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# **Asset Management Exchange UCITS CCF**

An umbrella common contractual fund with segregated liability between sub-funds authorised by the Central Bank of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended from time to time.

## **PROSPECTUS**

5 March 2021

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## IMPORTANT INFORMATION

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

**This Prospectus must be read in conjunction with the Supplement of the particular Sub-Fund in which an investor wishes to invest however, if there is a difference between the information herein and the information contained in the applicable Supplement, the information in the Supplement will prevail.**

Statements made in this Prospectus are based on the law and practice currently in force in Ireland and are subject to changes therein.

After publication of an annual or half yearly report this Prospectus should be accompanied by, and read in conjunction with, the latest annual report and accounts and any subsequent half yearly report.

The Prospectus may be translated into languages other than English provided that any such translation shall only contain the same information and shall have the same meaning as the English language version of the Prospectus. To the extent that a conflict or inconsistency arises between the English language version of the Prospectus and a version prepared in any other language, the English language version shall prevail.

**The CCF has been authorised by the Central Bank 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. The authorisation of the CCF by the Central Bank is not an endorsement or guarantee of the CCF by the Central Bank nor is the Central Bank responsible for the contents of this Prospectus. In addition, the authorisation of the CCF by the Central Bank shall not constitute a warranty as to the performance of the CCF and the Central Bank shall not be liable for the performance or default of the CCF.**

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

Investors' attention is drawn to the section entitled "Risk Factors". Investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or any other matters. Investors should inform themselves as to: (a) the legal requirements within their own jurisdictions for the purchase, holding or disposal of Units; (b) any applicable foreign exchange restrictions; and (c) any income and other taxes which may apply to their purchase, holding or disposal of Units or payments in respect of Units. Investors should consult, and must rely on, their own independent professional tax, legal and investment advisers as to matters concerning the CCF and their investment in the CCF.

This Prospectus contains a fair summary of the material terms of the information purported to be summarised herein. However, this is a summary only and does not purport to be complete. Accordingly, reference is made to the agreements, documents, statutes and regulations referred to herein for the exact terms of such agreements, documents, statutes and regulations.

No offering literature or advertising in any form whatever shall be employed in the offering of the Units except for this Prospectus and any other offering materials approved by the Manager on behalf of the CCF. No person has been authorised to make any representations or provide any information with respect to the Units except such information as is contained in this Prospectus. Neither the delivery of this Prospectus nor any sales made hereunder shall under any circumstances create an implication that there has been no change in the matters discussed in this Prospectus since the date hereof. The offeree must subscribe for Units solely on the basis of the information set forth in this Prospectus.

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

The CCF shall, on request, supply Unitholders with copies of the most recent annual or interim reports (when available) free of charge. Such reports and this document (and any Supplement attached hereto) together constitute the Prospectus for the issue of Units in the CCF.

**The Directors may in their absolute discretion charge a redemption fee, as set out in the applicable Supplement. For the avoidance of doubt, the maximum redemption fee will not exceed 3% of the relevant redemption proceeds.**

Unitholders should note that all or part of the fees and expenses (including management fees) may be charged to the capital of the CCF. This will have the effect of lowering the capital value of the Unitholder's investment and therefore, on redemptions of holdings, Unitholders may not receive the full amount invested. The payment of fees and expenses out of the capital of the CCF may result in Unitholders forgoing the potential for future capital growth and the capital of the Sub-Fund may be eroded. Unitholders should further note that Gross Income Payments may also be paid out of the capital of the relevant Sub-Fund. Any such Gross Income Payment would be achieved by forgoing the potential for future capital growth and the capital of the Sub-Fund may be eroded. In such circumstances, Unitholders may not receive back the full amount invested and this cycle may continue until all capital of the Sub-Fund is depleted. Therefore, there is a greater risk of capital erosion that exists in the Sub-Funds and this could result in capital erosion which could diminish the value of future returns for Unitholders. Investors should also seek tax advice on the implications of Gross Income Payments being paid out of capital. Details of the Gross Income Payment Policy for each Sub-Fund are contained in the relevant Supplement. The rationale for these payment mechanisms is to preserve the level of income generated by the underlying investments of each Sub-Fund, as each Sub-Fund is distributing in nature and pays a Gross Income Payment to each Unitholder.

## DIRECTORY

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### Manager

The Asset Management Exchange  
(Ireland) Limited  
Riverside One  
Sir John Rogerson's Quay  
Dublin 2  
Ireland

### Directors of the Manager

Andre Bruwer  
Adrian Waters  
Eimear Cowhey  
Eoin Motherway  
Oliver Jaegemann

### Administrator, Registrar, Transfer Agent

Northern Trust International  
Fund Administration Services (Ireland)  
Limited  
George's Court  
54-62 Townsend Street  
Dublin 2  
Ireland

### Depository

Northern Trust Fiduciary Services (Ireland) Limited  
George's Court  
54-62 Townsend Street  
Dublin 2  
Ireland

### Auditors

PriceWaterhouseCoopers  
One Spencer Dock  
North Wall Quay  
Dublin 1  
Ireland

### Legal Advisers in Ireland

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

### Tax Advisers

PriceWaterhouseCoopers  
One Spencer Dock  
North Wall Quay  
Dublin 1  
Ireland

### Company Secretary to the Manager

HMP Secretarial Limited  
Riverside One  
Sir John Rogerson's Quay  
Dublin 2  
Ireland

### Registered Office of the CCF

Riverside One  
Sir John Rogerson's Quay  
Dublin 2  
Ireland

### Legal Advisers in the UK

CMS Cameron McKenna Nabarro Olswang LLP  
Cannon Place  
78 Cannon Street  
London EC4N 6AF  
England

## DEFINITIONS

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<b>"1933 Act"</b>	means the US Securities Act of 1933, as amended;
<b>"1934 Act"</b>	means the US Securities Exchange Act of 1934, as amended;
<b>"Act"</b>	means the Investment Funds, Companies and Miscellaneous Provisions Act 2005, as same may be amended, supplemented or otherwise modified from time to time;
<b>"Administrator"</b>	means Northern Trust International Fund Administration Services (Ireland) Limited or such other person or persons from time to time appointed by the Manager as the administrator in respect of the CCF in accordance with the requirements of the Central Bank;
<b>"Administration Agreement"</b>	means the agreement entered into between the Manager and the Administrator as may be amended, supplemented or modified from time to time;
<b>"AMX UK"</b>	means The Asset Management Exchange (UK) Limited;
<b>"Base Currency"</b>	means the base currency of a Sub-Fund as set out in the applicable Supplement;
<b>"Business Day"</b>	shall have the meaning as set out in the applicable Supplement;
<b>"CCF"</b>	means the Asset Management Exchange UCITS CCF;
<b>"Central Bank"</b>	means the Central Bank of Ireland or any successor thereto;
<b>"Central Bank Act"</b>	means the Central Bank (Supervision and Enforcement) Act 2013, as such may be amended, supplemented or replaced from time to time;
<b>"Central Bank UCITS Regulations"</b>	means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, as amended or any further amendment thereto for the time being in force and any guidance, regulations and conditions issued by the Central Bank from time to time pursuant to the UCITS Regulations and/or the Central Bank Act regarding the regulation of undertakings for collective investment in transferable securities, as such may be amended, supplemented or replaced from time to time;
<b>"CFTC"</b>	means the US Commodity Futures Trading Commission;

<b>“Closing Date”</b>	means the closing date of the Initial Offer Period in respect of a Sub-Fund as set out in the applicable Supplement;
<b>“Common Contractual Fund”</b>	means a collective investment undertaking, being an unincorporated body established by a deed of constitution, under which the participants by contractual arrangement participate and share in the property of the collective investment undertaking as co-owners and authorised by the Central Bank pursuant to the Act;
<b>“Data Protection Law”</b>	means the Data Protections Acts 1988 and 2003, European Data Protection Directive (95/46/EC) and the European Privacy and Electronic Communications Directive (Directive 2002/58/EC), as may be amended or supplemented, and on and from 25 May 2018, Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, as may be amended or supplemented and any guidance, directions, determinations, codes of practice, circulars, orders, notices or demands issued by any supervisory authority and any applicable national, international, regional, municipal or other data privacy authority or other data protection laws or regulations in any other territory in which the services are provided or received or which are otherwise applicable;
<b>“Dealing Day”</b>	means any Subscription Date or Redemption Date in respect of the relevant Sub-Fund;
<b>“Deed of Constitution”</b>	means the Deed of Constitution of the CCF dated 18 October 2019 entered into between the Manager and the Depositary, as may be amended or supplemented from time to time;
<b>“Depositary”</b>	means Northern Trust Fiduciary Services (Ireland) Limited or such other person from time to time appointed by the CCF, in accordance with the requirements of the Central Bank;
<b>“Depositary Agreement”</b>	means the agreement between the Manager and the Depositary as may be amended, supplemented or modified from time to time;
<b>“Directors”</b>	means the board of directors of the Manager of the CCF;
<b>“Distributors”</b>	means an entity appointed from time to time to act as a distributor of the Sub-Funds (which, as at the date of this Prospectus, includes AMX UK which has been appointed to act as a distributor in respect of the CCF);
<b>“ERISA”</b>	means the US Employee Retirement Income Security Act of 1974, as amended;

