or (ii) a competent person appointed by the Directors and approved for the purpose by the Depositary; or (iii) any other means provided that the value is approved by the Depositary.
- (e) OTC derivative contracts which are not traded on a Regulated Market and are not cleared by a clearing counterparty shall be valued on the basis of the mark to market value of the derivative contract or, if market conditions prevent marking to market, reliable and prudent marking to model may be used. OTC derivative contracts which are not traded on a Regulated Market and which are cleared by a clearing counterparty shall be valued on the basis of a quotation provided at least as frequently as the relevant Fund calculates its Net Asset Value by the relevant counterparty and verified at least monthly by a party independent of the counterparty, including the Investment Manager, or another independent party which is approved for such purpose by the Depositary.
- (f) Forward foreign exchange contracts shall be valued in the same manner as derivative contracts which are not traded in a Regulated Market or by reference to the price at the Valuation Point at which a new forward contract of the same size and maturity could be undertaken.
- (g) 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 the latest bid price as published by the investment fund. Valuation on a mid price or offer price is acceptable if consistent with the valuation policy. The Directors may in accordance with (a) above undertake a valuation based on market prices where the investment fund in which the investment is made is listed on a Regulated Market.

- (h) Where it is not the intention or objective of the Directors to apply amortised cost valuation to the portfolio of a Fund as a whole, a Money Market Instrument within such a portfolio shall only be valued on an amortised basis if the Money Market Instrument has a residual maturity of less than three months and does not have any specific sensitivity to market parameters, including credit risk.
- (i) The value of any asset may be adjusted by the Directors where an adjustment is considered necessary to reflect the fair value in the context of currency, marketability, dealing costs and/or such other considerations as are deemed relevant.
- (j) Any value expressed otherwise than in the Base Currency of the Fund shall be converted into the Base Currency of the Fund at the prevailing exchange rate as of the Valuation Point which is available to the Administrator and which is normally obtained from Bloomberg or Reuters or an equivalent data provider.
- (k) A particular asset valuation may be carried out using an alternative method of valuation if the Directors deem it necessary and the alternative method must be approved by the Depositary and the rationale/methodologies shall be clearly documented.

Swing pricing

Subscriptions or redemptions in a Fund or Share Class can create dilution of the Fund's or the Share Class's assets if Shareholders subscribe or redeem at a price that does not necessarily reflect the real dealing and other costs that arise when the Investment Manager buys or sells assets to accommodate net subscriptions or net redemptions. In order to protect the interests of the existing Shareholders of a Fund or a Share Class, a swing pricing mechanism may be adopted as appropriate if disclosed, and as further described, in the Supplement of the Fund. If the net subscriptions and redemptions based on the last available Net Asset Value on any Valuation Day exceed a certain threshold of the value of a Fund or a Share Class on that Valuation Day, as determined and reviewed on a periodic basis by the Manager in consultation with the Investment Manager, the asset value may be adjusted respectively upwards or downwards to reflect the dealing and other costs that may be deemed to be incurred in buying or selling assets to satisfy net daily transactions. The Directors may, in consultation with the Manager and the Investment Manager, apply a swing pricing mechanism across any Fund or Share Class as described in the Supplement of the relevant Fund. The extent of the price adjustment will be set by the Directors, in consultation with the Manager and the Investment Manager, to reflect estimated dealing and other costs.

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, in calculating the Subscription Price or Redemption Price of the Shares, the Directors, in consultation with the Manager and the Investment Manager, may on any Dealing Day when there are net subscriptions or redemptions, adjust the asset value of the Fund 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 need to charge an anti-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 Investment Manager and implemented, following the approval of the Directors, in consultation with the Manager and the Investment Manager, by the Administrator 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.

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.

Publication of Net Asset Value per Share

Except where the determination of the Net Asset Value of the Fund, the Net Asset Value per Share and/or the issue and repurchase prices have been temporarily suspended in the circumstances described in the section of the Prospectus headed "**Suspension of Valuation of Assets**", the Net Asset Value per Share of each Class of the Fund and the issue and repurchase prices of the Shares on each Subscription Day and Redemption Day will be available from the Administrator on each Dealing Day during normal business hours and is published on Bloomberg. The Net Asset Value per Share published on Bloomberg will be up to date.

Suspension of Valuation of Assets

The Directors in consultation with the Manager and the Investment Manager 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 Regulated Market 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 in consultation with the Manager and the Investment Manager 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; or
- (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 (for example in the event of the imposition of exchange controls in an emerging economy in which a Fund is invested) or when such payments cannot, in the opinion of the Directors in consultation with the Manager and the Investment Manager, be carried out at normal rates of exchange; or
- (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 in consultation with the Manager and the Investment Manager, 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, or to liquidate, a substantial portion of the Financial Instruments or the ICAV or any Fund where the imposition of a deferred redemption schedule (as described in the section entitled "THE SHARES", under the sub-heading "Redemption of Shares", under the paragraph headed "Redemption Limit") is not considered by the Directors to be an appropriate measure to take in the circumstances to protect the best interests of the Shareholders.

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 accumulating Classes and distributing Classes. Please see the relevant Supplement to determine the shares available for each Fund.

Dividends may be paid out of the capital of each Fund or 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. The payment of dividends out of capital may result in the erosion of capital notwithstanding the performance of the ICAV. As a result, distributions may be achieved by foregoing the potential for future capital growth and this cycle may continue until all capital is depleted. Distributions out of capital may have different tax implications to distributions of income - investors should seek advice from their professional advisers in this regard. The rationale for providing for the payment of dividends out of capital is to allow each Fund the ability to maximise the amount distributable to investors who are seeking a higher dividend paying Share Class.

The distribution policy of each Share Classes and Fund is described in the relevant Supplement.

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 ICAV or the Manager.

Tax Liability of the ICAV

Prospective investors and Shareholders should be aware that they may be required to pay income tax, withholding tax, capital gains tax, wealth tax, stamp taxes or any other kind of tax on distributions or deemed distributions of a Fund, capital gains within a Fund, whether or not realised, income received or accrued or deemed received within a Fund. The requirement to pay such taxes will be according to the laws and practices of the country where the Shares are purchased, sold, held or redeemed and in the country of residence or nationality of the Shareholder and such laws and practices may change from time to time.

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

Finally, if the ICAV becomes liable to account for tax, in any jurisdiction, including any interest or penalties thereon if an event giving rise to a tax liability occurs, the ICAV shall be entitled to deduct such amount from the payment arising on such event or to compulsorily redeem or cancel such number of Shares held by the Shareholder or the beneficial owner of the Shares as have a value sufficient after the deduction of any redemption charges to discharge any such liability. The relevant Shareholder shall indemnify and keep the ICAV indemnified against any loss arising to the ICAV by reason of the ICAV becoming liable to account for tax and any interest or penalties thereon on the happening of an event giving rise to a tax liability including if no such deduction, appropriation or cancellation has been made.

Prospective investors and Shareholders should consult their tax advisors with respect to their particular tax situations and the tax consequences of an investment in a particular Fund.

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.

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

Irish Taxation

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

Definitions

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

“Exempt Irish Investor”

- 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.

“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.

“Ireland” means the Republic of Ireland

“Irish Resident”

- in the case of an individual, means an individual who is resident in Ireland for tax purposes.
- in the case of a trust, means a trust that is resident in Ireland for tax purposes.
- in the case of 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 took effect from 1 January 2009 (previously in determining days present in Ireland an individual was deemed to be present if he/she was in Ireland at the end of the day (midnight)).

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

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

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

or

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

The Finance Act 2014 amended the above residency rules for companies incorporated on or after 1 January 2015. These new residency rules will ensure that companies incorporated registered in Ireland and also companies not so incorporated but that are managed and controlled in Ireland, will be tax resident in Ireland except to the extent that the company in question is, by virtue of a double taxation treaty between Ireland and another country, regarded as resident in a territory other than Ireland (and thus not resident in Ireland). For companies incorporated before this date these new rules will not come into effect until 1 January 2021 (except in limited circumstances).

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

“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 January 1, 2017 to December 31, 2017 and departs from Ireland in that tax year will remain ordinarily resident up to the end of the tax year January 1, 2020 to December 31, 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.

Taxation of the ICAV

The Directors have been advised that, under current Irish law and practice, the ICAV qualifies as an investment undertaking as defined in Section 739B of the Taxes Act, so long as the ICAV is resident in Ireland. Accordingly 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.

Shareholders Tax

Shares which are held in a Recognised Clearing System

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

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

Shareholders who are neither Irish Residents nor Ordinarily Resident in Ireland

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

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

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

Where tax is withheld by the ICAV on the basis that no Relevant Declaration has been filed with the ICAV by the Shareholder, Irish legislation provides for a refund of tax only to companies within the charge to Irish corporation tax, to certain incapacitated persons and in certain other limited circumstances.

Shareholders who are Irish Residents or Ordinarily Resident in Ireland

Unless a Shareholder is an Exempt Irish Investor and makes a Relevant Declaration to that effect and the ICAV is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct or unless the Shares are purchased by the Courts Service, tax at the rate of 41% (25% where the Shareholder is a company and an appropriate declaration is in place) will be required to be deducted by the ICAV from a distribution (where payments are made annually or at more frequent intervals) to a Shareholder who is Irish Resident or Ordinarily Resident in

Ireland. Similarly, tax at the rate of 41% (25% where the Shareholder is a company and an appropriate declaration is in place) will have to be deducted by the ICAV on any other distribution or gain arising to the Shareholder (other than an Exempt Irish Investor who has made a Relevant Declaration) on an encashment, redemption, cancellation, transfer or deemed disposal (see below) of Shares by a Shareholder who is Irish Resident or Ordinarily Resident in Ireland.

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

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

10% Threshold

The ICAV will not have to deduct tax (“exit tax”) in respect of this deemed disposal where the value of the chargeable shares (i.e. those Shares held by Shareholders to whom the declaration procedures do not apply) in the ICAV (or Fund) is less than 10% of the value of the total Shares in the ICAV (or the Fund) and the ICAV has made an election to report certain details in respect of each affected Shareholder to Revenue (the “Affected Shareholder”) in each year that the de minimus limit applies. In such a situation the obligation to account for the tax on any gain arising on a deemed disposal will be the responsibility of the Shareholder on a self-assessment basis (“self-assessors”) as opposed to the ICAV or Fund (or their service providers). The ICAV is deemed to have made the election to report once it has advised the Affected Shareholders in writing that it will make the required report.

15% Threshold

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

Other

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

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

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

Equivalent Measures

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

Personal Portfolio Investment Undertaking

The Finance Act 2007 introduced provisions regarding the taxation of Irish Resident individuals or Ordinarily Resident in Ireland individuals who hold shares in investment undertakings. These provisions introduced the concept of a personal portfolio investment undertaking ("PPIU"). Essentially, an investment undertaking will be considered a PPIU in relation to a specific investor where that investor can influence the selection of some or all of the property held by the investment undertaking either directly or through persons acting on behalf of or connected to the investor. Depending on individuals' circumstances, an investment undertaking may be considered a PPIU in relation to some, none or all individual investors i.e. it will only be a PPIU in respect of those individuals' who can "influence" selection. Any gain arising on a chargeable event in relation to an investment undertaking which is a PPIU in respect of an individual on or after February 20, 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. 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

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 has developed an intergovernmental approach to the implementation of FATCA. In this regard the Irish and US Governments signed an intergovernmental agreement ("**Irish IGA**") on the December 21, 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 July 1, 2014. Supporting Guidance Notes (which will be updated on an ad-hoc basis) were first issued by the Irish Revenue Commissioners on October 1, 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 the September 30 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 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 ("CRS") – Customer Information Notice

The ICAV will be regarded as a financial institution ("**FI**") for the purposes of the Standard for Automatic Exchange of Financial Account Information in Tax Matters ("**the Standard**") and 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 2011/16/EU (as amended by Council Directive 2014/107/EU)) (globally referred to herein as "**CRS**"). Therefore, the ICAV is obliged under Section 891F and Section 891G of the Taxes Act and regulations made pursuant to that section to collect certain information about each Shareholders.

In certain circumstances the ICAV may be legally obliged to share this information and other financial information with respect to a Shareholders shareholding in the ICAV with the Irish Revenue Commissioners. 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 (which forms the basis of the “**Customer Information Notice**” as set out in the Application Form) 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; and
- 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 Irish Financial Institutions (such as the ICAV) may adopt 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. 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 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.

6. GENERAL INFORMATION

1. Registration, Registered Office and Share Capital

- (a) The ICAV was registered in Ireland on January 13, 2017 as an umbrella type Irish collective asset-management vehicle with segregated liability between funds registered with and authorised by the Central Bank with registration number C166285 pursuant to the UCITS Regulations. The ICAV has no subsidiaries.
- (b) The registered office of the ICAV is as stated in the Directory at the front of the Prospectus.
- (c) Clause 2 of the Instrument of the ICAV provides that the ICAV's sole object is the collective investment of its funds in property and giving members the benefit of the results of the management of its funds.
- (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.
- (e) The Instrument provides that shares of the ICAV shall be divided into 10,000,000 (ten million) ordinary participating shares of no nominal value ("**Shares**") and 2 (two) ordinary management shares of no nominal value ("**Management Shares**") which may be issued and redeemed at 1 (one) euro each. The ICAV may issue shares as fully paid up in accordance with the Instrument, the requirements of the Central Bank, the Central Bank Regulations, the 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 Regulations, the 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 Shareholders 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 50 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 representing at least one tenth of the shares in issue having the right to vote at such meeting 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 Member(s) 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 a separate annual report and audited accounts and semi-annual report and unaudited accounts in respect of each of its Funds. The ICAV will prepare an annual report and audited accounts as of December 31 in each year commencing 2017 and a half-yearly report and unaudited accounts as of June 30 in each year commencing 2018 in respect all Funds unless otherwise stated in a particular Fund's Supplement. The dates of the annual and semi-annual reports of future Funds shall be as set out in the relevant Supplement or in an update to this Prospectus.

The audited annual report and accounts will be prepared in accordance with IFRS and will be published within four months of the relevant Fund'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 Manager and the Investment Manager. The Instrument may also be

obtained free of charge from the office of the Manager and the Investment Manager.

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 would result in the beneficial ownership of Shares by a person in contravention of any restrictions on

ownership imposed by the Directors or might result in legal, regulatory, pecuniary, taxation or material administrative disadvantage to the ICAV, 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; or

(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.

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;
 - (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 Clause 24.04 of the Instrument to be a material interest in all circumstances); or
 - (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. Directors' Interests

None of the Directors has or has had any direct interest in the promotion of the ICAV or in any transaction effected by the ICAV which is unusual in its nature or conditions or is significant to the business of the ICAV up to the date of this Prospectus or in any contracts or arrangements of the ICAV subsisting at the date hereof other than:

Mr. Figna is a director and principal of the Investment Manager.

No present Director or any connected person has any interests beneficial or non-beneficial in the share capital of the ICAV.

10. Winding Up of ICAV

- (a) The ICAV may be wound up:
- (i) if within a period of twelve 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
 - (ii) 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.

11. Termination of a Fund

The ICAV may terminate a Fund:

- (a) 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;
- (b) 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.

12. 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.

13. 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.