<b>“EU”</b>	means the European Union;
<b>“Euro” or “€”</b>	means the currency referred to in the second sentence of Article 2 of the Council Regulation (EC) No. 974/98 of 3 May 1998 and as adopted as the single currency of the participating Member States of the European Union;
<b>“FINRA”</b>	means the US Financial Industry Regulatory Authority, Inc.;
<b>“FINRA Rules”</b>	means the rules of FINRA, including Rules 5130 and 5131, as the same may from time to time be amended;
<b>“Initial Offer Period”</b>	means the initial offer period in respect of each series of Units in a Sub-Fund as set out in the applicable Supplement;
<b>“Investor Monies”</b>	means any unprocessed subscription monies received from investors, redemptions monies payable to investors and/or dividends due to investors;
<b>“Ireland”</b>	means the Republic of Ireland;
<b>“Manager”</b>	means The Asset Management Exchange (Ireland) Limited, which is the UCITS management company appointed to the CCF or any successor UCITS management company to the CCF appointed in accordance with the requirements of the Central Bank. The Manager will act as the responsible person for the purposes of the Central Bank UCITS Regulations;
<b>“Member State”</b>	means a member state of the EU;
<b>“Minimum Holding”</b>	means the minimum holding in respect of any Sub-Fund as provided for in the applicable Supplement;
<b>“Minimum Initial Subscription”</b>	means the minimum initial subscription in respect of any Sub-Fund, as provided for in the applicable Supplement;
<b>“Net Asset Value”</b>	means the net asset value of the CCF or of a Sub-Fund or of a series of Units of a Sub-Fund, as is relevant in the circumstances as more fully described in the section headed “Valuation”;
<b>“New Issues”</b>	means “new issues” as defined pursuant to FINRA Rules, as amended, extended, consolidated, substituted or re-enacted from time to time to include any initial public offering of an equity security as defined in Section 3(a)(11) of the 1934 Act;
<b>“Northern Trust Company”</b>	means the Northern Trust Company, London Branch and/or such person appointed by the Depositary from time to time to provide tax reclaim and tax relief at source processing services in relation to the assets of the CCF and who separately is also appointed by the Depositary as a sub-custodian;

<b>“Portfolio Manager”</b>	means a third-party investment manager appointed by the Manager to manage the assets of a Sub-Fund;
<b>“Recognised Market”</b>	means a market which is regulated, recognised, operating regularly and open to the public, relevant details of which are set out in Schedule 2 of this Prospectus. The Central Bank does not issue a list of approved markets;
<b>“Redemption Date”</b>	means the relevant Business Day on which the Units in a Sub-Fund can be redeemed as set out in the applicable Supplement;
<b>“Revenue Commissioners”</b>	means the Revenue Commissioners of Ireland;
<b>“SEC”</b>	means the US Securities and Exchange Commission;
<b>“State”</b>	means Ireland;
<b>“Sterling” or “£”</b>	means pounds sterling, the currency of the United Kingdom;
<b>“Sub-Fund”</b>	means any separate fund or funds from time to time established and maintained by the CCF with the prior approval of the Central Bank;
<b>“Subscription Date”</b>	means the relevant Business Day on which Units in a Sub-Fund can be purchased as set out in the applicable Supplement;
<b>“Supplement”</b>	means a supplement to this Prospectus containing information relating to a particular Sub-Fund;
<b>“Taxes Act”</b>	means the Taxes Consolidation Act 1997 (as amended) of Ireland;
<b>“Transferable Securities”</b>	means shares in companies and other securities equivalent to shares in companies, bonds and other forms of securitised debt, and any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchange other than techniques and instruments utilised for efficient portfolio management, and which fulfil the requirements for transferable securities contained in the UCITS Regulations and the Central Bank UCITS Regulations;
<b>“UCITS”</b>	means an undertaking the sole object of which is the collective investment in either or both (i) Transferable Securities, (ii) other liquid financial assets of capital raised from the public, and which operates on the principle of risk-spreading, and the units/shares of which are at the request of the holders repurchased or redeemed directly or indirectly out of those undertakings’ assets. Action taken by a UCITS to ensure that the stock exchange value of its units does not vary significantly from their net asset value shall be regarded as equivalent to such repurchase or redemption. Other liquid financial assets include



cash deposits, financial derivative instruments, other collective investment undertakings, index tracking funds and money market instruments;

**“UCITS Directive”**

means Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) recast, including the associated implementing measures contained in Directive 2010/43/EU and Directive 2010/44/EU, and as amended by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014, and as may be further amended 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 or any amendment thereto for the time being in force;

**“Unit”**

means one undivided interest in the assets of a Sub-Fund which may be further divided into different series of Units. Units in a Sub-Fund are not “shares” but serve to determine the proportion of the underlying assets of the Sub-Fund to which each Unitholder is beneficially entitled;

**“United Kingdom” or “UK”**

means the United Kingdom of Great Britain and Northern Ireland;

**“United States” or “US”**

means the United States of America, as defined in Regulation S under the 1933 Act;

**“Unitholder”**

means a holder of Units in the CCF, entered on the register of the CCF in respect of a particular Sub-Fund as being a holder of Units in that Sub-Fund, such holder being legally entitled to an undivided co-ownership interest as tenants in common with the other Unitholders of the relevant Sub-Fund in the assets of the relevant Sub-Fund;

**“Unitholder Services Agreement”**

means an agreement between each Unitholder and Northern Trust Company in relation to the provision of tax reclaim and tax relief at source processing services to be provided by the Northern Trust Company to the Unitholder in relation to its investment in a Sub-Fund;

**“Unitholder Requirement Form”**

means a completed and executed form that may be required of an investor by the Northern Trust Company where the provision of tax reclaim and tax relief at source processing services will not be provided by the Northern Trust Company to such investor;

<b>“US Dollars” or “US\$”</b>	means US dollars, the lawful currency of the United States;
<b>“United States Person”</b>	means a citizen or “resident alien” within the meaning of US income tax laws as in effect from time to time, a corporation or partnership or other entity created or organised in the United States or under the laws of the United States or any state, a trust where (a) a US court is able to exercise primary supervision over the administration of the trust and (b) one or more United States Persons have the authority to control all substantial decisions of the trust, an estate which is subject to US tax on its worldwide income from all sources, or any person falling within the definition of the term “US person” under Regulation S promulgated under the 1933 Act or not qualifying as a “Non-United States person” under CFTC Regulation 4.7 under the CEA;
<b>“Valuation Date”</b>	means the relevant Business Day on which the Net Asset Value of a Sub-Fund as is relevant in the circumstances is calculated as set out in the applicable Supplement. For the avoidance of doubt, there will be a Valuation Date in respect of each Subscription Date and Redemption Date;
<b>“Valuation Point”</b>	means the relevant time in respect of each Valuation Date at which the Net Asset Value of a Sub-Fund is calculated as set out in the applicable Supplement.

## TABLE OF CONTENTS

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<b>DEFINITIONS .....</b>	<b>iv</b>
<b>THE CCF.....</b>	<b>1</b>
Segregation of Assets and Liabilities .....	2
Investment Objectives, Policies and Restrictions .....	2
Change in Investment Objectives and Policies .....	3
<b>Financial Derivative Instruments .....</b>	<b>3</b>
Securities Financing Transactions .....	5
Borrowing and Leverage Policy .....	5
Gross Income Payment Policy .....	5
Risk Factors.....	5
Conflicts of Interest.....	22
<b>MANAGEMENT AND ADMINISTRATION .....</b>	<b>27</b>
The Manager.....	27
The Directors .....	27
The Administrator .....	30
The Depositary.....	30
The Distributors and Other Parties .....	32
Data Protection Information .....	32
<b>SUBSCRIPTIONS, TRANSFERS AND REDEMPTIONS .....</b>	<b>34</b>
Equalisation .....	36
In Specie Subscriptions .....	36
Subscription Fees .....	37
Transfers.....	37
Switching or Conversion of Units .....	37
Redemptions.....	38
Redemption Fees.....	39
Deferral of Redemptions.....	39
In specie Redemptions .....	39
Anti-dilution Levy .....	39
Compulsory Redemptions.....	39
Withholdings and Deductions.....	40
Suspension of Valuations and Subscriptions, Conversions and Redemptions .....	40
Investor Restrictions.....	40
Abusive Trading Practices.....	41
Umbrella Fund Cash Accounts.....	42
<b>VALUATION .....</b>	<b>44</b>
Allocation of Assets and Liabilities .....	45
Valuation Principles .....	45
Suspension of Valuation .....	49
Publication of the Net Asset Value.....	50
<b>FEES AND EXPENSES .....</b>	<b>51</b>
Management Fee.....	51
Investment Management Fee .....	51
Administration Fee.....	51
Depositary Fee.....	51
Distribution Fee.....	51
Establishment Expenses.....	51
Other Expenses .....	52

<b>TAXATION</b> .....	<b>55</b>
<b>MATERIAL CONTRACTS</b> .....	<b>60</b>
Deed of Constitution .....	60
The Administration Agreement.....	61
The Depositary Agreement .....	62
<b>GENERAL INFORMATION</b> .....	<b>64</b>
The CCF .....	64
The Deed of Constitution.....	64
Reports .....	66
Documents Available .....	67
<b>SCHEDULE 1</b> .....	<b>68</b>
<b>SCHEDULE 2</b> .....	<b>73</b>
<b>SCHEDULE 3</b> .....	<b>77</b>
<b>SCHEDULE 4</b> .....	<b>80</b>
<b>SCHEDULE 5</b> .....	<b>85</b>

## THE CCF

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The CCF is an open-ended umbrella Common Contractual Fund with segregated liability between its Sub-Funds. The CCF was established as a UCITS under the UCITS Regulations on 18 October 2019 and is constituted by the Deed of Constitution, which is governed by the laws of Ireland.

The CCF is not an incorporated entity and the CCF does not have separate legal personality. In this Prospectus and in any Supplement, a reference to the CCF shall, unless the context otherwise requires, be read as a reference to the Manager acting on behalf of the CCF.

All Unitholders are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Deed of Constitution, copies of which are available as mentioned herein. The rules of the CCF which are set out in the Deed of Constitution are binding on all persons acquiring Units in the CCF.