14. 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 May 5, 2017 under which the Manager was appointed as manager of the ICAV's assets and distributor of the ICAV's Shares and to provide certain related services to the ICAV. The Management Agreement may be terminated by either party on 90 days written notice or forthwith by notice in writing in certain circumstances such as the insolvency of either party or unremedied breach after notice. The Manager has the power to delegate its duties in accordance with the Central Bank's requirements. The Manager shall not in the absence of negligence, fraud or wilful default on the part of the Manager be liable to the ICAV or any Shareholder for any act or omission in the course of or in connection with its services rendered under the Management Agreement. In no circumstances shall the Manager be liable for consequential or indirect loss or damage. The Agreement provides that the ICAV shall out of the assets of the relevant Fund indemnify the Manager against and hold it harmless from any actions, proceedings, claims, demands, losses, liabilities, damages and reasonable costs or expenses (including legal and professional fees and expenses) brought against or suffered or incurred by the Manager in the performance of its duties other than due to the negligence, fraud or wilful default of the Manager in the performance of its obligations or duties under the Management Agreement.

- (b) Investment Management Agreement between the Manager, the Investment Manager and the ICAV dated May 5, 2017 under which the Manager has appointed the Investment Manager as investment manager of the ICAV's assets and distributor of the ICAV's Shares and to provide certain related services to the ICAV. The Investment Management Agreement may be terminated by any party on 90 days written notice or forthwith by notice in writing in certain circumstances such as the insolvency of any party or unremedied breach after notice. The Investment Manager shall not in the absence of negligence, fraud or wilful default on the part of the Investment Manager be liable to the Manager or the ICAV for any act or omission (including error of judgement) in the course of or in connection with its services rendered under the Investment Management Agreement. The Agreement provides that the ICAV shall out of the assets of the relevant Fund fully and effectively indemnify the Investment Manager and its directors, agents, delegates and employees against all costs, charges, liabilities and expenses whatsoever incurred by them pursuant to or in connection with the Investment Management Agreement other than due to their negligence, fraud or wilful default.
- (c) Administration Agreement between the Manager, the ICAV and the Administrator dated May 5, 2017 under which the latter was appointed as Administrator to provide certain administration and related services in respect of the ICAV, subject to the terms and conditions of the Administration Agreement and subject to overall supervision of the Directors and/or the Manager. The responsibilities of the Administrator include registration and transfer agency services, valuation of the ICAV's assets and calculation of the Net Asset Value per Share and the preparation of each Fund's semi-annual and annual reports. The Administration Agreement may be terminated by any party on giving ninety days prior written notice to the other parties and forthwith on written notice to the other parties in certain circumstances such as the insolvency of any party or unremedied breach after notice. The Administration Agreement provides that in the absence of negligence, recklessness, fraud, bad faith, wilful default or breach of the Administration Agreement by the Administrator (including its officers, directors, employees and agents) in connection with the performance of its duties and obligations under the Administration Agreement, the Administrator (including officers, directors, employees and agents) shall not be under any liability (including liability for consequential or indirect damages) to the Shareholders, the ICAV, the Manager, or any other person on account of anything done, omitted or suffered by the Administrator pursuant to the Administration Agreement or in the furtherance of the interests of the ICAV or in accordance with or in pursuance of any request or advice of the ICAV or its duly authorised agent(s) or such other of its delegate(s) of any of them. The ICAV has undertaken to hold harmless and indemnify the Administrator out of the assets of the relevant Fund against all actions or claims which may be brought against, suffered or incurred by the Administrator, its delegates, directors, officers, employees, servants or agents in the proper performance of its obligations and duties under the Administration Agreement and from and against all taxes on profits or gains of the ICAV which may be assessed upon or become payable by the Administrator or its delegates, directors, officers, employees, servants or agents provided that such indemnity shall only be given in the absence of negligence, recklessness, bad faith, fraud or wilful default or material breach of the Administration Agreement on the part of the Administrator or on the part of any of its delegates, directors, officers, employees, servants or agents in connection with the performance of the Administrator's duties and obligations under the Administration Agreement.

- (d) Depositary Agreement between the ICAV and the Depositary dated May 5, 2017 under which the Depositary was appointed as depositary of the ICAV's assets subject to the overall supervision of the Directors. The Depositary Agreement provides that the Depositary shall act honestly, fairly, professionally and independently and in the interests of the ICAV and the Shareholders and shall exercise due care and diligence in the discharge of its duties and shall be responsible to the ICAV and the Shareholders for the performance of its duties. The Depositary shall be liable to the ICAV for the loss of financial instruments held in custody by the Depositary or by one of its delegates and for all other losses suffered by it as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations. The Depositary Agreement may be terminated forthwith by either party on not less than three months' written notice to the other and forthwith upon written notice in certain circumstances such as the insolvency of either party or unremedied breach after notice provided that the Depositary shall continue to act as depositary until a successor depositary approved by the Central Bank is appointed by the 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 Agreement provides that the ICAV shall indemnify the Depositary against all damages, costs, liabilities and expenses save where any such damages, costs, liabilities and expenses arise in circumstances where the Depositary would be liable pursuant to the terms of the Depositary Agreement.

15. 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 Manager).
- (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 the Manager, the Investment Manager or the Administrator free of charge).

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

APPENDIX I

Permitted Investments and Investment Restrictions

1. Permitted Investments

Investments of a Fund are confined to:

- 1.1 Transferable securities and money market instruments which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State.
- 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 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.

The financial derivative instruments which each Fund may use and the commercial purpose for which they may be used are described in the relevant Supplement. One or more Funds may invest in credit default swaps ("CDS"), futures, interest rate swaps, forward currency exchange contracts and currency swaps. A CDS is a contract in which the seller agrees, for an upfront or continuing premium or fee, to compensate the buyer when a specified event, such as default by or restructuring of, or failure to pay by, a reference entity, occurs. Futures are contracts in standardised form between two parties entered into on an exchange, whereby one party agrees to sell to the other party an asset at a price fixed at the date of the contract, but with delivery and payment to be made at a point in the future. Swaps are contracts entered into off exchange, which are variations of forward contracts whereby two parties agree to exchange a series of future cash flows. A forward currency exchange contract is a contract to purchase or sell a specific currency at a future date at a price set at the time of the contract. Forward currency contracts are similar to futures contracts, but are not entered into on an exchange and are individually negotiated between market participants.

2. Investment Restrictions

- 2.1 A Fund may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.

2.2 Subject to the second paragraph of this section 2.2, a Fund may invest no more than 10% of net assets securities of the type to which Regulation 68(1)(d) of the UCITS Regulations apply (i.e. recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.1) within a year).

The first paragraph above does not apply in relation to investment by a Fund in US securities known as "Rule 144A securities" provided that:

- the relevant securities have been issued with an undertaking to register the securities with the US Securities and Exchanges Commission within one year of issue; and
- the securities are not illiquid securities i.e. they may be realised by the Fund within seven days at the price, or approximately at the price, at which they are valued by the ICAV.

2.3 A Fund may invest no more than 10% of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.

2.4 Subject to the prior approval of the Central Bank, the limit of 10% (in 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 Fund invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of a Fund.

2.5 The limit of 10% (in 2.3) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.

2.6 The transferable securities and money market instruments referred to in 2.4. and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in 2.3.

2.7 A Fund may not invest more than 20% of net assets in deposits made with the same credit institution.

Deposits with any one credit institution, other than a credit institution specified in Regulation 7 of the Central Bank Regulations held as ancillary liquidity, must not exceed 10% of the net assets of the Fund.

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

2.8 The risk exposure of a Fund to a counterparty to an OTC derivative may not exceed 5% of net assets.

This limit is raised to 10% in the case of a credit institution authorised in the EEA or a credit institution authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988; or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.

- 2.9 Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of net assets:
- investments in transferable securities or money market instruments;
 - deposits, and/or
 - counterparty risk exposures arising from OTC derivatives transactions.
- 2.10 The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of net assets.
- 2.11 Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.
- 2.12 A Fund 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, Tennessee Valley Authority and Straight-A Funding LLC.

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

3. Investment in Collective Investment Schemes ("CIS")

- 3.1 A Fund may not invest more than 20% of net assets in any one collective investment scheme.
- 3.2 Investment in AIFs may not, in aggregate, exceed 30% of net assets.
- 3.3 The collective investment schemes in which a Fund may invest are prohibited from investing more than 10% of net assets in other open-ended collective investment schemes.
- 3.4 When a Fund invests in the units of other collective investment schemes that are managed, directly or by delegation, by the Manager or by the Investment Manager or by any other company with which the Manager or the Investment Manager 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 Fund's investment in the units of such other collective investment schemes.
- 3.5 Where by virtue of investment in the units of another investment fund, the Manager, the Investment Manager or an investment advisor receives a commission on behalf of the Fund (including a rebated commission), the Directors shall ensure that the relevant commission is paid into the property of the relevant Fund.

4. Index Tracking UCITS

- 4.1 A Fund 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 Fund is to replicate an index which satisfies the criteria set out in the Central Bank Regulations and is recognised by the Central Bank.
- 4.2 The limit in 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 A Fund, or the Manager acting in connection with all of the collective investment schemes 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 Fund may acquire no more than:
- (i) 10% of the non-voting shares of any single issuing body;
 - (ii) 10% of the debt securities of any single issuing body;
 - (iii) 25% of the units of any single collective investment scheme;
 - (iv) 10% of the money market instruments of any single issuing body.

NOTE: The limits laid down in (ii), (iii) and (iv) above may be disregarded at the time of acquisition if at

that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated.

5.3 5.1 and 5.2 shall not be applicable to:

- (i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;
- (ii) transferable securities and money market instruments issued or guaranteed by a non-Member State;
- (iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;
- (iv) shares held by a Fund in the capital of a company incorporated in a non-member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which a Fund can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed.
- (v) Shares held by the ICAV 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 Shares at Shareholders' request exclusively on their behalf.

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

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

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

5.7 Neither the ICAV, nor the Manager nor the Investment Manager nor the Depositary acting on the ICAV's behalf, may carry out uncovered sales of:

- transferable securities;
- money market instruments*;

- units of investment funds; or
- financial derivative instruments.

*Any short selling of money market instruments by UCITS is prohibited

5.8 A Fund may hold ancillary liquid assets.

6. Financial Derivative Instruments ('FDIs')

6.1 A Fund'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 Regulations/guidance. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the Central Bank Regulations.)

6.3 A Fund 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

7. Restrictions on Borrowing and Lending

(a) 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 Depositary may charge the assets of the ICAV as security for such borrowings.

(b) The ICAV may acquire foreign currency by means of a "back-to-back" loan agreement. The Manager and the Investment Manager shall ensure that a Fund with foreign currency borrowings which exceed the value of a back-to-back deposit treats that excess as borrowings for the purpose of Regulation 103 of the Central Bank Regulations.

The ICAV will, with respect to each Fund, adhere to any investment or borrowing restrictions imposed and any criteria necessary to obtain and/or maintain any credit rating in respect of any Shares or Class in the ICAV, subject to the UCITS Regulations.

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 laid down in the UCITS Regulations which would permit investment by the ICAV in securities, derivative

instruments or in any other forms of investment in which investment is at the date of this Prospectus restricted or prohibited under the UCITS Regulations.

APPENDIX II

Regulated Markets

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 regulatory criteria as defined in the Central Bank 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) and excluding Malta; 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
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
Cayman Islands	-	Cayman Islands 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
Dubai	-	Dubai Financial Market
Egypt	-	Egyptian 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
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
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
Serbia	-	Belgrade Stock Exchange
Singapore	-	Singapore Exchange
South Africa	-	Johannesburg Stock Exchange
Sri Lanka	-	Colombo Stock Exchange

Taiwan (RC)	-	Gre Tei Securities Market
Taiwan (RC)	-	Taiwan Stock Exchange Corporation
Thailand	-	Stock Exchange of Thailand
Ukraine	-	Ukrainian Exchange
United Arab Emirates	-	Abu Dhabi Securities Market
United Arab Emirates	-	Dubai Financial Market
United Arab Emirates	-	NASDAQ Dubai
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 Négotiables (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 "Regulated Market" 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

Collateral Policy

Where a Fund receives collateral as a result of trading in FDI on an OTC basis or as result of entry into repurchase and reverse repurchase agreements, collateral obtained shall meet at all times, the following criteria:

- (i) Liquidity: Collateral received other than cash will be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received will also comply with the provisions of Regulation 74 of the Central Bank Regulations;
- (ii) Valuation: Collateral received 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;
- (iii) Issuer credit quality: Collateral received will be of high quality. The Manager and the Investment Manager shall ensure that:
 - (i) where the issuer was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the Manager and the Investment Manager in the credit assessment process; and
 - (ii) where an issuer is downgraded below the two highest short-term credit ratings by the credit rating agency referred to in (i) this shall result in a new credit assessment being conducted of the issuer by the Manager and the Investment Manager without delay.
- (iv) Correlation: Collateral received will 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;
- (v) Diversification (asset concentration): Collateral will be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of the Fund's Net Asset Value. When the Fund is exposed to different counterparties, the different baskets of collateral will be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation from the above diversification requirement (subject to such derogation being permitted by the Central Bank and any additional requirements imposed by the Central Bank), the Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, non-Member State, or public international body of which one or more Member States belong (and which issuers are set out in Section 2.12 of the "**Investment Restrictions**" section in Appendix I), provided the Fund will receive securities from at least six different issues with securities from any single issue not accounting for more than 30% of the Fund's Net Asset Value;
- (vi) Immediately available: Collateral received will be capable of being fully enforced by the ICAV on behalf of the Fund at any time without reference to or approval from the counterparty.

Permitted types of collateral

Where a Fund receives collateral as a result of trading in FDI on an OTC basis or as result of entry into repurchase and reverse repurchase agreements, the Fund intends, subject to the criteria set out in the Central Bank Regulations and Appendix II to the Prospectus, to accept collateral in the following form:

- (a) cash;
- (b) government or other public securities;
- (c) bonds/commercial paper issued by relevant institutions or by non-bank issuers where the issue or the issuer are of high quality;
- (d) certificates of deposit issued by relevant institutions (as defined by the Central Bank Regulations);
- (e) letters of credit with a residual maturity of three months or less, which are unconditional and irrevocable and which are issued by relevant institutions;
- (f) equity securities traded on a stock exchange in the EEA, Switzerland, Canada, Japan, the United States, Jersey, Guernsey, the Isle of Man, Australia or New Zealand.

Cash collateral received by the Fund may be reinvested in accordance with the requirements of the Central Bank at the discretion of the Investment Manager. In this regard, any cash collateral received by the Fund may also be placed on deposit with relevant credit institutions as permitted by the UCITS Regulations. In such circumstances, the Fund shall be exposed to the creditworthiness of the relevant credit institution with which cash collateral is placed.

Haircut Policy

The Investment Manager has adopted a haircut policy for each class of assets received as collateral by the ICAV. The Investment Manager shall determine the level of haircut applicable to the assets received as collateral, taking into account in particular the type of assets, the credit standing of the issuers, the maturity, the currency, the liquidity and the price volatility of the assets. In respect of the permitted types of collateral above, the Investment Manager's policy is to apply no haircut in respect of cash and to apply a haircut that takes into account the above-mentioned factors in respect of each category of assets and which the Investment Manager considers reflects the market practice.

Level of collateral required

Collateral obtained must be marked to market daily and must equal or exceed, in value, at all times the value of the amount invested or securities loaned.

APPENDIX IV

List of the Depositary's sub-custodians

NAME OF COUNTRY	SUB-CUSTODIAN
EUROPE	
BELGIUM	CACEIS BANK, PARIS
CYPRUS	HSBC SECURITIES SERVICES, HSBC BANK PLC, ATHENS
DENMARK	DANSKE BANK A/S, COPENHAGEN
FINLAND	SKANDINAVISKA ENSKILDA BANKEN, HELSINKI
FRANCE	CACEIS BANK, PARIS
GERMANY	CACEIS BANK DEUTSCHLAND, MUNICH
GREECE	HSBC SECURITIES SERVICES, HSBC BANK PLC, ATHENS
ICELAND	ARION BANK HF, REYKJAVIK
IRELAND	HSBC SECURITIES SERVICES, LONDON
ITALY	INTESA SANPAOLO SPA, MILANO
LUXEMBOURG	CLEARSTREAM BANKING, LUXEMBOURG
THE NETHERLAND	CACEIS BANK, PARIS
NORWAY	DNB BANK, ASA OSLO
PORTUGAL	BANCO SANTANDER TOTTA, LISBOA
SPAIN	SANTANDER SECURITIES SERVICES S.A.
SWEDEN	SE BANKEN, STOCKHOLM
SWITZERLAND	CACEIS BL NYON BRANCH
TURKEY	DEUTSCHE BANK A.S., ISTANBUL
UNITED KINGDOM	HSBC, LONDON
AUSTRIA	RAIFFEISEN BANK INTERNATIONAL AG, VIENNA
POLAND	BANK PEKAO S.A.
EASTERN EUROPEAN STATES	
BALTIC STATES (Estonia, Latvia, Lithuania)	UNICREDIT BANK AUSTRIA (which sub-delegates to SEB Bank, Estonia for all three countries)
BOSNIA	UNICREDIT BANK AUSTRIA (which sub-delegates to UniCredit Bank d.d.)
BULGARIA	UNICREDIT BANK AUSTRIA (which sub-delegates to UniCredit Bulbank, Sofia)
CROATIA	UNICREDIT BANK AUSTRIA (which sub-delegates to Zagrebacka Banka Zagreb)
ROMANIA	UNICREDIT BANK AUSTRIA (which sub-delegates to UniCredit Bank S.A., Bucharest)
SERBIA	UNICREDIT BANK AUSTRIA (which sub-delegates to UniCredit Bank Serbia Belgrade)
UKRAINE	UNICREDIT BANK AUSTRIA (which sub-delegates to Ukrsozbank, Kiev)
RUSSIA	UNICREDIT BANK
SLOVENIA	UNICREDIT BANK
HUNGARY	UNICREDIT BANK

NAME OF COUNTRY	SUB-CUSTODIAN
SLOVAKIA	UNICREDIT BANK
CZECH REPUBLIC	UNICREDIT BANK
AMERICAS	
BRAZIL	ITAU UNIBANCO S.A., SAO PAULO
CANADA	CIBC MELLON, TORONTO
CHILE	BANCO DE CHILE, SANTIAGO DE CHILE
COLOMBIA	CITITRUST COLOMBIA S.A.
MEXICO	BANCO SANTANDER (MEXICO) S.A.
PERU	CITIBANK DEL PERU
USA	BROWN BROTHERS HARRIMAN, NEW YORK
VENEZUELA	CITIBANK CARACAS, VENEZUELA
ASIA	
BANGLADESH	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED, DHAKA
CHINA SHANGHAI (USD)	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (CHINA) B SHARES
CHINA SHENZHEN (HKD)	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (CHINA) B SHARES
HONG KONG	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED, HONG KONG
HONG KONG (A SHARES)	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED, HONG KONG
INDIA	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED, INDIA
INDONESIA	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED, JAKARTA BRANCH
JAPAN	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED, TOKYO
KOREA (SOUTH)	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED, SEOUL
MALAYSIA	HSBC, KUALA LUMPUR
PAKISTAN	STANDARD CHARTERED BANK, KARACHI
PHILIPPINES	HSBC, MANILLA
SINGAPORE	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED, SINGAPORE
SRI LANKA	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED, COLOMBO
TAIWAN	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED, TAIPEI
THAILAND	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED, BANGKOK
VIETNAM	HSBC BANK (VIETNAM) LTD
KAZAKHSTAN	BNY MELLON BRUSSELS (which sub-delegates to JSC Citibank Kazakhstan)

NAME OF COUNTRY	SUB-CUSTODIAN
AFRICA	
BOTSWANA	STANDARD CHARTERED BANK (BOTSWANA) LIMITED
EGYPT	CITIBANK, CAIRO
GHANA	STANDARD CHARTERED BANK, GHANA
IVORY COAST	STANDARD CHARTERED BANK, CÔTE D'IVOIRE
KENYA	STANDARD CHARTERED BANK (KENYA) LIMITED
MOROCCO	ATTIJARIWafa BANK, CASABLANCA
MAURITIUS	STANDARD CHARTERED BANK (MAURITIUS) LTD
SOUTH AFRICA	JOHANNESBURG STANDARD BANK OF SOUTH AFRICA
ZIMBABWE	STANDARD CHARTERED BANK, HARARE
NIGERIA	JOHANNESBURG STANDARD BANK OF SOUTH AFRICA (which sub-delegates to Stanbic IBTC Bank plc)
ZAMBIA	JOHANNESBURG STANDARD BANK OF SOUTH AFRICA (which sub-delegates to Stanbic Bank Zambia Ltd.)
MIDDLE EAST	
ISRAEL	HAPOALIM BANK, TEL AVIV
JORDAN	STANDARD CHARTERED BANK, JORDAN
BAHRAIN	BNY MELLON, BRUSSELS (which sub-delegates to HSBC Bank Middle East, Manama)
KUWAIT	BNY MELLON, BRUSSELS (which sub-delegates to HSBC Bank Middle East, Kuwait)
LEBANON	BNY MELLON, BRUSSELS (which sub-delegates to HSBC Bank Middle East, Beirut)
OMAN	BNY MELLON, BRUSSELS (which sub-delegates to HSBC Bank Middle East, Ruwi)
QATAR	BNY MELLON, BRUSSELS (which sub-delegates to HSBC Bank Middle East, Doha)
UNITED ARAB EMIRATES	BNY MELLON, BRUSSELS (which sub-delegates to HSBC Bank Middle East, Dubai)
OCEANIA	
AUSTRALIA	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED
NEW ZEALAND	HSBC NOMINEES (NEW ZEALAND) LIMITED

If you are in any doubt about the contents of this Supplement, you should consult your stockbroker or other financial adviser.

TENAX HEALTHCARE UCITS FUND

(a sub-fund of TENAX UCITS ICAV)

This Supplement forms part of and should be read in conjunction with the general description of the ICAV contained in the current prospectus of the ICAV dated May 5, 2017 as amended (the “Prospectus”) together with the most recent annual report and audited financial statements and if published after such report, a copy of the latest half-yearly report and unaudited financial statements. To the extent that there is any inconsistency between the Prospectus and this Supplement, the Supplement shall prevail.

An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. Investors’ attention is directed to the section of this Supplement entitled “RISK FACTORS”.

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

The date of this Supplement is 13 December, 2021

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1. DEFINITIONS

“Annual Accounting Date”	means December 31, with the first such date being December 31, 2021.
“Base Currency”	means the base currency of the Fund, which is Euro.
“Benchmarks Regulation”	means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 as may be amended, modified, supplemented, re-enacted or replaced from time to time.
“Business Day”	means any day other than a Saturday or Sunday, during which banks are open in Dublin, Ireland or such other day or days as may be determined by the Directors in consultation with the Manager and the Investment Manager and notified to Shareholders. Additional Business Days may be created by the Directors, in consultation with the Manager and the Investment Manager, and notified to Shareholders in advance.
“Dealing Day”	means each Business Day and/or such other day or days as may be determined by the Directors in consultation with the Manager and the Investment Manager and notified to Shareholders in advance provided that there shall be at least two Dealing Days in every month occurring at regular intervals.
“Dealing Deadline”	means 12.30 p.m. Irish time on the Business Day immediately preceding the relevant Dealing Day or 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.
“Initial Offer Period”	means the initial offering period for all Classes described in this Supplement, which starts at 9.00 a.m. (Irish time) on 14 December, 2021 and ends at 5 p.m. (Irish time) on 13 June, 2022 or such other period as may be determined by the Directors, in consultation with the Manager and the Investment Manager, in accordance with the requirements of the Central Bank.
“Initial Issuance Date”	with respect to a Class, means the date of the first issuance of the Shares of such Class.

“Initial Offer Price”	means the initial fixed price applicable to each relevant Class on the relevant Initial Issuance Date and is shown for each Class in the section entitled “SUBSCRIPTIONS: Offer” .
“Investment Manager”	means Tenax Capital Limited.
“Manager”	means Bridge Fund Management Limited.
“MSCI AC World Health Care Index”	means the MSCI AC World Health Care Index, a free float-adjusted market capitalisation weighted index that comprises companies included in the MSCI World Index (the “Parent Index”) that are within the Global Industry Classification Standard (GICS) health care sector based on the MSCI’s Global Investable Market Indices methodology. The Parent Index measures the performance of large and mid-capitalisation stocks across developed market countries which comply with MSCI’s size, liquidity, and free-float criteria. Further information can be found here .
“MSCI World Pharmaceuticals, Biotechnology and Life Sciences Index”	means the MSCI World Pharmaceuticals, Biotechnology and Life Sciences Index, a free float-adjusted market capitalisation weighted index that comprises companies included in the Parent Index that are within the Global Industry Classification Standard (GICS) pharmaceuticals, biotechnology and life sciences industry group (within the health care sector) based on the MSCI’s Global Investable Market Indices methodology. The Parent Index measures the performance of large and mid-capitalisation stocks across developed market countries which comply with MSCI’s size, liquidity, and free-float criteria. Further information can be found here .
“Net Asset Value”	means the net asset value of the Fund or attributable to a Class (as appropriate) calculated as referred in the section “Net Asset Value and Valuation of Assets” of the Prospectus with the modification set out below.
“Redemption Settlement Cut-off”	means the fifth Business Day after the relevant Dealing Day.
“Securities Financing Transactions” or “SFT”	means for the purpose of this Fund, securities lending transactions.
“Semi-Annual Accounting Date”	means June 30 of each year, commencing in 2022.

“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.

“Subscription Settlement Cut-off”

means the first Business Day after the relevant Dealing Day.

“Valuation Point”

means 4.00 pm, Irish time on each Dealing Day. The Valuation Point could be any other point in time as the Directors, in consultation with the Manager and the Investment Manager, may decide and notify to Shareholders in advance and reflect in an updated Supplement.

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

2. INTRODUCTION

As at the date of this Supplement, the Directors of the ICAV intend to offer the Classes described under **“SUBSCRIPTIONS”** below. The ICAV may offer additional Classes in the future in accordance with the requirements of the Central Bank.

This Supplement contains information relating specifically to the Tenax Healthcare UCITS Fund (the **“Fund”**), a sub-fund of Tenax UCITS ICAV (the **“ICAV”**), an umbrella Irish collective asset-management vehicle with limited liability and segregated liability between sub-funds authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations. At the date of this supplement the ICAV has three other sub-funds, Tenax ILS UCITS Fund, Tenax Dynamic Income Fund and Tenax Financials UCITS Fund.

To the extent that there is any inconsistency between the Prospectus and this Supplement, the Supplement shall prevail.

The Fund may under certain circumstances be invested in deposits and/or Money Market Instruments, however, the value of an investor’s investment is not guaranteed and the Net Asset Value of the Fund may fluctuate and shall not be considered as an investment in a deposit. The Fund may invest in these instruments where market conditions may require a defensive investment strategy, pending reinvestment, in order to meet redemptions, payment of expenses, in order to support derivative exposure or in any extraordinary market circumstances such as a market crash or major crises which in the reasonable opinion of the Investment Manager would be likely to have a significant detrimental effect on the performance of the Fund.

The Fund may also use FDIs for efficient portfolio management (such as hedging) and investment purposes.

Investors’ attention is directed to the sections headed **“INVESTMENT OBJECTIVE AND POLICY”**, **“RISK FACTORS”** and **“FEES AND EXPENSES”**.

Profile of a Typical Investor

The Fund is suitable for retail and institutional investors interested in achieving long-term capital growth. Due to the use of financial derivative instruments (“**FDI**”), it is expected that investors in the Fund will be relatively experienced investors with a thorough understanding of how the Fund is designed to operate.

Management

The Manager acts as management company of the Fund and the ICAV. The Investment Manager acts as discretionary investment manager of the Fund and the ICAV.

3. INVESTMENT OBJECTIVE AND POLICY

Investment Objective

The investment objective of the Fund is to provide long-term capital growth, measured in Euro, through investment in the equity securities of companies throughout the world which are involved in the design, manufacture, or sale of products and services used for, or in connection with, health care, medicine, or biotechnology.

Investment Policy

The Fund will seek to achieve its investment objective by investing in a globally diversified portfolio of healthcare and biotechnology companies.

Subject to the investment restrictions described in Appendix I of the Prospectus, investments will be made in global equities and equity related securities (such as common stock, preferred stock, American depository receipts (“**ADRs**”), European depository receipts (“**EDRs**”), global depository receipts (“**GDRs**”), warrants and convertible securities (together “**Equity Related Securities**”), which may be listed on a Regulated Market or unlisted, and issued by companies in the health care sector. The Fund may not invest more than 10% of its Net Asset Value in unlisted securities. Further details of these instruments are set out below under the heading “**Equity-Related Securities**”. Any investment in warrants shall not exceed 10% of the Net Asset Value of the Fund.

It is envisaged that up to 30% of the Fund’s Net Asset Value will be invested in equities and Equity Related Securities of companies in the biotechnology sector, including companies that derive a predominant part of their economic activity, either alone or on a consolidated basis, from goods produced or services provided in the People’s Republic of China and Hong Kong. As such, the Fund may invest in and have direct access to China A shares listed on the Shanghai Stock Exchange via the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect Schemes. The Fund may indirectly gain access to China A Shares by purchasing participation notes. The Fund may also invest in China H shares. China H shares are issued by issuers which are incorporated in China and traded on the Hong Kong stock exchange. Additional disclosures in respect of the Fund’s investments via the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect Schemes are outlined at Appendix 1 of this Supplement.

Where it is more cost effective for the Fund to do so, the Fund may invest indirectly through the use of permitted FDI listed or traded on a Regulated Market or traded over-the-counter (“**OTC**”) in accordance with the UCITS

Regulations and the Central Bank Regulations, as further detailed below under “**Use of FDI**”. While the Fund intends to invest primarily on a long only basis, it may also have synthetic short exposure to the above referenced asset classes through the use of FDI. The proportion of long to short exposure in the Fund will depend on the market conditions at any given time. Such positions may be taken across various asset classes contemplated under the investment policy of the Fund. It is anticipated that the total net long positions will not exceed 100% of the Net Asset Value of the Fund and the total net short positions will not exceed 50% of the Net Asset Value of the Fund.

The Fund may also invest up to 20% of Net Asset Value in Eligible CIS (including open-ended exchange traded funds) which have investment policies similar to those of the Fund.