To invest in the CCF is to purchase Units in a Sub-Fund. A Unit in a Sub-Fund represents the beneficial ownership of an undivided share in the assets of that Sub-Fund in proportion to the value of the Unit. Unitholders in the relevant Sub-Fund are entitled as co-owners with other Unitholders in the relevant Sub-Fund, in accordance with the Deed of Constitution, to an undivided co-ownership interest as tenants in common in the assets of the relevant Sub-Fund in proportion to their respective holdings of Units. No Unit shall confer any interest or share in any particular part of the assets of a Sub-Fund.

Units in a Sub-Fund are not shares but serve to determine the proportion of the underlying assets of the Sub-Fund to which each Unitholder is beneficially entitled.

As a Common Contractual Fund, the CCF has certain features which differentiate it from other types of collective investment schemes and rights which normally flow from ownership of shares or units. For example, neither the CCF nor any Sub-Fund will (unless the Manager otherwise determines at its sole discretion) hold Unitholder meetings, the Unitholders shall have no rights with respect to the representation and management of the CCF or any Sub-Fund and their insolvency shall have no effect on the existence of the CCF or any Sub-Fund. Furthermore, although Units may be redeemed, Units are not freely transferable as this may result in the relevant Sub-Fund incurring a tax liability or suffering pecuniary disadvantages.

With limited exceptions, it is expected that each series of Units will provide for Unitholders in the same tax domicile and with the same tax status to share in the withholding tax treatment on certain income from jurisdictions for which a tax opinion or ruling has been obtained. This should allow for each Unitholder of such series to realise tax transparent treatment on certain income within a Sub-Fund in those jurisdictions for which a tax opinion or ruling has been obtained. Each Unitholder may be required to enter into a Unitholder Services Agreement appointing Northern Trust Company to provide certain tax services and Northern Trust Company will be provided with such documents and information as it may require regarding the Unitholder, in particular in relation to such Unitholder's tax status or eligibility for relevant tax treaty benefits. All Unitholders are required to notify the Manager and Northern Trust Company promptly should their tax status change for any reason whatsoever or if a Unitholder anticipates that its tax status may change, to extent possible, such Unitholder is required to notify the Manager and Northern Trust Company in advance of the Unitholder's tax status changing. One or more separate series of Units will be available for Unitholders (i) that may be temporarily deemed, at the discretion of the Manager, to be Restricted Persons (as defined below); (ii) that may be from jurisdictions for which a tax opinion or ruling has not been obtained; (iii) which have not provided the appropriate tax information required by the Depositary and/or Northern Trust Company to receive the benefit of a particular tax opinion or ruling, and such series are expected to have tax withholding treatment at up to the maximum applicable rates. As a result of the tax treatment of the CCF in the various jurisdictions, tax transparency with respect to a given series of Units may not be available or may become unavailable as a result of the actions or inactions of Unitholders of such series, (including without limitation

where such Unitholders fail to provide the necessary documentation to Northern Trust Company in respect of such tax treatment) which may give rise to, inter alia, a mandatory redemption of such Unitholders' holdings in such series or the conversion of such Unitholders' Units into another series within the same Sub-Fund or into a series of Units within another Sub-Fund. Unitholders may be required to complete and execute a Unitholder Requirement Form where tax reclaim and tax relief at source processing services are not to be provided by the Northern Trust Company to the relevant Unitholder. The tax treatment of a Sub-Fund in the various jurisdictions is based on a subjective analysis in each jurisdiction, and not all Unitholders may be able to realise the benefits of the tax treatment of a Sub-Fund in a given jurisdiction.

Income, expenses and total realised and unrealised gains/losses (gross of withholding taxes) will generally be allocated to each series of Units pro-rata on each Business Day based upon the Net Asset Value of the series as of the previous Business Day and where such Business Day is also a Dealing Day, adjusted for subscriptions and redemptions on such Dealing Day.

The CCF may from time to time create such Sub-Funds as the Directors may deem appropriate and with the prior approval of the Central Bank. Details of any Sub-Fund or Sub-Funds created in the future shall be set out in the applicable Supplement in accordance with the requirements of the Central Bank. The applicable Supplement shall form part of, and should be read in conjunction with, this Prospectus.

Pursuant to Clause 2.1 of the Deed of Constitution, the CCF may from time to time create additional series or sub-series of Units within a Sub-Fund in accordance with the requirements of the Central Bank. The Directors may, in their absolute discretion, differentiate between the rights attaching to the different series or sub-series of Units within a particular Sub-Fund including, without limitation, liquidity rights, gross income payment policies, the level of fees payable in respect of each series of Units, the currencies in which the series or sub-series are denominated or the hedging policies in respect of each series of Units. Different series of Units may be established for the purposes of certain investors participating in New Issues as described herein.

### **Segregation of Assets and Liabilities**

The CCF is organised in the form of an umbrella fund with segregated liability between Sub-Funds. Each Sub-Fund will have a distinct portfolio of investments. Separate books and records will be maintained for each Sub-Fund. Under the Deed of Constitution, the assets and liabilities attributable to each Sub-Fund established by the Manager will be segregated by the Depositary and the Deed of Constitution provides that there will be no cross-liabilities among the Sub-Funds. Each Sub-Fund will bear its own liabilities.

For the avoidance of doubt, the assets of each Sub-Fund shall belong exclusively to such Sub-Fund and shall not be used to discharge directly or indirectly liabilities or claims against any other Sub-Fund and shall not be available for such purpose.

### **Investment Objectives, Policies and Restrictions**

The assets of each Sub-Fund will be invested in accordance with the investment objectives and policies of that Sub-Fund as set out in the applicable Supplement. The CCF and the Directors, in consultation with any Portfolio Manager, are responsible for the formulation of the investment objectives and policies of each Sub-Fund and any subsequent change to these objectives and policies and for compliance with the investment and borrowing restrictions contained in the UCITS Regulations and the Central Bank UCITS Regulations as set out in Schedule 1, to which each Sub-Fund is subject. Additional restrictions (if any) relevant to each Sub-Fund will be as set out in the applicable Supplement.

Subject always to the requirements of the Central Bank, the Manager may, in consultation with the Depositary, permit a Sub-Fund to invest in other collective investment schemes, including, without

limitation, other Sub-Funds. Such investment in other Sub-Funds is known as “**cross-investment**”. A Sub-Fund may not, however, invest in another Sub-Fund which itself holds Units in another Sub-Fund of the CCF. There is no investment restriction or limitation imposed by the Manager in the context of the cross-investment. However, for the avoidance of doubt, any cross-investment, as described above, will be carried out in accordance with applicable law, including the U.S. Investment Advisers Act of 1940.

Where a Sub-Fund (the “**Investing Fund**”) cross-invests and invests in the Units of another Sub-Fund (each a “**Receiving Fund**”), the rate of the Manager’s annual management fee which investors in the Investing Fund are charged in respect of that portion of the Investing Fund’s assets invested in Receiving Funds (whether such fee is paid directly at the Investing Fund level, indirectly at the level of the Receiving Funds or a combination of both) may not exceed the rate of the Manager’s maximum annual management fee which investors in the Investing Fund may be charged in respect of the balance of the Investing Fund’s assets, such that there shall be no double charging of the Manager’s annual management fee to the Investing Fund as a result of its investments in the Receiving Fund. Furthermore, where a Sub-Fund managed by a Portfolio Manager cross invests in another Sub-Fund, the Portfolio Manager will waive the portion of its fee relating to that Sub-Fund’s cross-investment in the other Sub-Fund.

A Sub-Fund may also invest in investment funds managed by the Manager or by an associated or related company of the Manager. Where a Sub-Fund invests in such an investment fund, the Manager will waive any preliminary/initial/redemption charge which it would normally charge in respect of that investment fund. Furthermore, the Manager in its sole discretion, may choose to waive any portion of its annual management fee at either the level of the CCF or at the level of the related investment fund. In addition, where a commission is received by the Manager by virtue of a Sub-Fund’s investment in a related investment fund or another Sub-Fund, this commission must be paid into the property of the investing Sub-Fund.

A Sub-Fund may from time to time hold cash or liquid assets on a short term basis and/or such other instruments as the Manager and/or the applicable Portfolio Manager considers appropriate to achieving the Sub-Fund’s investment objective.

The Manager, in respect of one or more Sub-Funds, may delegate the portfolio management of all or a portion of the relevant Sub-Fund’s assets to one or more Portfolio Managers. Additional fees will arise from this investment policy, as further detailed below.

### **Change in Investment Objectives and Policies**

A change to the investment objective, or a material change to the investment policy, of a Sub-Fund shall only be permitted if, of the Unitholders in the relevant Sub-Fund responding to a request for confirmation, a simple majority of such Unitholders confirm in writing that they consent to such a change to the investment objective or to such a material change to the investment policy of the relevant Sub-Fund. In the event of a change to the investment objective of a Sub-Fund and/or a material change to the investment policy of a Sub-Fund, a reasonable notification period will be provided by the CCF to enable the Unitholders in the relevant Sub-Fund to redeem their Units prior to implementation of such changes, if they so wish.

### **Financial Derivative Instruments**

Each Sub-Fund may, within the conditions and limits laid down by the Central Bank, for the purposes of investment, hedging and efficient portfolio management, enter into a variety of derivative instruments including swaps, options, embedded derivatives, forward contracts, futures; contracts for differences and, though not a derivative, reverse repurchase agreements (reverse repos). A full explanation of each of the FDIs is outlined at Schedule 4 to this Prospectus and the FDIs used by each Sub-Fund will be set out in the applicable Supplement.

“Efficient Portfolio Management” (“EPM”) for these purposes, means an investment decision involving transactions that are entered into for one or more of the following specific aims:

- a reduction of risk;
- a reduction of cost;
- the generation of additional capital or income for the Sub-Fund with an appropriate level of risk, taking into account the risk profile of the Sub-Fund and the general provisions of the UCITS Regulations.

EPM techniques will be used in accordance with normal market practice. Assets received in the context of EPM are considered as collateral and will comply with the CCF’s collateral policy set out in Schedule 3 to this Prospectus. All the revenues arising from transactions relating to EPM shall be returned to the Sub-Fund following the deduction of any direct and indirect operational costs and fees arising from such transactions which shall be payable to the relevant counterparty. Details of the relevant counterparties and whether they are related parties to the Manager or Depositary will be disclosed in the annual reports and interim reports. Such direct and indirect operational costs and fees will be at normal commercial rates together with VAT, if any, thereon, and will be borne by the CCF or the relevant Sub-Fund.

As set out in the applicable Supplement, the Portfolio Manager may also, for EPM purposes, only enter into repurchase arrangements (repos) and stocklending arrangements with one or more counterparties in accordance with the requirements of the Central Bank (the “**stocklending/repurchase transactions**”). Any such stocklending/repurchase transactions will be subject to the conditions, limits and requirements of the Central Bank UCITS Regulations and the provisions of the Prospectus. In these transactions, and in respect of any FDIs traded on exchange or over-the-counter (“OTC”), collateral may move between the CCF and the relevant counterparty, in accordance with the CCF’s collateral policy set out in Schedule 3 to this Prospectus, in order to secure its obligations to any counterparty or to mitigate any counterparty risk.

Furthermore, as set out in the applicable Supplement, the CCF may, for EPM purposes, enter into contracts for difference with one or more counterparties subject to the conditions and limits set out in the Central Bank UCITS Regulations.

Each Sub-Fund may employ techniques and instruments that are intended to provide protection against exchange rate risks in the context of the management of its assets and liabilities (i.e. currency hedging) by gaining an exposure to one or more foreign currencies or otherwise altering the currency exposure characteristics of securities held by the relevant Fund (i.e. active currency positions).

#### *Currency Hedging for Unit Series*

The Manager may, in respect of any hedged series of Units, hedge the currency exposure of that series through a series of FX hedging transactions. Each hedging transaction will be clearly attributable to the relevant series of Units and any gains/losses of the hedging transactions will accrue solely to the relevant series of Units.

While not the intention, over-hedged or under-hedged positions may arise due to factors outside of the control of the Manager or Portfolio Manager provided that the level of the currency exposure hedged does not exceed 105 per cent. of the Net Asset Value of a series. The positions will be reviewed on a daily basis to ensure that over-hedged positions do not exceed 105 per cent. and any over-hedged positions materially in excess of 100 per cent. will not be carried forward from month to month. Furthermore, the CCF will ensure that under-hedged positions do not fall short of 95 per cent. of the portion of the Net Asset Value of the relevant series of Units which is to be hedged and shall keep any such under-hedged position under review so as to ensure it is not carried forward from month to month. While the CCF may attempt to hedge against currency exposure at a series level, there can be no guarantee that the value of a series will not be affected by fluctuations in the value of the Base Currency relative to the currency of the



series. Any costs related to such hedging shall be borne separately by the relevant series. The CCF shall not combine or offset currency exposures of different currency series and it shall not allocate currency exposures of assets of the CCF to separate series of Units. The use of series hedging strategies may substantially limit holders of Units in the relevant series from benefiting if the series currency falls against the Base Currency and/or the currency in which the assets of a Sub-Fund are denominated. To the extent that the hedging is successful, the performance of the series is likely to move in line with the performance of the Base Currency series. Each Sub-Fund may implement currency hedging strategies by using spot and forward foreign exchange contracts and currency futures, options and swap contracts.

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

### **Securities Financing Transactions (“SFTs”)**

A Sub-Fund may utilise SFTs including repurchase transactions, securities lending transactions and total return swaps. The proportion of a Sub-Fund’s assets under management that will be subject to SFTs will be set out in the applicable Supplement.

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

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

Any collateral used in the context of SFTs shall comply with the ICAV’s Collateral Policy as set out in Schedule 3 to this Prospectus. The risks associated with SFTs are more fully described in the section below entitled “Risk Factors”, including, “Derivatives Risk” and “Risks Linked to Management of Collateral” and the Risk Factors set out in the applicable Supplement.

### **Borrowing and Leverage Policy**

The borrowing and leverage limits in respect of any Sub-Fund will be set out in the applicable Supplement.

### **Gross Income Payment Policy**

The gross income payment policy in respect of each Sub-Fund will be set out in the applicable Supplement.

### **Risk Factors**

Potential investors in the CCF should understand that all investments involve risks. The following list of risk factors does not purport to be a complete enumeration or explanation of the risks involved

in an investment in the CCF. Prospective investors should consider seeking independent professional advice before deciding to invest in the CCF. Except where the context otherwise requires, each reference to the Manager includes the Manager and the Portfolio Manager when acting in its capacity as the discretionary portfolio manager for the relevant Sub-Fund.

## **Investment Strategy and Instruments Risks**

### *Cross-Series Liability Risk*

Series of Units do not have separate legal personality and there is no legislative segregation of liability between Unit series. Accordingly, in the context of currency hedging transactions at Unit series level, creditors of the Sub-Fund (e.g., the counterparty involved in effecting the hedge for the relevant series), absent contrary contractual provisions, may seek to enforce claims against all assets of the Sub-Fund, even if the creditors' claims relate to a single series of Units. Furthermore, if there is a deficit in one series of Units, assets of another series may be available to creditors to cover this deficit. These risks apply to any currency hedging activities by the Sub-Fund insofar as any gains/losses of the currency hedging transactions will generally accrue solely to the relevant Unit series and not to the Sub-Fund as a whole.

### *Investment Risk*

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

### *Currency risk*

Each Sub-Fund's assets may, unless otherwise noted, be invested in securities denominated in currencies other than the relevant currency of such Sub-Fund and any income received from such securities will be received in the currencies of such securities, some of which may fall in value against the relevant currency of such Sub-Fund. Each Sub-Fund will compute its Net Asset Value and make any distributions in the denomination of the Units while each Sub-Fund may, from time to time, engage in forward foreign exchange transactions to provide protection against exchange-rate risk. There is no guarantee that this objective will be achieved and consequently there is therefore a currency exchange risk which may affect the value of the Units to the extent that the Sub-Fund makes investments in currencies other than the relevant currency of the Sub-Fund.

### *Currency Hedging Risk*

A Sub-Fund may enter into hedging transactions with respect to a particular series to attempt to offset the risk of exchange rate fluctuations between the currency in which such series is denominated and the currency or currencies in which the Sub-Fund's assets are denominated. A series' currency hedging will likely be limited to the estimated Net Asset Value of the relevant series, periodically adjusted (typically monthly or quarterly) for estimated changes in Net Asset Value. Because adjustments are not made more frequently, and because estimates are used in hedging, a currency hedged series will always be over- or under-hedged to some degree against its actual currency exchange risk.

Any currency hedging transactions are intended to protect the relevant series from currency losses but will also prevent any profit from currency gains. Further, there can be no assurance that any currency hedging transactions will be successful, and there are transaction costs associated with hedging, which are borne by those series. Moreover, liquidating Sub-Fund investments in order to

settle currency hedging losses may result in a less liquid and less diversified portfolio for a Sub-Fund as a whole, including series other than the series for which the currency hedging transactions are being made.

Where the Portfolio Manager does not hedge against currency risk, performance of the Sub-Fund and the value of its assets may be strongly influenced by movements in currency exchange rates because currency positions held by a Sub-Fund may not correspond with the securities or positions held by the Sub-Fund.

Currency hedging is a trading strategy implemented through the use of derivatives, and a Sub-Fund will be required to settle trading losses on those derivatives, regardless of the liquidity of the Sub-Fund's investment portfolio. A Sub-Fund may seek to obtain a credit facility on which it can draw to post margin, pay fees or settle hedging losses. However, there can be no assurance that a credit facility provider will maintain the facility indefinitely, will not refuse a draw request, or will not itself fail, resulting in the loss of the credit line. Additionally, credit facilities will be limited in size and may not be sufficient to cover all margin calls or hedging losses, and credit facilities increase the cost of hedging because a Sub-Fund may be required to pay, among other things, (i) a commitment fee to obtain the facility, (ii) the initial costs of negotiating and putting in place the facility, and (iii) a spread over a bank lending rate on any borrowing.

The Sub-Fund or a hedging counterparty could determine at any time to discontinue a hedging transaction. Therefore, no prospective investor should invest in a series in reliance on the Sub-Fund hedging its currency risk at all times.

#### *Derivatives Risk*

Investment in certain derivatives can expose a Sub-Fund to potentially unlimited liability, especially where there is limited liquidity in the markets.

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

A Sub-Fund's investments in over-the-counter derivatives are subject to the risk of counterparty default as described under the risk factor "Counterparty and Broker Credit Risk". In addition, a Sub-Fund may have to transact with counterparties on standard terms which can often be difficult to negotiate.

Additional risks associated with FDIs include: (i) failure to predict accurately the direction of any market movements; (ii) market risk, for example, the unpredictable movement of market prices or other variables that may form part of the valuation of a FDIs; (iii) liquidity risk, for example, the lack of appropriate levels of market liquidity leading towards an inability to liquidate or liquidation at unfavourable terms; (iv) credit risk, for example, exposure to the creditworthiness of the counterparty with which the FDI is entered into; and (v) legal risk, for example, the risk of loss due to the unexpected application of a law or regulation, or because contracts are not legally enforceable or documented correctly.