The Fund will seek to outperform the MSCI AC World Health Care Index whilst striving to limit the volatility of the Fund’s returns (i.e., by gaining short exposure to the above referenced asset classes). The Fund is considered to be actively managed in reference to the MSCI AC World Health Care Index by virtue of the fact that it seeks to outperform the index. The MSCI AC World Health Care Index is considered to be consistent with the investment policy of the Fund. While certain of the Fund’s securities may be components of and may have similar weightings to the MSCI AC World Health Care Index, the Investment Manager may use its discretion to invest in securities or sectors not included in the index in order to take advantage of investment opportunities. This is likely to increase the extent to which the Fund can outperform or underperform each index. Investment in securities of companies in the biotechnology sector may include constituents of the MSCI World Pharmaceuticals, Biotechnology and Life Sciences Index.

The list of Regulated Markets on which the 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 of the Prospectus.

Equity-Related Securities

The Fund may invest directly in common and preferred stock, warrants, and convertible bonds as well as ADRs, EDRs and GDRs where the latter three investments represent a more practical, efficient or less costly way of gaining exposure to the relevant security or market. ADRs, EDRs and GDRs are certificates issued by a depository bank, representing shares held by the bank, usually by a branch or correspondent in the country of issue of the shares, which trade independently from the shares. Warrants can be held to gain exposure to underlying securities for a cost effective means of benefitting from future gains in the value of underlying securities. A warrant gives the holder a right to receive, upon exercise, a security of the issuer at a stated price. As the convertible bonds and warrants in which the Fund may invest may embed a derivative element, any leverage arising from investing in such securities will be accurately monitored, measured and managed in accordance with the risk management process in place for the Fund. For the avoidance of doubt, the Fund will not invest in contingent convertible securities.

Use of FDI

The Fund may use the derivatives listed below for investment purposes and/or efficient portfolio management purposes being (i) the reduction of risk, (ii) the reduction of cost or (iii) the generation of additional capital or income for the Fund with a level which is consistent with its risk profile.

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, instrument or index) at a pre-determined future

date and at a price agreed through a transaction undertaken on an exchange. Since these contracts are marked-to-market daily, the Fund can, by closing out their position, exit from their obligation to buy or sell the underlying asset prior to the contract's delivery date. There may be occasions when the Fund uses a future to gain long or short exposure to a market without purchasing the relevant security.

An equity index future will generally perform in a similar manner to the relevant underlying equity index. Examples of such occasions would be (i) if a significant cash in-flow was received and a future could be used to gain exposure to the market immediately allowing the Fund to invest into securities over time; or (ii); if the Fund wanted to gain exposure to a particular market, but felt that the amount to be invested would not give an adequate spread or would be too expensive. Details of any financial indices used by the Fund will be disclosed in the ICAV's periodic reports and will also be provided to Shareholders of the Fund by the Investment Manager on request.

Total Return Swaps: The Fund may enter into total return swaps for investment purposes in order to generate income or profits in accordance with the investment objective and policy of the 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 Fund is permitted to invest in accordance with its investment objective and policy. The use of total return swaps may expose the Fund to the risks as disclosed below under the heading below entitled "**Risks Associated with Total Return Swaps**".

Forwards: The Fund may utilise forward currency contracts for efficient portfolio management purposes. The anticipated purpose for which such derivatives will be utilised and the effect of such derivatives on the risk profile of the Fund is set out below. The Fund may use such FDIs in order to actively manage its currency exposure and in particular for currency hedging at portfolio level as described below. These derivatives may be dealt in OTC or be listed or traded on the Regulated Markets set out in Appendix II to the Prospectus. Forward currency contracts could be used to hedge against currency risk that has resulted from assets held by the Fund that are not in the base currency of the Fund. The Fund may, for example, use forward currency contracts by selling forward a foreign currency against the base currency to protect the Fund from foreign exchange risk that has risen from holding assets in that currency.

The Fund employs a risk management process which enables it to accurately measure, monitor and manage the various risks associated with derivative instruments. The Fund will use derivatives in accordance with the limitations set down in Appendix I to the Prospectus and which are included in the ICAV's risk management process. Collateral holdings, if any, may be invested by the Investment Manager in accordance with the requirements of the Central Bank.

Currency hedging at portfolio level

The Fund will enter into transactions for the purposes of hedging the currency exposure of the underlying securities into the Base Currency. The aim of this hedging will be to reduce the Fund's level of risk and to hedge the currency exposure of the Fund's underlying securities to the Base Currency. Derivatives such as forward foreign exchange contracts may be utilized. Accordingly, the Fund may have a residual exposure to non-Base Currency currencies that will be low.

Currency hedging at Class level

The Investment Manager intends to hedge foreign exchange risk of the hedged Classes against the Fund's assets denominated in currencies other than Euro. The Investment Manager intends to use monthly currency forward contracts to seek to hedge the currency exposure of the hedged Classes against such currencies, using a passive strategy that will involve hedges being placed and reset on a regular basis. There may be over-hedging or under-hedging depending on factors outside of the control of the Investment Manager. Hedged positions will be kept under review to ensure that over-hedged positions will not exceed 105% of the Net Asset Value attributable to the relevant hedged Class' exposure to currencies other than Euro. Hedged positions materially in excess of 100% of the Net Asset Value of the relevant hedged Class' exposure to currencies other than Euro will not be carried forward from month to month.

Investment Strategy

The Fund will be actively managed and will employ a predominantly bottom-up, research-based approach in that a company is analysed with greatest emphasis on its ability to generate long-term capital growth. The ability of a company to generate long term capital growth is ultimately dependent on its financial structure and the prospect of the business in which it operates - the Investment Manager evaluates these elements and selects those companies that present the best prospect both from a financial and business perspective. From a financial perspective, the Investment Manager considers balance sheet and profit and loss dynamic such as: improving cash flow conversion, decreasing leverage, lower cost of financing and rising profitability. Business perspectives include analysis of the therapeutic efficacy of a given product and lower regulatory and patent exposure. This research is conducted by the Investment Manager using its own proprietary quantitative models to screen stocks within the investment universe which is primarily constructed with reference to the constituents of the MSCI AC World Health Care Index – based on the outcome of this research, and in accordance with the investment policies above, the Investment Manager will determine the overall allocation between securities. The screening process, the first layer of the investment strategy, encompasses the following criteria: value of future cash flows, momentum (the relationship between earnings momentum and share price performance) and relative visibility (calculating the percentage of times that each company missed earnings expectations in the last 10 years and selecting those that according to the Investment Manager trade at a discount when analysing the company's historical capacity to meet earnings expectation).

The Investment Manager may also use top-down analysis to identify global or sectoral trends that could give rise to suitable investment opportunities – the Investment Manager's proprietary quantitative models that are used to screen the investment universe also incorporate macro-economic variables such as interest rates, equity risk premium and GDP growth. Moreover, the investment team tracks and analyses macro data in order to assess how the economic cycle can affect the relative and absolute performance of the health care sector.

The Investment Manager's team has over 40 years' combined experience of investment analysis which includes the healthcare and biotechnology sectors. The Investment Manager believes that a detailed knowledge of stock specifics is a key driver of superior stock performance. While the Fund intends to invest primarily on a long only basis, it may also have synthetic short exposure through the use of FDI; this shorting strategy is intended to reduce exposure to a particular asset without having to sell some or all of the Fund's holdings.

While the Fund will take due account of environmental, social and governance (“**ESG**”) factors in its investment strategy across the Fund as a whole, the Investment Manager will typically invest a minimum of 55% of the Fund's Net Asset Value in securities deemed to promote environmental or social characteristics, or a

combination of those characteristics, issued by companies that follow good governance practices (as referred to in the SFDR). The Fund may also invest in companies that the Investment Manager deems to be changing and improving for the better in relation to ESG performance. In such cases, the Investment Manager will keep under review the progress these companies are making to improve their ESG performance. The Fund may also invest in companies that form part of the supply chain of the ESG-rated issuers in which the Fund invests, such as suppliers and other business partners of these issuers. The Fund may invest in these companies on the basis that their role in the supply chain and/or as business partners indirectly help the ESG-rated issuers to promote ESG characteristics, notwithstanding that the companies themselves may not be deemed to align directly with ESG characteristics (as referred to in the SFDR). Additionally, the Investment Manager currently has in place a Responsible Investment Policy which excludes certain investments across the Fund as a whole, the details of which are available from the Investment Manager upon request.

The Fund will promote sustainable development by supporting investment in the healthcare and biotechnology sectors, with a particular focus on investments with strong, independent ESG ratings and/or where fundamental and quantitative analysis suggest a strong ESG rationale for making the investment. Quantitative analysis refers to the screening process completed within the investment universe as described above, while fundamental analysis focuses on the business fundamentals of each company that has been selected through that screening process. The analysis of business fundamentals includes the cost base, the level of R&D compared to revenues, the growth rate of the business, the addressable market, tax rates and how much the business is affected by the economic cycle. Examples of the ratings providers utilised by the Investment Manager include Sustainalytics and MSCI; such ratings will be an essential component of the Investment Manager's ESG analysis. Sustainalytics provide analytical ESG research, ratings and data to institutional investors and companies. MSCI's ESG ratings are designed to measure a company's resilience to long-term, material ESG risks; MSCI uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers.

The Fund does not have, as its objective, "sustainable investment" in the technical sense that this term is used in the Sustainable Finance Disclosure Regulation (EU) 2019/2088 ("**SFDR**"). However, the Fund may invest in healthcare and biotechnology companies that would qualify as a "sustainable investment" as part of a balanced portfolio. The Fund will aim to comply with the investor disclosure provisions of Article 8 of the SFDR.

When selecting investments for the Fund, and for the purposes of monitoring risk, the Investment Manager will refer to the MSCI AC World Health Care Index, as its constituents are representative of the type of companies the Fund invests in. Prospective investors should note that the index itself does not integrate environmental and social considerations. Instead, the Fund will promote environmental and social characteristics by focusing on investments in the healthcare, medicine and biotechnology sectors that promote safe, high quality healthcare for as many people as possible.

Leverage and Global Exposure

The Fund may only borrow on a temporary basis and the aggregate amount of such borrowings may not exceed 10% of the Net Asset Value of 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 Fund may charge its assets as security for such borrowings. Please also refer to the section of the Prospectus entitled "**Borrowing Powers**" under the heading "**THE ICAV**".

The global exposure of the Fund will be measured and monitored using the commitment approach. The Fund may have a global exposure of up to 100% of its Net Asset Value as a result of its use of FDI.

EC Regulation 2015/2365 and the use of “Securities Financing Transactions”

The Fund may enter into securities lending transactions for efficient portfolio management purposes in accordance with the limits and conditions set down in the SFTR.

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.

Finance charges received by the Fund under a stock-lending agreement may be reinvested in order to generate additional income. Similarly cash collateral received by the 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 maximum proportion of the Fund’s assets which can be subject to Securities Financing Transactions and/or total return swaps is 50% of the Net Asset Value of the Fund. However, the expected proportion of the Fund’s assets which will be subject to Securities Financing Transactions and/or total return swaps is between 0% and 20% of the Net Asset Value of the Fund. The proportion of the Fund’s assets which are subject to Securities Financing Transactions and/or 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 each type of Securities Financing Transactions and 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 Securities Financing Transactions and/or total return swaps shall be disclosed in the annual report and semi-annual report of the ICAV.

The use of the techniques described above may expose the Fund to the risks disclosed under the heading below entitled ‘**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 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

Counterparties to an SFT or total return swap shall be subject to an appropriate internal credit assessment carried out by the Investment Manager, which shall include amongst other considerations, external credit ratings of the counterparty, the regulatory supervision applied to the relevant counterparty, industry sector risk and concentration risk. Where such counterparty (a) was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the Investment 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 Investment Manager without delay. A counterparty selected will be either an investment firm, authorised in accordance with the EU Markets in Financial Instruments Directive (2014/65/EU) or a group company of an entity issued with a bank holding company licence from the Federal Reserve of the United States of America where that group company is subject to bank holding company consolidated supervision by that Federal Reserve or an “**Approved Credit Institution**”. An Approved Credit Institution is:

- (i) a credit institution authorised in the EEA; or
- (ii) a credit institution authorised within a signatory state, other than a Member State of the EEA, to the Basle Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan, United States); or
- (iii) a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.

The counterparty to any total return swap entered into by the Fund will not assume any discretion over the composition or management of the investment portfolio of the Fund or of the underlying of the total return swap. The failure of a counterparty to a swap transaction may have a negative impact on the return for Shareholders. The Investment Manager will seek to minimise counterparty performance risk by only selecting counterparties with a good credit rating and by monitoring any changes in those counterparties' ratings. Additionally, these transactions would only be concluded on the basis of standardised framework agreements (ISDAs).

Subject to compliance with these conditions, the Investment Manager has full discretion as to the appointment of counterparties when entering into derivatives in furtherance of the Fund's investment objective and policies. It is not possible to list comprehensively all of the counterparties that the Fund may have, as they will change from time to time. However, details of the relevant counterparties will be advised in the annual accounts of the Fund.

Custody

SFTs and total return swaps will be registered in the name of the Fund. The Depositary is not obliged to hold these assets. The Depositary is only required to verify the Fund's ownership of such assets and to maintain a record of those assets of which the Depositary is satisfied that the Fund holds ownership. Collateral received by the Fund in respect of SFTs and total return swaps on a title transfer basis will be held by the Depositary or its agent for safekeeping. For other types of collateral arrangements, the collateral can be held by a third party depositary provided that the third party depositary is subject to prudential supervision and is unrelated and unconnected to the provider of the collateral.

Collateral

The Fund will accept collateral from its counterparties in order to reduce counterparty risk exposure generated through the use of OTC derivative instruments. The level of collateral required to be posted may vary by counterparty with which the Fund trades. For further information on the Fund's policy regarding collateral arrangements, including its policies on permitted collateral types and level, liquidity, valuation, haircut, issuer credit quality, correlation and diversification, please refer to Appendix III of the Prospectus.

Safe-keeping of collateral received by the Fund

Collateral received by the 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-depositary 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 the Fund

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

Use of a Benchmark

The Fund is deemed a "user" of a benchmark within the meaning of Article 3(7) of the Benchmarks Regulation. The Fund may only use a benchmark if such benchmark is provided by an administrator located in the EU and included in the register referred to in Article 36 of the Benchmarks Regulation or is a benchmark that is included in the register referred to in Article 36.

As the Fund falls within the scope of the Benchmarks Regulation, the Manager acting in accordance with Article 28(2) of the Benchmarks Regulation, will adopt a robust written plan setting out the actions it will take in the event that a benchmark used by the Fund materially changes or ceases to be provided, including, where feasible and appropriate, the nomination of one or several alternative benchmarks that could be referenced to substitute the benchmark(s) no longer provided.

The Directors may, in consultation with the Manager and the Investment Manager, at any time change that reference benchmark where, for reasons outside its control, that benchmark has been replaced, or another benchmark may reasonably be considered by the Directors to have become the appropriate standard for the relevant exposure. In such circumstances, any change in benchmark will be disclosed in the annual or half-yearly report of the ICAV issued subsequent to such change and the Supplement will be updated accordingly.

The Fund is a user of a benchmark as defined by the Benchmarks Regulation as it uses the MSCI AC World Health Care Index for the purposes of computing the performance fee. As the Fund intends to calculate the performance fees payable against the MSCI AC World Health Care Index, the Fund is considered to be actively managed in reference to the index. Certain of the Fund's securities may be components of and may have similar weightings to the index. However, the index is not used to define the portfolio composition of the Fund or as a performance target and the Fund may be wholly invested in securities which are not constituents of the index. The index is consistent with the Fund's investment policy.

Change in Investment Policies or Objectives

Changes to the investment objective or material changes to the investment policies of the Fund will only be affected with the approval of the Directors in consultation with the Manager and the Investment Manager and subject to the prior approval of the Shareholders of the Fund by way of an Ordinary Resolution. In accordance with the requirements of the Central Bank, "*materia*" shall be taken to mean, although not exclusively, changes which would significantly alter the asset type, credit quality, borrowing limits or risk profile of the Fund. In the event that any such change is affected, reasonable notice to the Shareholders of the Fund will be provided to enable Shareholders to redeem prior to implementation. In the event of any such material changes, the Supplement will be updated accordingly.

Non-material changes to the investment policies of the Fund may be implemented from time to time by the Directors if they shall deem it to be in the best interest of the Fund. Where non-material changes are made to

the investment policy of the Fund, Shareholders shall be notified of such changes in accordance with the requirements of the Central Bank.

Publication of Net Asset Value per Share

The Net Asset Value per Share will be published on the following internet web-site www.tenaxcapital.com and/or such other publications as the Directors may determine in the jurisdictions in which the Shares are offered for sale and shall be updated following each calculation of Net Asset Value. In addition, the Net Asset Value per Share may be obtained from the Administrator during normal business hours.

4. RISK FACTORS

Shareholders and potential investors (the “Investors”) are specifically referred to the section headed “RISK FACTORS” in the Prospectus and the sections headed “Risks associated with Investments in the People’s Republic of China (PRC)” and “Risks associated with the Connect Scheme” in Appendix 1 of this Supplement.

The risks described below are not exhaustive; it remains incumbent upon the individual Investors to assess the risk inherent in each one of their investments and then to forge their own opinions.

General

An investment in the Fund involves certain risk factors and considerations relating to the Fund's structure and investment objective which a prospective Investor should evaluate before making a decision to invest in the Fund. No assurance can be given that the Fund will succeed in meeting its investment objective or that there will be any return on capital. Moreover, past performance is not a guarantee of future results.

Before making any investment decision with respect to the Shares, any prospective Investors should consult their professional advisors and carefully review and consider such an investment decision in light of the risk factors included below. The following is a brief description of certain factors, which should be considered along with other matters discussed elsewhere in the Supplement. The following does not, however, purport to be a comprehensive summary of all the risks associated with an investment in the Fund generally. Rather, the following are only certain particular risks to which the Fund is subject and that the Fund wishes to encourage prospective Investors to discuss in detail with their professional advisors.

An investment in the Fund requires a medium to long term commitment and there can be no assurance that the Fund will achieve its investment objective or that the Investors will receive any return or the return of their invested capital.

While the prospective Investor should make its own evaluation of the risks of investing in the Fund, it must consider, among other things, the following matters before making a decision to invest in the Fund.

Shares require a medium to long term commitment and are only redeemable subject to the terms disclosed. Prospective Investors should therefore be aware that they may be required to bear the financial risks associated with any investment in the Fund as long as they maintain their investment.

Charges and expenses in connection with the Fund are not incurred uniformly throughout the life of the Fund (for example, establishment expenses are paid at the start of the life of the Fund subject to any amortisation

of such expenses, there may be higher operational costs at different times such as where there is a lot of investment activity (which may be more concentrated at the start of the life of the Fund) and there may be ad hoc expenses, such as legal fees, paid by the Fund at different times) and it is possible that an Investor may not receive back the full amount of its investment.

Shareholders are exposed to the following main risks:

1. Suitability

Prospective purchasers of the Shares should ensure that they understand the nature of such Shares and the extent of their exposure to risk, that they have sufficient knowledge, experience and access to professional advisers to make their own legal, tax, accounting, regulatory and financial evaluation of the merits and risks of investment in such Shares and that they consider the suitability of such Shares as an investment in the light of their own circumstances and financial condition. An investment in the Fund should not in itself be considered a balanced investment program, but rather is intended to provide diversification in a more complete investment portfolio. Investors should be able to withstand the loss of their entire investment.

None of the ICAV, the Manager, the Investment Manager or any of their respective affiliates makes any representation as to the proper characterisation of the Shares for investment or other purposes, as to the ability of particular Investors to purchase Shares for investment or other purposes under applicable investment restrictions or policies which may be applicable to them or as to the accounting, capital, tax and other regulatory or legal consequences of ownership of the Shares. All institutions the activities of which are subject to investment laws and regulations, regulatory capital requirements or review by regulatory authorities should consult their own legal advisors in determining whether and to what extent the Shares are subject to any investment, capital or other restrictions.

2. Redemption Risk

Investors may redeem Shares in accordance with the terms of the Supplement. Large redemptions of Shares might result in the Fund being forced to sell assets at a time and price at which it would normally prefer not to dispose of those assets. In addition, a significant redemption of Shares may require the Fund to realise investments at values which are lower than the anticipated market values of such investments. This may cause a temporary imbalance in the Fund's portfolio, which may adversely affect the remaining Investors.

Any redemption that will result in the value at the most recent Net Asset Value per Share of all remaining Shares of a Class owned by a redeeming Shareholder being less than the minimum residual holding of Shares of such Class may be treated as a notice of redemption for all remaining Shares of such Class held by such Shareholder.

The ICAV may also, but will not be obliged to, temporarily suspend the determination of the Net Asset Value per Share of the Fund and/or the issue and redemption of its Shares under specific circumstances (including, without limitation, when the Fund is under severe liquidity pressure) as described in the Prospectus in the section entitled "**THE SHARES**" under the heading "**Suspension of Valuation of Assets**".

In addition, substantial redemptions could lead the Fund to hold, within a certain period of time, cash (or Money Market Instruments) pending its reimbursement to the Shareholders which could negatively impact the performance of the Fund.

The Directors in consultation with the Manager and the Investment Manager 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 circumstances set out in the Prospectus.

3. Restrictions on Transfer

Investors should be fully aware of the restrictions on transfer of their Shares. The Directors may decline to register a transfer in certain circumstances description in the Prospectus in section 7 of the section headed **“GENERAL INFORMATION: Transfer of Shares”**.

4. Closure to Investment

Performance may be affected by the size of the Fund. With this in mind and depending upon market conditions, the Directors may without explanation consider the imposition of periods closed to new Investors and/or further investment where they consider in their absolute discretion this will be beneficial to the Fund as a whole.

5. Currency Risk

Assets of the Fund may be denominated in a currency other than the Base Currency and changes in the exchange rate between the Base Currency and the currency of the asset may lead to a depreciation of the value of the Fund's assets as expressed in the Base Currency. It may not be possible or practical to hedge against such exchange rate risk. The Investment Manager may, but is not obliged to, mitigate these risks by using financial instruments.

The Fund may from time to time enter into currency exchange transactions either on a spot basis or by buying currency exchange forward contracts. The Fund will not enter into forward contracts for speculative purposes. Neither spot transactions nor forward currency exchange contracts eliminate fluctuations in the prices of the Fund's securities or in foreign exchange rates, or prevent loss if the prices of these securities should decline. The successful execution of a hedging strategy which matches exactly the profile of the investments of the Fund cannot be assured. It may not be possible to hedge against generally anticipated exchange rate fluctuations at a price sufficient to protect the assets from the anticipated decline in value of the portfolio positions as a result of such fluctuations.

Performance of the Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held.

6. Share Currency Designation Risk

Classes of the 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 or between the currencies in which assets of the Fund are denominated and the Base Currency or such designated currency may lead to a depreciation of the value of such Shares as expressed in the designated currency. The Investment Manager may try but is not obliged to mitigate this risk (see the section **“Hedged Classes”** of the Prospectus). 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 may be exposed to fluctuations in the Net Asset Value per Share reflecting the gains/losses on and the costs of the relevant assets. Assets 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 assets will accrue solely to the relevant Class.

7. Strategy Risk

Strategy risk is associated with the failure or deterioration of an entire strategy such that most or all investment managers employing that strategy suffer losses. Strategy specific losses may result from excessive concentration by multiple investment managers in the same investment or general economic or other events that adversely affect particular strategies (for example, the disruption of historical pricing relationships). The strategies employed by the Fund are speculative and involve substantial risk of loss in the event of such failure or deterioration, in which event the performance of the Fund may be adversely affected.

8. Availability of Investment Strategies

The success of the investment activities of the Fund will depend on the Investment Manager's ability to identify overvalued and undervalued investment opportunities and to exploit price discrepancies in the financial markets, as well as to assess the import of news and events that may affect the financial markets. Identification and exploitation of the investment strategies to be pursued by the Fund involves a high degree of uncertainty. No assurance can be given that the Investment Manager will be able to locate suitable investment opportunities in which to deploy all of the Fund's assets or to exploit discrepancies in the securities and derivatives markets. A reduction in money market liquidity or the pricing inefficiency of the markets in which the Fund seeks to invest, as well as other market factors, will reduce the scope for the implementation of the Fund's investment strategies.

The Fund may be adversely affected by unforeseen events involving such matters as changes in interest rates, exchange rates or the credit status of an issuer, forced redemptions of securities or acquisition proposals, break-up of planned mergers, unexpected changes in relative value, short squeezes, inability to short stock or changes in tax treatment.

9. Concentration of Investments

Although the Fund will diversify its portfolio in accordance with the investment restrictions referred to above, the Fund intends to hold positions primarily, directly or indirectly, in the shares of companies involved in the health care and biotechnology sectors and, as a result, may hold a few relatively large positions.

10. Investment Risk

It should be remembered that the price of the Shares can go down as well as up and that, on the redemption of their Shares, Investors may not receive the amount that they originally invested.

Substantial risks are involved in investing in the various securities and instruments the Fund purchases and sells. Market prices of equity securities as a group have dropped dramatically in a short period of time on several occasions in the past, and they may do so again in the future. The Fund's investments are subject to normal market fluctuations and the risks inherent in the purchase, holding or selling of equity securities and related instruments, and there can be no assurance that appreciation will occur.

11. Investment in Exchange Traded Funds

The Fund may invest in exchange-traded funds (“**ETFs**”), and may incur fees and expenses in connection with any such investments, including, without limitation, brokerage commissions and fees and expenses charged by the ETF and its service providers. If the Fund wishes to realise all or a portion of its investment in an ETF, it must generally sell its interest on a securities exchange or other trading venue at a price set by the market. There can be no assurance that the market price for such interest will reflect its underlying net asset value, and such interest may trade at a significant discount to net asset value for extended periods of time or at all times. There can be no assurance that an active trading market in the interest of an ETF will develop or will be sustained, and if no such market is developed or sustained, the price and liquidity of such investment may be adversely affected. In addition, although ETFs are generally designed to track a specific index, there can be no assurance that an ETF will track its underlying index closely or with a high degree of correlation. This risk is heightened in the case of ETFs tracking indices that are comprised of issuers with limited liquidity.

12. Undervalued/Overvalued Securities

One of the key objectives of the Fund is to identify and invest in undervalued and overvalued securities (“**mis-valued securities**”). The identification of investment opportunities in mis-valued securities is a difficult task, and there can be no assurance that such opportunities will be successfully recognised. While purchases of undervalued securities offer opportunities for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from the investments of the Fund may not adequately compensate for the business and financial risks assumed.

The Fund may make certain speculative investments in securities which the Investment Manager believes to be mis-valued; however, there can be no assurance that the securities purchased and sold will in fact be mis-valued. In addition, the Fund may be required to maintain positions in such securities for a substantial period of time before realising their anticipated value. During this period, a portion of the capital of the Fund may be committed to the securities, thus possibly preventing the Fund from investing in other opportunities. Alternatively, the Fund may be forced to sell, at a substantial loss, assets which it believes are undervalued, if they are not in fact undervalued.

13. Short exposure

While the Fund intends to invest primarily on a long only basis, the Fund may also have synthetic short exposure through the use of FDI to asset classes consistent with the Fund’s investment policy. Short exposure involves taking a position that anticipates the fall in price of a reference asset that the Fund does not own. Short exposure involves a risk of a theoretically unlimited increase in the market price of the security. Please also see the risk factors set out under “**Risks associated with derivative transactions used for hedging and/or efficient portfolio management purposes**” and “**Risks associated with derivative used for investment or exposure purposes**” in the Prospectus.

In the second half of 2008, a number of jurisdictions adopted temporary bans on short sales and enacted regulations aimed at greater disclosure of short selling. Since then, there have been legislative and regulatory initiatives and proposals that could lead to permanent bans or restrictions on certain short sale activities, including the restoration of certain restrictions on short selling that were lifted several years ago. Any such prohibitions or restrictions on short selling can have a material adverse impact on the Fund’s performance.

14. Derivatives

Please refer to the risk disclosures on derivatives in the “**RISK FACTORS**” section of the Prospectus. In

addition, please note the following risks:

Futures Contracts

The Fund's use of futures contracts will present the same types of volatility and leverage risks associated with transactions in derivative instruments generally. In addition, such transactions present a number of risks which might not be associated with the purchase and sale of other types of investment products.

Prior to exercise or expiration, a futures position can be terminated only by entering into an offsetting transaction. This requires a liquid secondary market on the exchange on which the original position was established. While the Fund will enter into futures positions only if, in the judgment of the Investment Manager, there appears to be a liquid secondary market for such instruments, there can be no assurance that such a market will exist for any particular contract at any point in time. In that event, it might not be possible to establish or liquidate a position.

The Fund's ability to utilise futures to hedge its exposure to certain positions or as a surrogate for investments in instruments or markets will depend on the degree of correlation between the value of the instrument or market being hedged, or to which exposure is sought and the value of the futures contract. Because the instrument underlying a futures contract traded by the Fund will often be different from the instrument or market being hedged or to which exposure is sought, the correlation risk could be significant and could result in substantial losses to the Fund. The use of futures involves the risk that changes in the value of the underlying instrument will not be fully reflected in the value of the futures contract.

The liquidity of a secondary market in futures contracts is also subject to the risk of trading halts, suspensions, exchange or clearing house equipment failures, government intervention, insolvency of a brokerage firm, clearing house or exchange or other disruptions of normal trading activity. Futures positions may also be illiquid because certain futures exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "*daily price fluctuation limits*" or "*daily limits*". Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent the Fund from liquidating unfavourable positions.

Trading in derivatives linked to indices

The Investment Manager may utilise financial instruments which give a return linked to indices. The effect of governmental intervention may be particularly significant at certain times in currency and financial instrument futures markets. Such intervention (as well as other factors) may cause all of these markets to move rapidly in the same direction. Because the base currency of the Fund is the Euro, changes in the exchange rate between the Euro and such currencies may cause the Fund to suffer losses.

Risks Associated with Total Return Swaps

The 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, the 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. The 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 and differences in currency values may result in the value of the index/reference value of the underlying of the total return swap differing from the value of the total return swap.

15. Risks Associated with Securities Financing Transactions

Securities Lending

The 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 the Fund may invest cash collateral received under a securities lending arrangement in accordance with the requirements set down in the Central Bank Regulations, the Fund will be exposed to the risk associated with such investments, such as failure or default of the issuer or the relevant security.