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

#### *Risks Linked to the Management of Collateral*

In the event that collateral is received by a Sub-Fund, the risks linked to the management of collateral, such as operational and legal risks, will be identified, managed and mitigated by an updated version of the risk management process. The management and monitoring of collateral received, including monitoring its liquidity is dependent upon systems and technology operated by the Sub-Fund's service providers. Cyber-attacks, disruptions, or failures that affect the Sub-Fund and/or its service providers or counterparties may adversely affect the Sub-Fund, including by causing losses for the Sub-Fund or impairing the Sub-Fund's operations.

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

Where a Sub-Fund receives collateral on any basis other than a legal title transfer basis, local custody services may be underdeveloped in many emerging market countries and there is custody risk involved in dealing in such markets. In certain circumstances, a Sub-Fund may not be able to recover some of its collateral. Such circumstances may include any acts or omissions or the liquidation, bankruptcy or insolvency of a sub-depository, retroactive application of legislation and fraud.

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

#### *Futures Risk*

Exchange traded future prices may exhibit similar volatility as their underlyings, but because of the low margin deposits normally required in futures trading, an extremely high degree of leverage is achievable in a futures trading account. As a result, a relatively small price movement in a futures contract may result in substantial volatility to a leveraged Sub-Fund.

#### *Equity Securities Risk*

A Sub-Fund may hold long and short positions in common stocks, preferred stocks and convertible securities. Any such short positions may only be held synthetically. The Sub-Fund also may invest in depository receipts relating to non-US securities. Equity securities fluctuate in value in response to many factors, including the activities and financial condition of individual companies, the business market in which individual companies compete and general market and economic conditions.

A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible security held by a Sub-Fund is called for redemption, the Sub-Fund will be required to permit the issuer to redeem the security,

convert it into the underlying common stock or sell it to a third party. Any of these actions could have an adverse effect on the Sub-Fund's ability to achieve its investment objective.

#### *Fixed-Income Securities Risk*

The value of fixed-income securities in which a Sub-Fund may invest will change in response to fluctuations in interest rates. For fixed-rate debt securities, when prevailing interest rates fall, the values of already-issued debt securities generally rise. When interest rates rise, the values of already-issued debt securities generally fall, and they may sell at a discount from their face amount. In addition, the value of certain fixed-income securities can fluctuate in response to perceptions of credit worthiness, political stability or soundness of economic policies. Valuations of other fixed-income instruments, such as mortgage-backed securities, may fluctuate in response to changes in the economic environment that may affect future cash flows.

#### *Short Selling Risk*

Some of the Sub-Funds may use high-risk strategies, such as selling securities short. Short selling exposes the seller to unlimited risk due to the lack of an upper limit on the price to which a security may rise. Furthermore, the emergency short sale rules adopted by financial market regulators may materially adversely impact the implementation of certain trading strategies making them uneconomical or impractical to implement, exposing a Sub-Fund to potential material losses.

#### *Non-publicly Traded Securities*

A Sub-Fund may invest up to 10% of its Net Asset Value in non-publicly traded securities. A Sub-Fund may not be able to readily dispose of such non-publicly traded securities and, in some cases, may be contractually prohibited from disposing of such investments for a specified period of time.

Where appropriate, positions in a Sub-Fund's investment portfolio that are not publicly traded will be valued at probable realisation value as determined with care and in good faith by such competent person as may be appointed by the Directors and approved for that purpose by the Depositary, taking into account actual market prices, market prices of comparable investments and/or such other factors (e.g., the tenor of the respective instrument) as are deemed appropriate. There is no guarantee that the probable realisation value will represent the value that will be realised by a Sub-Fund on the eventual disposition of the investment or that would, in fact, be realised upon an immediate disposition of the investment. As a result, an investor redeeming from a Sub-Fund prior to realisation of such an investment may not participate in gains or losses therefrom.

#### *Credit Risk*

Credit risk refers to potential losses due to counterparty default, such as the failure to pay coupons or principal of a bond. Another type of credit risk is the risk of settlement failure, that is, the failure of a counterparty to deliver or pay for securities.

#### *Counterparty and Broker Credit Risk*

A Sub-Fund will be exposed to the credit risk of the counterparties such as the brokers, dealers and exchanges through which it deals, whether it engages in exchange-traded or off-exchange transactions. In relation to instruments not traded on a recognised exchange, these are not afforded the same protections as may apply to participants trading futures or options on organised exchanges, such as the performance guarantee of an exchange clearing house.

The Sub-Fund will be subject to the possibility of the insolvency, bankruptcy or default of a counterparty or broker with which the Sub-Fund trades or of any clearing broker through which the relevant broker executes and clears transactions on behalf of the Sub-Fund, or of an exchange clearinghouse. This could result in substantial losses to the Sub-Fund.

### *Leverage Risk*

Leverage, through the use of margin and other forms of debt to finance portfolio purchases, increases returns to the investors if the Sub-Fund earns a greater return on leveraged investments than a Sub-Fund's cost of such leverage. However, the use of leverage exposes a Sub-Fund to additional levels of risk including (i) greater losses from investments than would otherwise have been the case had a Sub-Fund not borrowed to make the investments, (ii) margin calls or changes in margin requirements may force premature liquidations of investment positions and (iii) losses on investments where the investment fails to earn a return that equals or exceeds a Sub-Fund's cost of leverage related to such investments. In the event of a sudden, precipitous drop in value of the Sub-Fund's assets, a Sub-Fund might not be able to liquidate assets quickly enough to repay its borrowings, further magnifying the losses incurred by a Sub-Fund.

### *Valuation Risk*

Due to the nature of certain investments of a Sub-Fund, the counterparty may be the only party who can provide a valuation of such investments. As such, it may not always be possible to obtain a valuation from an independent third party. If such a situation arises, a Sub-Fund will seek to ensure that the counterparty will execute the transactions on normal commercial terms which are negotiated at arms' length.

### *Market Risk*

Each Sub-Fund's investment approach is subject to various investment-related types of risks, including market risk. Market risk includes unexpected directional price movements, deviations from historical pricing relationships, changes in the regulatory environment, changes in market volatility, panicked or forced selling of riskier assets and contraction of available credit or other financing sources.

### *Emerging Markets Risk*

Emerging markets require consideration of matters not usually associated with investing in securities of issuers in developed capital markets. Emerging markets may present different economic and political conditions from those in western markets, and less social, political and economic stability. The absence, until relatively recently, of any move towards capital markets structures or to a free market economy mean that exposure to emerging markets is more risky than investing in western markets.

Investments in emerging markets may carry risks with failed or delayed settlement and with registration and custody of securities. Companies in emerging markets may not be subject to accounting, auditing and financial reporting standards or be subject to the same level of government supervision and regulation as in more developed markets. The reliability of trading and settlement systems in some emerging markets may not be equal to that available in more developed markets which may result in problems in realising investments. Lack of liquidity and efficiency in certain stock markets or foreign exchange markets in certain emerging markets may mean that from time to time there may be difficulties in purchasing or selling securities there.

The Net Asset Value of a Sub-Fund may be affected by uncertainties such as political or diplomatic developments, social instability and religious differences, changes in government policies, taxation and interest rates, currency conversion and repatriation and other political and economic developments in law or regulations in emerging markets and, in particular, the risks of expropriation, nationalisation, confiscation or other taking of assets, debt moratoria and/or debt defaults and changes in legislation relating to the level of foreign ownership in certain sectors of the economy.

A Sub-Fund may invest in emerging markets where custodial and/or settlement systems are not fully developed. The assets of the Sub-Funds 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 market risks. Such risks include (i) a non-true delivery versus payment settlement, (ii) a physical market, and as a consequence the circulation of forged securities, (iii) poor information with regard to corporate actions, (iv) a registration process that affects the availability of the securities, (v) lack of appropriate legal/fiscal infrastructure, and (vi) lack of compensation/risk funds with the relevant central depository. Furthermore, even when a Sub-Fund settles trades with counterparties on a delivery-versus-payment basis, it may still be exposed to credit risk to parties with whom it trades.

There are also other risks associated with investment in emerging markets. Such risks include a potentially low level of investor protection (the absence of, or the failure to observe, legal and regulatory standards designed to protect investors); poor or opaque corporate governance (loss may be caused owing to the ineffective manner in which an organisation is controlled or managed); legislative risk (that laws may be changed with retrospective and/or immediate effect); and political risk (that the interpretation or method of enforcement of laws may be changed with a consequent and adverse effect on a Sub-Fund).

#### *Investment in high yield securities*

Each Sub-Fund may invest in higher yielding (and therefore higher risk) debt securities. Such securities may be below “investment grade” and face on-going uncertainties and exposure to adverse business, financial or economic conditions, which could lead to the issuer’s inability to meet timely interest and principal payments. The market prices of certain of these lower rated debt securities tend to reflect individual corporate developments to a greater extent than do higher rated securities, which react primarily to fluctuations in the general level of interest rates. High yielding securities also tend to be more sensitive to economic conditions than higher rated securities. It is likely that a major economic recession or an environment characterised by a shortage of liquidity could severely disrupt the market for such securities and may have an adverse impact on the value of such securities. In addition, it is likely that any such economic downturn or liquidity squeeze could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default for such securities.

The market for lower-rated securities is thinner and less active than that for higher-rated securities, which can adversely affect the prices at which these securities can be sold. In addition, adverse publicity and investor perceptions about lower-rated securities, whether or not based on fundamental analysis, may result in a decrease in the value and liquidity of such lower-rated securities.

#### *Strategy Risk*

Each Sub-Fund is subject to strategy risk. Strategy risk is associated with the failure or deterioration of an entire strategy. Strategy-specific losses can result from excessive concentration in the same investment approach or broad events that adversely affect particular strategies (*e.g.*, illiquidity within a given market). Certain Portfolio Managers will employ high risk strategies.