16. Regulatory Risk

The regulatory environment is evolving and changes therein may adversely affect the ability of the Fund to obtain the leverage it might otherwise obtain or to pursue its investment strategies. In addition, the regulatory or tax environment for derivative and related instruments is evolving and may be subject to modification by government or judicial action which may adversely affect the value of the investments held by the Fund. The effect of any future regulatory or tax change on the Fund is impossible to predict. The regulatory environment within which the Fund operates may be different to that of the Investors' home countries.

Securities and futures markets are subject to comprehensive statutes, regulations and margin requirements. Regulators and self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The regulation of derivative transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by government and judicial actions. The effect of any future regulatory change on the Fund could be substantial and adverse including, for example, increased compliance costs, the prohibition of certain types of trading and/or the inhibition of the Fund's ability to pursue its respective investment approach as described herein.

17. Valuation Risk

Due to a wide variety of market factors and the nature of investments to be held or entered into by the Fund, there is no guarantee that the value determined by the Administrator will represent the value that will be realised by the Fund on the eventual disposition of the investment or that would, in fact, be realised upon an immediate disposition of the investment.

18. Reliance on the Investment Manager and Dependence on Key Personnel

Subject to the limitations set forth in this Supplement, the Investment Manager has complete discretion in directing the investment of the Fund's assets. The Fund's success depends, to a great extent, on the Investment Manager's ability to select investments. The Fund will be highly dependent on the financial and managerial experience of the Investment Manager and a limited number of persons of the Investment Manager to whom the task of managing the investments has been assigned. If the services of all or a substantial number of such persons were to become unavailable, the result of such a loss of key management personnel could result in substantial losses for the Fund.

19. Custodial Risk

When the Fund invests in assets that are financial instruments that can be held in custody ("**Custody Assets**"), the Depositary is required to hold such assets in custody and will be liable to the Fund for any loss of such assets held in custody unless it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. In the event of such a loss (and the absence of proof of the loss being caused by such an external event), the Depositary is required to return identical assets to those lost or a corresponding amount to the Fund without undue delay. When the Fund invests in assets that are not financial instruments that can be held in custody ("**Non-Custody Assets**"), the Depositary is only required to verify the Fund's ownership of such assets and to maintain a record of those assets of which the Depositary is satisfied that the Fund holds ownership. In the event of any loss of such assets, the Depositary will only be liable to the extent the loss has occurred due to its negligent or intentional failure to properly fulfil its obligations. Certain assets including over-the-counter derivatives, securities loans and repurchase agreements will be treated as Non-Custody Assets. The Directors consider that the level of protection that the Fund has with respect to Non-Custody Assets is lower than that of Custody Assets. The bankruptcy of the Depositary may have a materially adverse effect on the Fund, both on its ability to meet its restitution obligation without delay and on the ongoing operations of the Fund.

20. Position Limits

Limits imposed by the UCITS Regulations and/or counterparties may negatively impact on the Investment Manager's ability to implement the Fund's investment policy. Position limits are the maximum amounts that any one person or entity may own or control in a particular financial instrument. If at any time positions of the Fund were to exceed applicable position limits, the Investment Manager would be required to liquidate positions of the Fund to the extent necessary to observe those limits. Further, to avoid exceeding the position limits, the Investment Manager might have to forego or modify certain of its contemplated investments.

21. Legal Risk

The Fund may be subject to a number of unusual risks, including inadequate investor protection, contradictory legislation, incomplete, unclear and changing laws, ignorance or breaches of regulations on the part of other market participants, lack of established or effective avenues for legal redress, lack of standard practices and confidentiality customs characteristic of developed markets and lack of enforcement of existing regulations. Please also refer to "**Counterparty Exposure and Legal Risk**" in the section of the Prospectus headed "**RISK FACTORS**".

22. Fees and Expenses

Whether or not the Fund is profitable, it is required to meet certain fixed costs, including start-up and organisational expenses including listing expenses, ongoing administrative, custody and operating expenses, management and advisory fees.

23. Risk of capital loss

The Fund is not a guaranteed fund and returns can be negative. The performance of the Fund may not be consistent with the objectives of Investors and their investment may not be fully returned.

24. Sustainability Risk

Sustainability risks include any potential or actual material negative impact on the value of an investment because of an ESG event or condition. Sustainability risks can either represent a risk of their own, or have an impact on other risks, such as market risk, operational risk, liquidity risk or counterparty risk. Sustainability risk may also have an impact on long-term risk adjusted returns for investors. Assessment of sustainability risks is complex and may be based on ESG data which are difficult to obtain and incomplete, estimated, out of date, or otherwise materially inaccurate. Even when identified, there can be no guarantee that these data will be correctly assessed.

A wide range of sustainability-related risks apply to companies operating in the healthcare and biotechnology sectors. Environmental risks include, but are not limited to: the ability of companies to mitigate and adapt to climate change, exposure to increasing water scarcity and potential for higher water prices, waste management challenges, and the impact of production and research activity on global and local ecosystems. Social risks include, but are not limited to: patient welfare, risks associated with fragile public health systems, supply chain management, labour standards, health and safety, human rights, data privacy, and regulation of technology. Governance risks include board composition and effectiveness, management incentives, conflicts of interest, management quality and alignment of management with shareholders. Failure to manage these risks effectively can lead to a deterioration in financial outcomes as well, as a negative impact on society and the environment. The Investment Manager will establish a due diligence and monitoring process to evaluate these risks, both at the point where an investment is contemplated, and on an ongoing basis thereafter. However, prospective investors should note that the Investment Manager cannot guarantee that investee companies will invariably manage these risks effectively.

Equity and equity-like instruments that are bound to the performance of a company are deemed to be investments that inherently carry the highest level of sustainability risk. The market value of an equity instrument will often be affected by environmental, social or governance events or conditions such as natural disasters, global warming, income inequality, anti-consumerism or malicious governance and this may have an impact on the Fund's returns. The market value of securities of issuers in the healthcare and biotechnology sectors in particular may be adversely affected by factors such as rising costs of medical products and services, pricing pressure, changes to government regulation, media coverage of health issues, the response of governments to health emergencies, restrictions on government reimbursement for medical expenses, costs associated with obtaining and protecting patents, product liability and other claims, changes in technologies and other market developments.

5. INVESTMENT AND BORROWING RESTRICTIONS

The Fund is subject to the investment and borrowing restrictions set out in the UCITS Regulations, the Central

Bank Regulations and in Appendix I to the Prospectus.

Where the Fund receives collateral as a result of trading in OTC FDI, the use of efficient portfolio management techniques or otherwise, the requirements of Appendix III of the Prospectus will apply.

6. DISTRIBUTION POLICY

Classes are either Accumulation Classes or Distribution Classes (as indicated in the table in the section “**SUBSCRIPTIONS**” below). Accumulation Classes capitalise income. Distribution Classes may pay a dividend to the relevant Shareholders on an annual basis as of the last Business Day in December in each year. In such case, dividends shall be paid out of net income and realised and unrealised gains net of realised and unrealised losses but, at the discretion of the Directors, gross of the fees payable by the Fund. Paying dividends without first deducting fees may result in the erosion of capital. The rationale for providing for the payment of dividends out of net income and realised and unrealised gains net of realised and unrealised losses but gross of fees is to maximise the amount distributable to investors who are seeking a higher dividend paying Share Class.

Investors should note that the Fund may consequently pay some or all of its dividends out of capital. There is an increased risk that capital attributable to such Classes will be eroded if such payments are made. Such distributions will be achieved by foregoing the potential for future capital growth of these Classes. The value of future returns in such Classes may also be diminished and this cycle may continue until all capital is depleted. Distributions out of capital may have different tax implications to distributions of income - investors should seek advice from their professional advisers in this regard. Distributions out of capital made during the life of the Fund must be understood as a type of capital reimbursement.

The Directors will determine whether a dividend should be paid in respect of a particular Distribution Class and the amount of such dividend, in consultation with the Manager and the Investment Manager. Any dividend payments will be confirmed in writing to the Shareholders of Distribution Classes. To the extent made, distributions will be paid by wire transfer to the account(s) indicated by the Shareholder on its Application Form (as may be updated from time to time by signed, original notification from the Shareholder to the ICAV c/o the Administrator).

The Directors, in consultation with the Manager and the Investment Manager, may at any time change the policy of the Fund with respect to dividends distribution, in which case full details of any such change will be disclosed in an updated Supplement and Shareholders will be notified in advance.

Please also refer to the “**Distribution Policy**” section in the Prospectus.

7. SUBSCRIPTIONS

Offer

Class	Currency	Distribution Policy	Initial Offer Price	Minimum Holding	Minimum Subscription
I-Dist Hedged	EUR	Distributing	100	1,000,000	1,000,000

Class “I” Shares are only offered to what the Directors consider to be “*Institutional Investors*” or any investors

subscribing for Shares for an amount at least equal to the Minimum Subscription amount of the relevant Class I Shares.

The Directors in consultation with the Manager and the Investment Manager may partially or wholly waive the Minimum Subscription amount in respect of one or more Shareholders or Investors at their discretion.

Please see the section entitled “**Application for Shares**” in the Prospectus in the section entitled “**THE SHARES**” for more information regarding the cost of Shares.

The Net Asset Value will be calculated in accordance with the principles described under section “**Net Asset Value and Valuation of Assets**” in the Prospectus with the following distinction: securities valued under point “(a)” in that section, which are listed or traded on a Regulated Market will be valued at the closing bid prices or, if no closing price is available, at the last known market bid prices. The Net Asset Value will be published as often as the Net Asset Value is calculated promptly following its calculation. Please see the section headed “**Publication of Net Asset Value per Share**” in the Prospectus.

Minimum Subscription Amount and Minimum Holding

The Minimum Subscription and Minimum Holding amounts in respect of each Class are set out in the table above.

The Directors in consultation with the Manager and the Investment Manager may, at its discretion, grant Shareholders and potential Investors an exemption from the Minimum Subscription amount.

8. REDEMPTIONS

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, 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).

In accordance with the terms of the Prospectus, an anti-dilution levy may be applied at the discretion of the Directors, acting in consultation with the Manager and the Investment Manager.

For further information on anti-dilution levies please refer to the paragraphs headed “**Anti-Dilution Levy**” in the section of the Prospectus entitled “**THE SHARES: Net Asset Value and Valuation of Assets**”.

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 of a Class would leave the Shareholder holding less than the Minimum Holding for the relevant Class, the ICAV or its delegate may, if it thinks fit, redeem the whole of that Shareholder’s holding in such Class.

Please refer to the section headed “**Redemption of Shares**” in the section entitled “**THE SHARES**” in the

Prospectus for further information on the redemption process.

Timing of Payment

Redemption proceeds in respect of Shares will normally be paid by the Redemption Settlement Cut-Off provided that all the required documentation has been furnished to and received by the Administrator and provided further that proceeds must (unless dealing in the Shares is suspended or a redemption gate is applied) be paid within five (5) Business Days of the relevant Dealing Day.

Withdrawal of Redemption Requests

Requests for redemption may not be withdrawn save with the written consent of the Directors in consultation with the Manager and the Investment Manager or in the event of suspension of calculation of the Net Asset Value of the Fund.

Redemption Limit

Where the total requests for redemption on any Dealing Day exceed at least 10% of the total number of Shares in the Fund or at least 10% of the Net Asset Value of the Fund and the Directors, in consultation with the Manager and the Investment Manager, decide to refuse to redeem any Shares in excess of 10% of the total number of Shares in the Fund or 10% of the Net Asset Value of the Fund or such higher percentage that the Directors, in consultation with the Manager and the Investment Manager, may determine, the Fund shall reduce pro rata any request for redemption on that Dealing Day and shall treat the redemption requests as if they were received on each subsequent Dealing Day until all the Shares to which the original request related have been redeemed.

9. SUSPENSION OF DEALING

Shares may not be issued or redeemed 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**”. Unless withdrawn, applications for Shares will be considered and requests for redemption will be processed as at the next Dealing Day following the ending of such suspension.

10. FEES AND EXPENSES

The Fund shall bear its attributable portion (based on its Net Asset Value) of the fees and operating expenses of the ICAV. The fees and operating expenses of the ICAV are set out in detail in the section entitled “**FEES, CHARGES AND EXPENSES**” in the Prospectus. The Directors intend to apply the fees and expenses associated with the establishment and ongoing operations of the ICAV across each Fund of the ICAV pro-rata each Fund’s Net Asset Value, to the extent possible.

Establishment Expenses

The Fund shall bear the fees and expenses attributable to its establishment, which are estimated to be €30,000 including its proportionate share of the establishment expenses of the ICAV, as detailed in the section of the Prospectus entitled “**Establishment Expenses**”.

Such establishment expenses may be amortised over the first five Accounting Periods of the Fund.

Manager's Fee

Pursuant to the Management Agreement, the Manager is entitled to charge the Fund an annual fee not to exceed 0.10% of the Net Asset Value of the Fund, subject to a minimum annual fee not to exceed €150,000 which fee shall be allocated pro-rata to all sub-funds of the ICAV. The Manager's fee shall be subject to the imposition of Value Added Tax ("VAT") if required. The fee will be calculated and accrued daily and is payable monthly in arrears within ten (10) Business Days of the last Business Day of each calendar month. The Manager's fee may be waived or reduced by the Manager, with respect to one or more Classes, in consultation with the Directors.

The Manager shall be entitled to be reimbursed by the Fund for reasonable out of pocket expenses incurred and any VAT on all fees and expenses payable to or by it.

Investment Management Fee

Pursuant to the Investment Management Agreement, the Investment Manager is entitled to charge the Fund an Investment Management Fee, which applies separately in respect of each Class as set out in the table below, based on its Net Asset Value.

Class(es)	Investment Management Fee	Performance Fee
I-Dist Hedged	1.00%	20% of the outperformance of the Fund above the MSCI AC World Health Care Index on an annual basis

Investment Management Fees levied will also be subject to the imposition of VAT if required.

The Investment Management Fee will be calculated and accrued daily and is payable monthly in arrears within ten (10) Business Days of the last Business Day of each calendar month.

The Investment Management Fee may be waived or reduced in respect of one or more Classes by the Investment Manager, in consultation with the Manager and the Directors. The Investment Manager may decide to rebate to one or more Shareholders or intermediaries part or all of its Investment Management Fee, which may include directors and employees of the Investment Manager.

The Investment Manager shall be entitled to be reimbursed by the Fund for reasonable out of pocket expenses incurred and any VAT on all fees and expenses payable to or by it.

Should the Fund invests in any other sub-fund of the ICAV, the rate of the annual Manager's Fee and Investment Management Fee which Investors in the Fund are charged in respect of that portion of the Fund's assets invested in such sub-fund(s) (whether such fee is paid directly at the Fund level, indirectly at the level of the receiving sub-funds or a combination of both) shall not exceed the rate of the maximum annual Manager's Fee and Investment Management Fee which investors in the Fund may be charged in respect of the balance of the Fund's assets, such that there shall be no double charging of the annual Manager's Fee or Investment Management to the Fund as a result of such investments.

Performance Fee

The Investment Manager is entitled to a performance fee (the "**Performance Fee**"). The Performance Fee will be paid out of the net assets attributable to each Class described in further detail below. The Performance Fee shall be calculated and shall accrue at each Valuation Point and the accrual will be reflected in the Net Asset Value per Share of the relevant Class of Shares. The first "**Performance Period**" will be from the Initial Issuance Date of the relevant Class until the end of the following Annual Accounting Date falling at least 12 months after the Initial Issuance Date. Thereafter a Performance Period will run from the first day after such Annual Accounting Date to the next following Annual Accounting Date or, if earlier, the date on which no Shares of the relevant Class are in issue.