#### *Volatility Risk*

The performance of a Sub-Fund’s investments and the pursuit of its investment objectives could be affected by market volatility. A Sub-Fund’s investment programme may involve the purchase and sale of relatively volatile instruments such as derivatives, which are frequently valued based on implied volatilities of such derivatives compared to the historical volatility of underlying securities. Fluctuations or prolonged changes in the volatility of such securities, therefore, can adversely affect the value of investments held by a Sub-Fund.

#### *Changes in Portfolio Managers and Allocations*

The Manager may from time to time select new or replacement Portfolio Managers to manage each Sub-Fund. These changes will be made in the Manager’s sole discretion. Each Sub-Fund’s success

depends to a great extent on the Manager's ability to identify and select a successful Portfolio Manager for the relevant Sub-Fund.

#### *Cyber Security Risk*

Cyber security breaches may occur allowing an unauthorised party to gain access to assets of the Sub-Funds, Unitholder data, or proprietary information, or may cause the Manager, a Portfolio Manager, any Distributor, the Administrator, the Depository or Northern Trust Company to suffer data corruption or lose operational functionality.

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

#### *Data Protection Risk*

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

#### *Concentrated Portfolio; Possible Positive Correlation Amongst Sub-Funds*

Each Sub-Fund may concentrate its investments in sub-investment grade instruments. Sub-Funds may, therefore, hold similar portfolios, increasing the concentration of a Sub-Fund's portfolio. The strategies utilised by the Portfolio Managers are expected to exhibit a substantial degree of positive correlation, reducing the diversification, and, accordingly, the risk control profile, of a Sub-Fund's portfolio. The Portfolio Managers' strategies may follow the same general investment thesis. As a result, the Sub-Funds may incur losses at or about the same time.



### *Credit Markets*

The Manager expects certain of the Sub-Funds' portfolios to be concentrated in the credit markets. The identification of attractive investment opportunities in these markets is difficult and involves a significant degree of uncertainty. The credit markets are, in general, highly susceptible to interest-rate movements, government interference, economic news and investor sentiment. There has recently been significant volatility in the credit markets. There was significant volatility in the credit markets in 2007-2009, and volatility can be expected to arise in the future.

During periods of "credit squeezes" or "flights to quality," the market for credit instruments other than high-quality government debt instruments can become substantially reduced. This poses the risk that a Portfolio Manager may need to sell leveraged credit instrument positions at discounts to fair value in order to meet margin calls. At the same time, the dealers may correspondingly reduce the value of outstanding positions, resulting in additional margin calls as loan-to-value triggers are hit under prime brokerage and swap agreements. Downward pressures on price and leverage could cause substantial or total losses for a Sub-Fund.

During the financial market crisis of 2007-2009, the market for credit instruments was so illiquid that a number of investment funds had to sell otherwise desirable investments in other asset classes in order to meet margin calls on their credit positions. Some investment grade securities and money market funds also became relatively illiquid.

### *Asset-Backed Securities ("ABS")*

The primary risks associated with ABS investing include liquidity, volatility, complexity, valuation, interest rate and prepayment risks. The liquidity of ABS can vary substantially depending on where in the ABS capital structure the Portfolio Manager invests and the nature of the investment strategy. The lack of liquidity in the ABS markets, and the possibility of forced selling by distressed banks and other holders of ABS, increases the likelihood of significant return volatility, especially on a mark-to-market basis, which could affect the calculation of Net Asset Value and, therefore, the calculation of management fees and the valuation of in-specie distributions. The complex nature of ABS requires that Portfolio Managers make certain assumptions regarding outcomes of a number of factors affecting security valuations, including home price appreciation (depreciation), delinquencies, default and recovery rates, etc. If Portfolio Managers are not conservative in their analysis of these factors, they risk underestimating the actual risk of their investment. Additional complexity arises because ABS rely on on-going execution to realise value, such as loan servicing and high quality reporting of loan performance within a pool. Portfolio Managers must also be capable of assessing the quality of this execution in order to accurately price ABS. Valuations in this sector are also influenced by the potential for government intervention in the housing and mortgage markets, which could influence residential mortgage-backed securities prices in unforeseen ways. Each type of ABS also entails unique risks depending on the type of assets involved and the legal structure used. ABS typically experience credit risk. There is also the possibility that recoveries on repossessed collateral may not, in some cases, be available to support payments on these securities because of the inability to perfect a security interest in that collateral.

### *Loans in Lesser Developed Markets*

Sub-Funds may acquire interests in loans made to borrowers in lesser developed markets. Investing in such loans may present a greater degree of risk than investing in loans issued to borrowers in more developed markets due to possible exchange rate fluctuations, possible exchange controls, less publicly-available information, more volatile markets, less securities regulation, and less favourable tax provisions (including possible withholding taxes). Investments in such loans may be affected by political, social, and economic uncertainty affecting a country or region. The legal and regulatory environment may also be different between countries, particularly as to bankruptcy and reorganisation, and it may be impossible or prohibitively expensive for a Sub-Fund to enforce its rights in the courts of a lesser developed jurisdiction. There may be less publicly available

information about certain companies in lesser developed markets than would be the case for comparable companies in more developed markets and certain companies in lesser developed markets may not be subject to accounting, auditing and financial reporting standards and requirements comparable to or as uniform as those of companies in more developed markets. In addition, the marketability of loans in lesser developed markets can be expected to be less liquid and subject to greater volatility than comparable loans to companies or individuals in more developed markets.

#### *Securities Lending and Loss of Voting Rights*

A Sub-Fund may engage in securities lending. When a security is loaned as part of such Sub-Fund's securities lending programme, title of the security will typically transfer to the borrower. In this regard, the borrower of the security will, in such circumstances, temporarily become the legal and beneficial owner of the security and all voting rights in respect of the security will be transferred to the borrower for the period during which the relevant security is on loan to it. Therefore, while a securities loan is outstanding, and until the loaned securities are credited back to the Sub-Fund's account upon termination of the loan, the relevant Sub-Fund will not be in a position to exercise any of the rights it may have ordinarily have had with respect to the relevant security out on loan and any entity which may be appointed to provide a proxy voting service will not be in a position to carry out its proxy voting or corporate engagement services with respect to investee companies.

#### *Collateral for Loaned Securities*

In order to secure any loaned securities, the borrower will transfer collateral to the relevant Sub-Fund or the Sub-Fund's securities lending intermediary. The borrower will typically over-collateralise the securities on loan, such that the value of the posted collateral (together with margin) will typically be in excess of 100% of the value of the loaned securities (the "**Over-Collateralisation**"). Where, however, a borrower of loaned securities fails to return the securities to the Sub-Fund or to the Sub-Fund's securities lending intermediary by the agreed delivery date, notwithstanding the Over-Collateralisation, the value of the collateral could, in certain market conditions, fall in value and be insufficient to replace the full value of the loaned securities.

Additionally, if the borrower defaults and the market value of the loaned securities increases on the day that the borrower defaults, the collateral provided by the borrower may be insufficient to fully collateralise the loaned securities.

#### *Securities Lending Counterparty and Credit Risk*

Any Sub-Fund which engages in securities lending will be exposed to the credit risk presented by the counterparty to any securities lending contract. The risks associated with lending portfolio securities include the possible loss of rights against the collateral for the securities should the borrower fail financially. If the borrower files for bankruptcy or proves insolvent, the relevant Sub-Fund's entitlement to liquidate the collateral may be restricted.

### **Structural Risks**

#### *Common Contractual Fund*

The CCF is a Common Contractual Fund. The CCF is an unincorporated entity which does not have a legal personality. Accordingly, the CCF has certain features which differentiate it from other types of collective investment schemes and the rights which normally flow from ownership of shares. For example, the CCF will not hold Unitholder meetings and subject to the requirements of the Central Bank, no voting rights will attach to Units. Units may be redeemed but they are not freely transferable as only certain types of investors subject to a specific tax treatment may invest in the CCF. Any such transfers could result in a regulatory, pecuniary, legal, taxation or material administrative disadvantage for the CCF or the Unitholders as a whole or in relation to a particular group of

Unitholders. In addition, due to the tax treatment of the CCF in the various jurisdictions, tax transparency with respect to a given series of Units may not be available or may become unavailable as a result of the actions or inactions of Unitholders of such series, including without limitation with respect to such Unitholders providing the necessary documentation to the Administrator and/or Northern Trust Company in respect of such tax treatment. The tax treatment of a Sub-Fund in the various jurisdictions is based on a subjective analysis in each jurisdiction, and not all Unitholders may be able to realise the benefits of the tax treatment of a Sub-Fund in a given jurisdiction.

#### *Taxation*

Potential Unitholders' attention is drawn to the taxation risk associated with investing in any Sub-Fund.

Without prejudice to the generality of the foregoing, potential investor's attention is drawn to the following specific risks: (a) should the potential investor be, or hold on behalf of, a Restricted Person, it may be liable to the CCF for any actions, proceedings, claims, costs, demands, charges, losses, damages or expenses and tax arising as a result of misrepresentation made to the Manager or its delegate or may, under the terms of the Deed of Constitution, be called upon to indemnify the CCF for all actions, proceedings, claims, costs, demands, charges, losses, damages or expenses as a result of such misrepresentation (b) a person who the Manager or its delegate suspects may be a Restricted Person may have its Units redeemed from the CCF (c) a person who is a Restricted Person may cause the CCF as a whole to cease to be fiscally transparent under the provisions of Irish law which in turn may prejudice the treatment of the CCF as fiscally transparent for the purposes of withholding taxes in respect to dividends and gains, including but not restricted to US equities (d) an investor, who is a Restricted Person, may cause the relevant profits of the CCF (broadly, the income and profits of the CCF) to be liable to Irish taxation (e) should the CCF not prove to be fiscally transparent resulting in a retrospective liability to withholding tax or liability for increased withholding taxes, the Net Asset Value will not be retrospectively revised and remaining holders in the CCF will accordingly rateably bear any additional liability.

The CCF and/or the Unitholders may be subject to withholding, capital gains or other taxes on income and/or gains arising from the assets of the Sub-Funds including without limitation taxes imposed by the jurisdiction in which the issuer of securities held by a Sub-Fund is incorporated, established or resident for tax purposes.

Where the Sub-Fund invests in securities that are not subject to withholding or other taxes at the time of acquisition, there can be no assurance that tax may not be withheld or imposed in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. The CCF and/or (depending on their circumstances) certain Unitholders may not be able to recover such tax.

The income of the Sub-Fund from its assets may suffer withholding tax which may not be reclaimable in the countries where such income arises. If this position changes in the future and the application of a lower rate results in a repayment to the Sub-Fund, the Net Asset Value of the Sub-Fund will not be re-stated and the benefit will be allocated to the existing Unitholders of the Sub-Fund ratably at the time of repayment.

Where the CCF chooses or is required to pay taxation liabilities and/or account for reserves in respect of taxes that are or may be payable in respect of current or prior periods by the CCF (whether in accordance with current or future accounting standards), this could have an adverse effect on the Net Asset Value of a Sub-Fund, which could in turn result in benefits or detriments to certain Unitholders, depending on the timing of their entry to and exit from the CCF.

It will be the responsibility of Northern Trust Company acting as the Unitholder's agent to prepare and submit filings for reclaims of any tax withheld in those jurisdictions where such reclaims are available or to claim relief at source in those jurisdictions where such relief is available on behalf of

the Unitholder. Any economic benefit from such claims will be attributed to the appropriate series of Units in the relevant Sub-Fund in order that only the Unitholders entitled to relevant treaty benefits should benefit from the amounts reclaimed. To this end, Unitholders will be required to provide the Manager with evidence of their tax residence and of their particular tax status for treaty benefit purposes within that jurisdiction. It will be the responsibility of the Unitholder to notify the Manager promptly should there be a change in such status. Northern Trust Company will have no responsibility for providing any tax reclaim and tax relief at source processing services to a Unitholder in relation to its investment in a Sub-Fund where the Manager has redeemed the Unitholder's units as a result of a change in the Unitholder's tax status, where the Unitholder has failed to provide complete and accurate documents and information as it may require regarding the Unitholder in a timely fashion, where the Unitholder fails to meet any other investment criteria for the relevant Sub-Fund or series of Units; or in markets where the market costs of issuing the claim exceed the value of the tax reclaim benefit; or where of the Manager has instructed the Depositary to apply for a CCF or Sub-Fund-level withholding tax exemption or relief in a particular market on behalf of the CCF or a Sub-Fund.

Where required, tax reclaims will be filed on behalf of Unitholders by the Northern Trust Company and may be recorded in the relevant series of Units by accounting on an accruals basis. Therefore, reclaims may be shared at the time of origination amongst the existing Unitholders in a series of Units. The composition of Unitholders and/or their holdings in the series of Units at the time at which reclaims are paid may change. Tax reclaims may be filed, provided the Unitholders are entitled to the benefits of a double taxation treaty and that transparency is recognised in both the Unitholder's jurisdiction and the jurisdiction of the investments, on the basis of the confirmations received in any tax documentation completed by the Unitholders.

Any change in the CCF's tax status or in legislation could affect the value of investments held by the CCF and affect the CCF's ability to provide a return to investors. Potential investors and Unitholders should note that the statements on taxation, which are set out herein and in each Supplement, are based on advice which has been received by the Directors regarding the law and practice in force in the relevant jurisdiction as at the date of this Prospectus and each Supplement. 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 CCF will endure indefinitely. The attention of potential investors is drawn to the tax risks associated with investing in the CCF, particularly the section headed "Taxation".

#### *Tax Audits*

The CCF may be audited by tax authorities in various jurisdictions. An income tax audit may result in an increased tax liability of the CCF including with respect to years when an investor was not a Unitholder of the CCF, which could reduce the Net Asset Value of the CCF and affect the return of all Unitholders.

#### *Temporary suspension*

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

#### *Controlling Unitholder*

There is no restriction on the percentage of the CCF's or a Sub-Fund's Units that may be owned by one person or a number of connected persons. A redemption by a controlling Unitholder or other large Unitholder may impact on a Sub-Fund's portfolio as described under the section entitled "Possible Effects of Substantial Redemptions".

#### *Past Performance Not Indicative of Future Results*

There can be no assurance that (i) a Sub-Fund's investment objective will be realised; (ii) a Sub-Fund's investment policy will prove successful; or (iii) investors will not lose all or a portion of their investment in a Sub-Fund. For further details see the sections headed "Investment Objectives, Policies and Restrictions" and "Management and Administration - The Manager".

The past performance of the CCF, any Sub-Fund or other investment funds or accounts managed or sponsored by the Manager or any Portfolio Manager or its affiliates is not indicative of the future performance of any Sub-Fund. There can be no assurance any Portfolio Manager will be able to manage a Sub-Fund successfully.

#### *Limited Operating History of Portfolio Managers*

Some of the Portfolio Managers appointed to a Sub-Fund may have short performance records that may not be indicative of their longer term or future performance.

#### *In Specie Distributions*

Although it is the Manager's preference on redemptions by investors from or the termination of a Sub-Fund that the Sub-Fund will liquidate all of its investments and distribute only cash to Unitholders, there can be no assurance that this objective will be attained and in certain situations a Sub-Fund may pay the proceeds in specie. Distributions may be made partly in cash and partly in specie.

#### *Cross-Liability between Sub-Funds*

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

#### *Risk of Regulatory Action and Litigation; Possible Indemnification Obligations*

The CCF, a Sub-Fund, the Manager, or a Portfolio Manager could be named as a defendant in, or otherwise become involved in, litigation or a regulatory proceeding. Legal and regulatory actions can be time-consuming and expensive, and can frequently lead to unexpected delays or losses. The outcome of such proceedings, which may materially and adversely affect the value of the Sub-Fund, may be impossible to anticipate, and such proceedings may continue without resolution for long periods of time. Litigation may consume substantial amounts of a defendant's time and attention, often to an extent disproportionate to the amounts at stake in the litigation. The Manager, acting for and on behalf of a Sub-Fund would likely be required to expend significant resources responding to any litigation or regulatory action related to it. Moreover, the Manager, acting for and on behalf of a Sub-Fund may be obligated to indemnify certain counterparties, and any of their respective principals and affiliates under the various agreements entered into with such parties against certain liabilities they may incur in connection with their relationship with the Sub-Fund. The Manager pursuant to the Deed of Constitution is indemnified out of the assets of the CCF.

#### *Other Accounts Advised by Portfolio Managers*

The Portfolio Managers may manage other accounts (including other accounts in which such Portfolio Managers may have an interest) that, together with accounts already being managed, could increase the level of competition for the same trades a Sub-Fund might otherwise make, including the

priorities of order entry. This could make it difficult or impossible to take or liquidate a position in a particular security or futures contract at a price indicated by a Portfolio Manager's strategy.

#### *Credit Facilities*

In the discretion of the Manager, any redemption or subscription receivable may be funded through credit facilities provided to a Sub-Fund at prevailing market rates by the Sub-Fund's custodian or its affiliates or from unaffiliated third parties. A Sub-Fund may also utilise credit facilities for portfolio management purposes, including but not limited to posting margin for, paying fees or expenses relating to or settling currency hedging transactions. Should such credit facilities be utilised, a Sub-Fund would be subject to greater risk of loss than if it did not utilise such credit facilities. Moreover, the Sub-Fund would incur additional interest and other expenses with respect to such facilities. Lenders typically accept a Sub-Fund's assets as collateral and would be able to keep such assets in satisfaction of the Sub-Fund's debts should the Sub-Fund default on its obligations to the credit facility provider.

Credit arrangements typically include a number of different terms which permit the lender to effectively require that the credit line be materially reduced or terminated. Upon an event of default relating to a credit facility, it is likely that the credit facility provider would attempt to exercise its remedies, including the sale or redemption of a Sub-Fund's assets, on shorter notice and more frequent redemption dates than those available to Unitholders. Certain terms of credit facilities may also have the effect of imposing constraints on a Sub-Fund's investment programs and the liquidity and other parameters of an investment in the Sub-Fund.

#### *Risks Related to the Manager and Portfolio Managers*

Day-to-day decisions with respect to the investment activities of the Sub-Funds will be made by the Manager and/or the Portfolio Managers. Investors will not have the opportunity to evaluate fully for themselves the relevant economic, financial, and other information regarding any Sub-Fund's investments. Unitholders will be dependent on the Manager's judgment and abilities in selecting Portfolio Managers and effecting any strategy overlays, as well as the Portfolio Managers' judgment and abilities in selecting investments. There is no assurance that the Manager or any Portfolio Manager will be successful. Accordingly, no subscriber should purchase any Units unless it is willing to entrust all aspects of the selected Sub-Fund's investment activities to the relevant Portfolio Manager.

#### *Other Clients*

A Portfolio Manager may manage other investment vehicles aside from the relevant Sub-Fund and has not agreed to commit any particular percentage of its time or resources to the management of the relevant Sub-Fund.

#### *Possible Effects of Substantial Redemptions*

Substantial redemptions of Units could require a Sub-Fund to liquidate its positions more rapidly than would otherwise be desirable to raise the necessary cash to fund redemptions and achieve a market position appropriately reflecting a smaller asset base. Under these circumstances, the Directors also may defer redemptions in accordance with the provisions of the Prospectus. These factors could adversely affect the Net Asset Value per Unit of the Units redeemed and those remaining outstanding, and could also adversely affect future trading decisions, which could in turn adversely affect future results. The obligation to provide for periodic redemptions may require a Portfolio Manager to trade a Sub-Fund's portfolio differently than if it was not subject to such redemption right, which may adversely affect the performance of such Sub-Fund.