The Performance Fee for each Performance Period shall be equal to 20% of the amount, if any, by which the Net Asset Value before Performance Fee accrual of the relevant Class of Shares exceeds the MSCI AC World Health Care Index (Bloomberg: MXW00HC) (the "**Benchmark**"). The Benchmark is considered to be consistent with the investment policy of the Fund. The Performance Fee shall only be calculated and payable on the amount by which the net realized and unrealized appreciation in the Net Asset Value per Share exceeds the Benchmark. The Performance Fee is calculated before any dividend distribution (if any).

For the avoidance of doubt, for any Performance Fee to be payable in a Performance Period any previous underperformance of the Benchmark will need to have been clawed back during the course of that Performance Period (please see details below of the "**relative High Water-Mark**"), however, any underperformance previously incurred by a Class of Shares does not need to be recovered before a Performance Fee becomes payable. Shareholders should also note that a Performance Fee will not be paid in times of negative performance i.e., the Class has out-performed the Benchmark but overall has negative performance during the Performance Period.

The Performance Fee will be calculated in accordance with the above methodology and paid at the end of each Performance Period (and on any date that a Shareholder redeems Shares, with respect to the Shares redeemed) calculated in respect of the amount by which the Net Asset Value per Class exceeds the Benchmark.

The Performance fee will be calculated each time the Net Asset Value is calculated.

The Performance Fee, if any, is calculated and payable by the Fund to the Investment Manager on an annual basis as at the last Business Day of the Annual Accounting Date. If a Class is redeemed during the Performance Period, a separate Performance Fee for that Class will be calculated by the Administrator and verified by the Depositary and will become payable as if the Dealing Day on which that Class is redeemed were the end of the Performance Period. The Performance Fee accrual will be adjusted to account for any Performance Fees which crystallised on redemptions.

The Performance Fee is based on net realised and net unrealised gains and losses as at the end of each Calculation Period and as a result, Performance Fees may be paid on unrealised gains which may subsequently never be realised.

The Performance Fee is normally payable to the Investment Manager annually in arrears within 10 calendar days of the end of each Performance Period. However, in the case of a Class redeemed during a Performance Period, the accrued Performance Fee in respect of that Class will be payable within 10 calendar days after the date of redemption.

The Performance Fee in respect of each Performance Period will be calculated net of all costs but could be calculated without deducting the Performance Fee itself, provided that in doing so it is in the investor's best interest (i.e. it would result in the investor paying less fees). The accrued Performance Fee will be calculated at each Dealing Day and deducted in arriving at the Net Asset Value of each Class.

The Performance Fee shall be calculated by the Administrator and verified by the Depository and shall not open to the possibility of manipulation.

The Investment Manager may decide to partially or wholly waive its entitlement to a Performance Fee in respect of one or more Classes. The Investment Manager may rebate part or all of its Performance Fee to one or more Shareholders or intermediaries.

Performance Fee Example:

	Relative High Water Mark ("HWM") / Share	Benchmark ("BM")	Fund Return	BM Movement	BM Adjusted HWM	Gross Asset Value	Absolute Return Positive?	Perf Fee	Ending NAV
Start	100.00	100.00	-	-	1,000,000.00	-	-	-	1,000,000.00
Year 1	100.00	101.00	5%	1%	1,010,000.00	1,050,100.00	Y	8,000	1,042,000.00
Year 2	104.20	106.05	2%	5%	1,094,100.00	1,062,840.00	Y	-	1,062,840.00
Year 3	109.41	106.05	3%	0%	1,094,100.00	1,094,725.20	Y	125.04	1,094,600.16
Year 4	109.46	103.929	-1%	-2%	1,072,708.16	1,083,654.16	N	-	1,083,654.16
Year 5	107.27	109.125	6%	5%	1,126,343.56	1,148,673.41	Y	4,465.97	1,144,207.44

- Assuming that an investment of EUR 1,000,000 is made on the first day of the calendar year in the Fund, a Performance Fee of 20% will be charged if the Fund outperforms the Benchmark and has a positive absolute return for the period (Year 1). The NAV per Share is calculated as EUR 100.
- In Year 1, the Fund returns 5% and the Benchmark returns 1%. As such, the Fund outperforms the Benchmark by 4%. The initial EUR 1,000,000 invested in the Fund is now worth EUR 1,050,000. An investment in the Benchmark would have been worth EUR 1,010,000. The excess return of the Fund versus the Benchmark is EUR 40,000. The Performance Fee is 20% of EUR 40,000 which is EUR 8,000. This is deducted from the value of the holding, leaving EUR 1,042,000 for the Shareholder, and NAV per Share of EUR 104.2. The new high-water mark ("**relative High-Water Mark**") is EUR 1,050,000 minus the Performance Fee of EUR 8,000 which is EUR 1,042,000.
- In Year 2, the Fund returns 2%, but underperforms the reference Benchmark by 3%. As such no Performance Fee is charged for the year. The relative High-Water Mark for Year 3 becomes EUR 1,094,100 (EUR 109.41 per share). Consequently, the Fund will not charge a Performance Fee until the relative underperformance against the Benchmark is recovered.
- In Year 3, the Fund's performance is 3%, outperforming the reference Benchmark by 3%. A Performance Fee is payable as the Fund is above the relative High-Water Mark. The relative High-Water Mark becomes EUR 1,094,600 (EUR 109.46 per share).

- In Year 4, the Fund declines 1%, outperforming the Benchmark by 1%. However, the absolute return of the Fund is negative, so no Performance Fee is charged. Relative High-Water Mark for Year 5 becomes EUR 1,072,708 (EUR 107.27 per share); unlike an absolute High-Water Mark, in this case the relative High-Water Mark decreases to reflect the outperformance versus the Benchmark (both the Fund and the Benchmark have negative absolute performance in Year 4).
- In Year 5, the Fund outperforms the Benchmark by 1%. As the value of the Fund is above the relative High-Water Mark of EUR 1,072,708 (EUR 107.27 per share), a Performance Fee is charged. The relative High-Water Mark becomes EUR 1,144,207 (EUR 114.42 per share) at the end of Year 5.

Information on the Fund's past performance measured against the Benchmark is available at www.tenaxcapital.com

Administrator's Fee

The Fund shall discharge the Administrator's fees and expenses (including any reasonable out of pocket expenses incurred on behalf of the Fund). The Administrator's fee shall not exceed 0.06% of the Net Asset Value of the Fund which shall be calculated and accrued as of each Dealing Day and shall be payable monthly in arrears subject to a minimum annual fee of €24,000.

The Fund shall pay certain additional fees to the Administrator for additional Classes of Shares, for the production of financial statements, for filing the Fund's VAT returns with the Irish Revenue Commissioners, for access to on-line communications and reporting and for the set up and due diligence on investor accounts, the maintenance of the Fund's Shareholder register and for Shareholder transaction processing, at normal commercial rates.

Depositary's Fee

The Fund shall discharge the Depositary's fees and expenses (including any reasonable out of pocket expenses incurred on behalf of the Fund). The Depositary's fee shall not exceed 0.03% of the Net Asset Value of the Fund which shall be calculated and accrued as of each Dealing Day and shall be payable monthly in arrears subject to a minimum annual fee of €24,000. The Depositary's fee includes sub-custodian fees in the following markets: ESES, ICSD, Germany, UK, Ireland, Spain, Italy, Switzerland, Portugal, Finland, Sweden, Denmark, Norway, Austria, USA, Japan, Canada and Australia. Sub-custodian fees for any other markets may be charged to the Fund and will be charged at normal commercial rates.

The Fund shall pay certain additional fees to the Depositary for proxy voting, for the settlement of transactions and for cash transfers at normal commercial rates.

Operating Expenses

The Fund will pay all its operating expenses and the fees hereinafter described as being payable by the Fund. The Fund will also bear its attributable portion (based on its Net Asset Value) of the fees and operating expenses of the ICAV as set out in detail in the section entitled "**FEES, CHARGES AND EXPENSES**" in the Prospectus. Expenses paid by the Fund throughout the duration of the Fund, in addition to fees and expenses payable to the Directors, the Manager, the Investment Manager, the Depositary, the Administrator, the Secretary and any Paying Agent appointed by or on behalf of the Fund, include but are not limited to brokerage and banking commissions and charges, legal and other professional advisory fees, regulatory fees, auditing fees, distribution fees, translation and accounting expenses, interest on borrowings, taxes and governmental

expenses applicable to the Fund, costs and expenses of preparing, translating, printing, updating and distributing the Supplement, annual and semi-annual reports and other documents furnished to current and prospective Shareholders, all expenses in connection with obtaining and maintaining a credit rating for the Fund, expenses of the publication and distribution of the Net Asset Value and any other expenses, in each case together with any applicable value added tax.

APPENDIX 1

Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect Schemes

As noted above, the Fund may invest in China A shares through the Shanghai-Hong Kong Stock Connect scheme and/or the Shenzhen-Hong Kong Stock Connect scheme (collectively, the “**Connect Scheme**”). The Fund may also invest in China H shares. China H shares are issued by issuers which are incorporated in China and traded on the Hong Kong stock exchange.

The Shanghai-Hong Kong Stock Connect scheme is a securities trading and clearing links program developed by Hong Kong Exchanges and Clearing Limited (“**HKEx**”), Shanghai Stock Exchange (“**SSE**”) and China Securities Depository and Clearing Corporation Limited (“**ChinaClear**”) and the Shenzhen-Hong Kong Stock Connect scheme is a securities trading and clearing links programme developed by HKEx, Shenzhen Stock Exchange (“**SZSE**”) and ChinaClear. The aim of the Connect Scheme is to achieve mutual stock market access between mainland China and Hong Kong.

The Shanghai-Hong Kong Stock Connect scheme enables Hong Kong and overseas investors (including the relevant Fund) to invest in certain eligible China A shares listed on the SSE (“**SSE Securities**”) through their Hong Kong brokers and a securities trading service company established by The Stock Exchange of Hong Kong Limited (“**SEHK**”) under the Northbound Trading Link, subject to the rules of the Shanghai-Hong Kong Stock Connect scheme.

The Shenzhen-Hong Kong Stock Connect scheme enables Hong Kong and overseas investors (including the relevant Fund) to invest in certain eligible China A shares listed on the SZSE (“**SZSE Securities**”) through their Hong Kong brokers and a securities trading service company established by SEHK under the Northbound Trading Link, subject to the rules of the Shenzhen-Hong Kong Stock Connect scheme.

Eligible Securities

(i) Shanghai-Hong Kong Stock Connect scheme

SSE Securities, as of the date of this Prospectus, include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed China A shares that are not included as constituent stocks of the relevant indices but which have corresponding H shares listed on SEHK, except the following:

- (a) SSE-listed shares which are not traded in Renminbi (“**RMB**”); and
- (b) SSE-listed shares which are included in the “risk alert board” (as described in the listing rules of the SSE).

(ii) Shenzhen-Hong Kong Stock Connect scheme

SZSE Securities, as of the date of this Prospectus, include all the constituent stocks from time to time of the SZSE Component Index and SZSE Small/Mid Cap Innovation Index which have a market capitalisation of not less than RMB 6 billion, and all the SZSE-listed China A shares which have corresponding H Shares listed on SEHK, except the following:

- (a) SZSE-listed shares which are not traded in RMB; and
- (b) SZSE-listed shares which are included in the “risk alert board” or under delisting arrangement.

At the initial stage of the Shenzhen-Hong Kong Stock Connect scheme, investors eligible to trade shares that are listed on the ChiNext Board of the SZSE (“**ChiNext Board**”) under Northbound trading will be limited to institutional professional investors (which the Fund will qualify as such) as defined in the relevant Hong Kong rules and regulations.

It is expected that the list of eligible securities will be subject to review.

Trading Quota

Trading under the Shanghai-Hong Kong Stock Connect scheme and the Shenzhen-Hong Kong Stock Connect scheme is subject to a daily quota (“**Daily Quota**”). Northbound Shanghai Trading Link under the Shanghai-Hong Kong Stock Connect scheme, Northbound Shenzhen Trading Link under the Shenzhen-Hong Kong Stock Connect scheme, Southbound Hong Kong Trading Link under the Shanghai-Hong Kong Stock Connect scheme and Southbound Hong Kong Trading Link under the Shenzhen-Hong Kong Stock Connect are respectively subject to a separate set of Daily Quota.

The Daily Quota limits the maximum net buy value of cross-boundary trades under each of the Shanghai-Hong Kong Stock Connect scheme and the Shenzhen-Hong Kong Stock Connect scheme each day. The Northbound Daily Quota is currently set at RMB13 billion for each of the Shanghai-Hong Kong Stock Connect scheme and the Shenzhen-Hong Kong Stock Connect scheme.

The Daily Quota may be increased or reduced subject to the review and approval by the relevant PRC regulators from time to time. SEHK monitors the quota and publishes the remaining balance of the Northbound Daily Quota at scheduled times on the HKEx’s website.

Settlement and Custody

Under the Connect Scheme, The Hong Kong Securities Clearing Company Limited (“**HKSCC**”), a wholly-owned subsidiary of HKEx, is responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by Hong Kong market participants and investors.

The China A shares traded through the Connect Scheme are issued in scripless form, so investors will not hold any physical China A shares. Hong Kong and overseas investors who have acquired SSE Securities or SZSE Securities through Northbound trading should maintain the SSE Securities or SZSE Securities with their brokers’ or custodians’ stock accounts with CCASS (the Central Clearing and Settlement System operated by HKSCC for the clearing securities listed or traded on SEHK).

Corporate Actions and Shareholders’ Meetings

Notwithstanding the fact that HKSCC does not claim proprietary interests in the SSE Securities and SZSE Securities held in its omnibus stock account in ChinaClear, ChinaClear as the share registrar for SSE and SZSE listed companies will still treat HKSCC as one of the shareholders when it handles corporate actions in respect of such SSE Securities and SZSE Securities.

HKSCC will monitor the corporate actions affecting SSE Securities and SZSE Securities and keep the relevant brokers or custodians participating in CCASS (“**CCASS participants**”) informed of all such corporate actions that require CCASS participants to take steps in order to participate in them.

SSE-/SZSE-listed companies usually announce their annual general meeting/extraordinary general meeting information about two to three weeks before the meeting date. A poll is called on all resolutions for all votes. HKSCC will advise CCASS participants of all general meeting details such as meeting date, time, venue and the number of resolutions.

Currency

Hong Kong and overseas investors will trade and settle SSE Securities and SZSE Securities in RMB only. Hence, the Fund will need to use RMB to trade and settle SSE Securities and SZSE Securities.

Further information about the Connect Scheme is available online at the website:

<http://www.hkex.com.hk/eng/csm/chinaConnect.asp?LangCode=en>

The Fund shall be allowed to trade SSE Securities and SZSE Securities through the Northbound Trading Link of the Connect Scheme, subject to applicable rules and regulations issued from time to time.

Risks associated with Investments in the People’s Republic of China (PRC)

Political and/or Regulatory Risk

The value of the Fund's assets may be affected by political and regulatory uncertainties such as international and Chinese political developments and changes in governmental policies in areas including taxation, foreign investment, currency repatriation, currency fluctuation and foreign exchange control. In addition, there is a greater degree of governmental involvement in and control over the economy in mainland China than in more developed markets. The Chinese Government exerts considerable influence on the development of the Chinese stock market. From time to time, official measures may be taken that affect listed companies and their market prices in China and overseas (such as measures discussed in the third paragraph under the heading of “*Developmental State of the Chinese Stock Markets*” below).

The fiscal and monetary system of China is underdeveloped relative to Western countries and this may affect the stability of the economy and its financial markets.

Legal and/or Accounting Risk

The legal system in mainland China is still in a developmental stage. Although a legal framework is in place to govern companies and the securities markets, the interpretation and enforcement of laws involve significant uncertainty. It should be noted that the legal infra-structure and accounting, auditing and reporting standards in China and other markets in which the Fund may invest may not provide the same degree of investor protection or information to investors as would generally apply in more developed countries. In particular, the laws governing insolvency and shareholder protection in mainland China are significantly less developed than in established jurisdictions.

Liquidity Risk

The substantially smaller size and lower trading volumes of the markets for Chinese equity and debt securities compared to equity and debt securities in companies on more developed securities markets may result in a potential lack of liquidity and increased volatility.

This may affect the price at which the Fund may liquidate positions to meet redemption requests or other funding requirements. In particular, investors should expect that investment in Chinese companies registered with the SSE and the SZSE may be highly volatile.

Market Risk

Investors should be aware of the risks associated with investing in emerging markets such as mainland China. The securities of companies in which the Fund may invest are exposed to the risks of high rates of inflation, high interest rates, currency depreciation and fluctuation and also changes in taxation legislation and interpretation that may affect the Fund's income and the value of investments.

Specifically, investors should be aware that the Chinese economy is in transition from a centrally planned economy to a more market-oriented economy. Over the course of the past two decades and following China's accession to WTO in December 2001, the PRC government has been reforming the economic and political systems of the PRC. It is likely that the reform will continue to be uneven across regions and industry sectors. There is no assurance that all of the companies whose securities are held by the Fund will benefit consistently from such reforms, that economic activity will continue to grow at recent rates or that the economic policies adopted by the Chinese government will be conducive to long-term economic growth. China's opening of markets will result in increased competition, which may have an adverse effect on the performance of these companies.

Many of the PRC economic reforms are unprecedented or experimental and are subject to adjustment and modification, and such adjustment and modification may not always have a positive effect on foreign investment.

PRC Tax

As a result of investing in securities of Chinese companies, the Fund may be subject to withholding and other taxes imposed by the PRC government. Under the prevailing PRC tax policy, there are certain tax incentives available to foreign investment. There can be no assurance, however, that the aforesaid tax incentives will not be abolished in the future.

Investors should be aware that changes in the PRC taxation legislation could affect the amount of income which may be derived, and the amount of capital returned, from the investments of the Fund. Laws governing taxation will also continue to change and may contain conflicts and ambiguities.

It is possible that the current tax laws, regulations and practice in the PRC will change, including the possibility of taxes being applied retrospectively, and that such changes may result in higher or lower taxation on PRC investments than currently contemplated. Various tax reform policies have been implemented by the PRC government in recent years, and existing tax laws and regulations may be revised or amended in the future. There is a possibility that the current tax laws, regulations and practice in the PRC will be changed with retrospective effect in the future and any such change may have either an adverse or a positive effect on the asset value of the Fund. Moreover, there is no assurance that tax incentives currently offered to foreign

companies, if any, will not be abolished and the existing tax laws and regulations will not be revised or amended in the future. Any changes in tax policies may reduce the after-tax profits of the companies in the PRC which the Fund may invest in, thereby reducing the income from, and/or value of the Shares. Investors may be advantaged or disadvantaged depending on the final rules of the relevant PRC tax authorities, the level of tax provision accrued by the Fund and when they subscribed and/or redeemed their Shares in/from the Fund.

Developmental State of the Chinese Stock Markets

China A shares are securities that are listed and traded on the SSE and/or the Shenzhen Stock Exchange and are denominated and traded in RMB. The Shenzhen and Shanghai stock markets were established in April, 1991 and July, 1991 respectively and should be regarded as developing stock markets. The Shanghai stock market may be subject to periods of high price volatility, illiquidity, settlement problems and changes in government policy or regulation.

The Chinese government has issued rules allowing qualified foreign institutional investors to invest in China A shares, government bonds, convertible bonds, corporate bonds that are listed on the stock exchanges in the PRC and other financial instruments approved by the China Securities Regulatory Commission. Due to regulatory restraints, the Fund is not currently permitted to invest in China A shares (other than via the Connect Scheme) but it may invest indirectly in the China A share market by purchasing participation notes. Indirect investments in China A shares markets by purchasing equity-related instruments will usually be made in US Dollars and not in RMB. The Fund will be exposed to fluctuations in the exchange rate between U.S. Dollars and RMB.

Accuracy of Information

Whilst reasonable care has been taken to check the accuracy of the information contained in this Supplement, the quality and limited availability of official data published by the PRC government and government agencies and information on PRC businesses and industries are generally not equivalent to that of more developed countries. Given the inherent uncertainty of the source material, investors should be aware that the accuracy and completeness of statistical data and other factual statements relevant to the PRC contained in this Supplement, including information concerning actual and proposed macro-economic, fiscal, legal and other matters, cannot be guaranteed.

Custody Risk in respect of Chinese Securities

The custodial and/or settlement systems of some of the Chinese markets or exchanges on which the Fund may invest may not be fully developed, and therefore the assets of the Fund which are traded in such markets and which have been entrusted to sub-custodians, in circumstances where the use of such sub-custodians is necessary, may be exposed to risks. Such risks include (but are not limited to): (a) a non-true delivery versus payment settlement; (b) a physical market, and as a consequence the circulation of forged securities; (c) poor information in regards to corporate actions; (d) registration process that impacts the availability of the securities; (e) lack of appropriate legal/fiscal infrastructure devices; and (f) lack of compensation/risk fund with the central depository.

As mentioned above, custodians or sub-custodians may be appointed in the Chinese market for the purpose of safekeeping assets in the market. The assets of the Fund may be exposed to custodial risk. For example, in case of the liquidation, bankruptcy or insolvency of a custodian or sub-custodian, the Fund may take a longer time to recover its assets. In circumstances such as the retroactive application of legislation of and fraud or

improper registration of title, the Fund may even be unable to recover all of its assets. The costs borne by the Fund in investing and holding investments in such markets will be generally higher than in organized securities markets.

Risks associated with the Connect Scheme

The Connect Scheme is subject to quota limitations which may restrict the Fund's ability to invest in China A shares through the Connect Scheme on a timely basis and as a result, the Fund's ability to access the China A share market (and hence to pursue its investment strategy) may be adversely affected.

Trading under the Connect Scheme is subject to the Daily Quota. The Daily Quota may change and consequently affect the number of permitted buy trades on the Northbound Trading Link. The Fund does not have exclusive use of the Daily Quota and such quota is utilised on a "first come – first served" basis. Therefore, quota limitations may restrict the Fund's ability to invest in or dispose of SSE Securities and SZSE Securities (together "**China Connect Securities**") through the Connect Scheme on a timely basis.

Clearing and Settlement Risk

The HKSCC and ChinaClear have established the clearing links and each becomes a participant of each other to facilitate clearing and settlement of cross-border trades. For cross-border trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

The Fund's rights and interests in China Connect Securities will be exercised through HKSCC exercising its rights as the nominee holder of China Connect Securities credited to HKSCC's omnibus account with ChinaClear. The relevant measures and rules in relation to the Connect Scheme generally provide for the concept of a "nominee holder" and recognise the investors including the Fund as the "beneficial owners" of China Connect Securities.

However, the precise nature and rights of an investor as the beneficial owner of China Connect Securities through HKSCC as nominee is less well defined under PRC law. There is lack of a clear definition of, and distinction between, "legal ownership" and "beneficial ownership" under PRC law. Therefore, the Fund's assets held by HKSCC as nominee (via any relevant brokers' or custodians' accounts in CCASS) may not be as well protected as they would be if it were possible for them to be registered and held solely in the name of the Fund.

In connection to this, in the event of a default, insolvency or bankruptcy of a custodian or broker, the Fund may be delayed or prevented from recovering its assets from the custodian or broker, or its estate, and may have only a general unsecured claim against the custodian or broker for those assets.

In the remote event of any settlement default by HKSCC, and a failure by HKSCC to designate securities or sufficient securities in an amount equal to the default such that there is a shortfall of securities to settle any China Connect Securities trades, ChinaClear may deduct the amount of that shortfall from HKSCC's omnibus account with ChinaClear, such that the Fund may share in any such shortfall.

As previously discussed, HKSCC is the nominee holder of the China Connect Securities acquired by investors. As a result, in the remote event of a bankruptcy or liquidation of HKSCC, the China Connect Securities may

not be regarded as the general assets of HKSCC under the laws of Hong Kong, and will not be available to the general creditors of HKSCC on its insolvency. In addition, as a Hong Kong incorporated company, any insolvency or bankruptcy proceedings against HKSCC will be initiated in Hong Kong and be subject to Hong Kong law. In such circumstances, ChinaClear and the courts of mainland China will regard the liquidator of HKSCC appointed under Hong Kong law as the entity with the power to deal with the China Connect Securities in place of HKSCC.

Should the remote event of ChinaClear default occur and ChinaClear be declared as a defaulter, HKSCC's liabilities in Northbound trades under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. HKSCC will in good faith, seek recovery of the outstanding China Connect Securities and monies from ChinaClear through available legal channels or through ChinaClear's liquidation. In that event, the Fund may suffer delay in the recovery process or may not be able to fully recover its losses from ChinaClear.

No Protection by Hong Kong Investor Compensation Fund

The Fund's investments through the Connect Scheme will not be covered by Hong Kong's Investor Compensation Fund. Therefore, the Fund is exposed to the risks of default of the broker(s) it engages in its trading in China Connect Securities through the Connect Scheme.

Short Swing Profit Rule

According to the PRC Securities Law, a shareholder of 5% or more of the total issued shares of a PRC listed company ("major shareholder") has to return any profits obtained from the purchase and sale of shares of such PRC listed company if both transactions occur within a six-month period. In the unlikely event that the Fund becomes a major shareholder of a PRC listed company by investing in China Connect Securities via the Connect Scheme, the profits that the Fund may derive from such investments may be limited, and thus the performance of the Fund may be adversely affected depending on the Fund's size of investment in China Connect Securities through the Connect Scheme.

Participation in Corporate Actions and Shareholders' Meetings

HKSCC will keep CCASS participants informed of corporate actions of China Connect Securities. Hong Kong and overseas investors (including the Fund) will need to comply with the arrangement and deadline specified by their respective brokers or custodians (i.e. CCASS participants). The time for them to take actions for some types of corporate actions of China Connect Securities may be as short as one business day only. Therefore, the Fund may not be able to participate in some corporate actions in a timely manner.

Hong Kong and overseas investors (including the Fund) may hold China Connect Securities traded via the Connect Scheme through their brokers or custodians. Where the appointment of proxy/multiple proxies by a shareholder is prohibited by the articles of association of the China Connect Securities, the Fund may not be able to appoint a proxy/multiple proxies to attend or participate in shareholders' meetings in respect of China Connect Securities

Regulatory Risk and Other China Specific Investment Requirements

Any investments of the Fund through the Connect Scheme will be subject to rules and regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in the PRC and Hong Kong

as well as other regulations applicable to the Connect Scheme including but not limited to trading restrictions, disclosure requirements and foreign ownership limits. The Fund may also be impacted by the right to suspend Northbound Trading Link if necessary for ensuring an orderly and fair market and that risks are managed prudently.

Further, new regulations may be promulgated from time to time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under the Connect Scheme, which may affect the Fund's investments in China Connect Securities.

The rules and regulations, in connection with the Connect Scheme, including the taxation of transactions involving China Connect Securities (see the section entitled "**PRC Tax**" above), are subject to change which may have potential retrospective effect. There can be no assurance that the Connect Scheme will not be abolished. A Fund investing in the PRC markets through the Connect Scheme may be adversely affected as a result of such changes.

Front-End Monitoring

PRC regulations require that before an investor sells any shares, there should be sufficient shares in the investor's account; otherwise SSE or SZSE will reject the sell order concerned. SEHK will carry out pre-trade checking on China Connect Securities sell orders of its exchange participants (i.e. the stock brokers) to ensure there is no over-selling. If the Fund desires to sell China Connect Securities it holds, it will be required to transfer those China Connect Securities to the respective accounts of its brokers before the market opens on the day of selling ("trading day") unless its brokers can otherwise confirm that the Fund has sufficient shares in its account. If it fails to meet this deadline, it will not be able to sell those shares on the trading day. Because of this requirement, the Fund may not be able to dispose of its holdings of China Connect Securities in a timely manner.

Alternatively, if the Fund maintains its China A shares with a custodian which is a custodian participant or general clearing participant participating in the CCASS, such Fund may request such custodian to open a special segregated account ("**SPSA**") in CCASS to maintain its holdings in China A shares under the enhanced pre-trade checking model. Each SPSA will be assigned a unique "Investor ID" by CCASS for the purpose of facilitating the Connect Scheme system to verify the holdings of an investor such as the Fund. Provided that there is sufficient holding in the SPSA when a broker inputs the Fund's sell order, the Fund will only need to transfer China A shares from its SPSA to its broker's account after execution and not before placing the sell order and the Fund will not be subject to the risk of being unable to dispose of its holdings of China A shares in a timely manner due to failure to transfer China A shares to its brokers in a timely manner.

Differences in Trading Day

The Connect Scheme only operates on days when both the PRC and the Hong Kong stock markets are open for trading and when banks in both markets are open on the corresponding settlement days. It is therefore possible that there are occasions when it is a normal trading day for the PRC stock markets but the Fund cannot carry out any trading of the China Connect Securities. The Fund may be subject to a risk of price fluctuations in China Connect Securities during the time when the Connect Scheme is not trading as a result.

Recalling of Eligible Stocks

When a stock is recalled from the scope of eligible stocks for trading via the Connect Scheme, the stock can

only be sold but will be restricted from being bought. This may affect the investment portfolio or strategies of the Fund, for example, when the Fund wishes to purchase a stock which has been recalled from the scope of eligible stocks.

Risks associated with the Small and Medium Enterprise Board of the SZSE (“SME Board”) and/or the ChiNext Board

A Fund investing through the Connect Scheme may invest in the SME Board and/or the ChiNext Board via the Shenzhen-Hong Kong Stock Connect scheme. Investments in the SME board and/or ChiNext Board may result in significant losses for the Fund and its investors. The following additional risks apply:

Higher fluctuation on stock prices - Listed companies on the SME Board and/or ChiNext Board are usually of emerging nature with smaller operating scale. Hence, they are subject to higher fluctuation in stock prices and liquidity and have higher risks and turnover ratios than companies listed on the Main Board of the SZSE (“Main Board”).

Over-valuation risk - Stocks listed on SME Board and/or ChiNext Board may be overvalued and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.

Differences in regulation - The rules and regulations regarding companies listed on ChiNext Board are less stringent in terms of profitability and share capital than those in the Main Board and SME Board.

Delisting risk - It may be more common and faster for companies listed on the SME Board and/or ChiNext Board to delist. This may have an adverse impact on the Fund if the companies that it invests in are delisted.