### *Compulsory Redemption of Units*

The Units of any Unitholder may be compulsorily redeemed as more fully described in the section headed “Compulsory Redemptions”.

### *Risks Associated with Umbrella Fund Cash Accounts*

An umbrella fund cash account will operate in respect of the CCF rather than a relevant Sub-Fund and the segregation of Investor Monies from the liabilities of Sub-Funds other than the relevant Sub-Fund to which the Investor Monies relate is dependent upon, among other things, the correct recording of the assets and liabilities attributable to individual Sub-Funds by or on behalf of the CCF.

In the event of an insolvency of the Sub-Fund, there is no guarantee that the Sub-Fund will have sufficient monies to pay unsecured creditors (including the investors entitled to Investor Monies) in full.

Monies attributable to any other Sub-Funds will also be held in the umbrella fund cash accounts. In the event of the insolvency of a Sub-Fund (an “Insolvent Sub-Fund”), the recovery of any amounts to which another Sub-Fund (the “Beneficiary Sub-Fund”) is entitled, but which may have transferred in error to the Insolvent Sub-Fund as a result of the operation of the umbrella fund cash account, will be subject to applicable law and the operational procedures for the umbrella fund cash account. There may be delays in effecting, and/or disputes as to the recovery of, such amounts, and the Insolvent Sub-Fund may have insufficient funds to repay amounts due to the Beneficiary Sub-Fund.

In the event that an investor fails to provide the subscription monies and all requisite documentation associated with its subscription application within the timeframe stipulated in the applicable Supplement, the investor will be required to indemnify the Sub-Fund against the liabilities that may be incurred by it. The Manager may cancel any Units that have been issued to the investor and charge the investor interest and other expenses incurred by the relevant Sub-Fund. In the event that the Manager is unable to recoup such amounts from the defaulting investor, the relevant Sub-Fund may incur losses or expenses in anticipation of receiving such amounts, for which the relevant Sub-Fund, and consequently its Unitholders, may be liable.

It is not expected that any interest will be paid on the amounts held in the umbrella fund cash account. Any interest earned on the monies in the umbrella fund cash account will be for the benefit of the relevant Sub-Fund and will be allocated to the Sub-Fund on a periodic basis for the benefit of the Unitholders at the time of the allocation.

The Central Bank’s guidance titled “Umbrella funds- cash accounts holding subscription, redemption and dividend monies” is new and, as a result, may be subject to change and further clarification. Therefore, the structure of any umbrella fund cash account maintained may differ materially from that outlined in this Prospectus.

### *Different Investment Experience of Investors*

Because investors will both acquire and redeem Units of a Sub-Fund at different times, certain investors may experience a loss on their Units even though other investors experience gains and the particular Sub-Fund, as a whole, is profitable. Consequently, the performance of a Sub-Fund will not necessarily be representative of any particular Unitholder’s investment experience in it.

### *Charges*

In addition to normal and usual operating expenses, each Sub-Fund will be subject to the management fee and the administration fee, payable irrespective of profitability, and its transactional expenses and custodial costs. Such fees may be substantial even during losing fiscal periods. In addition, some of the investment strategies employed by the Sub-Funds may require a high volume of

trading. Therefore, turnover and brokerage commissions may be greater than for other investment entities of similar size.

## **Market and Regulatory Risks**

### *Market, Economic and Regulatory Changes*

Changes in political, market and economic conditions, tax or other laws or regulations or accounting standards and/or government intervention in markets may have an adverse effect on a Sub-Fund's investments and on Unit value. The likelihood of these types of adverse changes and the extent to which they may affect the business of a Sub-Fund cannot be foreseen.

### *Governmental Intervention*

Global financial markets have in recent years undergone pervasive and fundamental disruptions which have led to extensive and unprecedented governmental intervention. Such intervention has, in certain cases, been implemented on an "emergency" basis, suddenly and substantially eliminating market participants' ability to continue to implement certain strategies or manage the risk of their outstanding positions. In addition—as one would expect given the complexities of the financial markets and the limited time frame within which governments have felt compelled to take action—these interventions have typically been unclear in scope and application, resulting in confusion and uncertainty which in itself has been materially detrimental to the efficient functioning of the markets as well as previously successful investment strategies. The Sub-Funds may incur major losses in the event of disrupted markets and other extraordinary events in which historical pricing relationships become materially distorted.

### *Changes in the UK Political Environment*

As a result of the outcome of the UK Referendum on continued membership of the European Union held on 23 June 2016, sometimes referred to as 'Brexit' the UK has indicated its intention to withdraw its membership from the European Union. The terms of any withdrawal and the on-going relationship between the UK and the European Union are currently being negotiated and this uncertainty may impact on the CCF and/or the financial markets within which it operates.

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

In addition, Brexit has caused the financial markets, including currency exchange rates, to experience volatility and disruptions. Investors should be aware that Brexit may introduce potentially significant new uncertainties and instabilities in the financial markets. These uncertainties and instabilities could have an adverse impact on the business, financial condition, results of operations and prospects of the CCF and certain of its service providers and counterparties and the companies in which the Sub-Funds invest, and could therefore also adversely affect Unitholders.

### *Pandemic could result in adverse performance of a Sub-Fund*



A new strain of coronavirus, COVID-19, has quickly spread, resulting in severe illness and, in some cases, death. The spread of COVID-19 has adversely affected markets and world economies. Continued proliferation of COVID-19 may adversely affect a Sub-Fund and/or the Shareholders, which could be more or less adverse depending on, among other things: geographical range, infection rates, severity and mortality of the virus; the types of measures taken by governments and private organizations to prevent the spread of the virus; the timing and efficacy of a vaccine; and the effect of the virus on global markets and interest rates. Early responses have included quarantines or bans on public events, each of which can adversely affect commerce, spending, local economies and businesses dependent on transportation and personal interaction. COVID-19 has been declared a pandemic by The World Health Organization and U.S. Center for Disease Control which could lead to unforeseeable negative consequences to a Sub-Fund, including the potential suspension of a Sub-Fund's Net Asset Value calculation and the suspension of subscriptions, redemptions and/or switches in respect of a Sub-Fund subject to and in accordance with the "Suspension of Valuation" section of this Prospectus.

#### *MiFID II*

The package of European Union market infrastructure reforms known as "MiFID II" (Markets in Financial Instruments Directive 2014/65/EU) is expected to have a significant impact on the European capital markets. MiFID II, which took effect from 3 January 2018, increases the regulation of trading platforms and firms providing investment services.

Among its many reforms, MiFID II will bring in significant changes to pre-trade and post-trade transparency obligations in respect of financial instruments admitted to trading on EU trading venues, including a new transparency regime for non-equity financial instruments; an obligation to execute transactions in shares and derivatives on a regulated trading venue; and a new focus on regulation of algorithmic and high frequency trading. These reforms may lead to a reduction in liquidity in certain financial instruments, as some of the sources of liquidity exit European markets, and an increase in transaction costs, and, as a consequence, may have an adverse impact on the ability of the Portfolio Managers to execute the investment programs effectively.

MiFID II imposes new rules on MiFID investment firms requiring them to unbundle the costs of research and other services from dealing commission and restricting their ability to receive certain types of goods and services from brokers.

Where a Portfolio Manager which is a MiFID investment firm receives research in relation to a Sub-Fund, such research shall be received in accordance with applicable laws, including MiFID II. Where a Portfolio Manager is not directly subject to the requirements of MiFID II (because, for example, the Portfolio Manager is based outside the E.U.), such research will be received in accordance with applicable laws or measures designed to achieve broadly equivalent outcomes.

In either case, this may result in an increase in the investment-related expenditure of the CCF and/or negatively impact a Portfolio Manager's ability to access investment research.

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

In response to the financial crises of 2008 - 2009, the US Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Reform Act") was enacted in July 2010. The Reform Act established a comprehensive framework for the regulation of markets, market participants and financial instruments that previously were unregulated and substantially alters the regulation of many other markets, market participants and financial instruments. The Reform Act and regulations adopted pursuant to the Reform Act could have a material adverse impact on the profit potential of the Sub-Funds.

The Reform Act includes provisions that comprehensively regulate the US over-the-counter derivatives markets for the first time. The Reform Act requires that a substantial portion of over-the-

counter derivatives must be executed in regulated markets and be submitted for clearing to regulated clearinghouses. Over-the-counter trades submitted for clearing are subject to minimum initial and variation margin requirements set by the relevant clearinghouse. Over-the-counter derivative dealers also are required to post margin to the clearinghouses through which they clear their customers' trades instead of using such margin in their operations, as was widely permitted before the Reform Act. This has increased and will continue to increase the dealers' costs, which costs are generally passed through to other market participants in the form of higher fees and less favourable dealer marks. Over-the-counter trades that are not submitted for clearing are subject to minimum initial and variation margin requirements mandated by the CFTC, SEC and/or U.S. Federal prudential regulators. Over-the-counter derivatives dealers are also subject to new business conduct standards, disclosure requirements, reporting and recordkeeping requirements, transparency requirements, position limits, limitations on conflicts of interest, and other regulatory requirements. These requirements further increase the overall costs for over-the-counter derivative dealers, which may be passed along to market participants, including the Sub-Funds, as market changes continue to be implemented. It remains unclear how the US over-the-counter derivatives markets will continue to adapt to this new regulatory regime, along with additional, sometimes overlapping, regulatory requirements imposed by non-US regulators.

Although the Reform Act requires many US over-the-counter derivative transactions previously entered into on a principal-to-principal basis to be submitted for clearing by a regulated clearinghouse, some of the US derivatives that may be traded by the Sub-Funds may not be centrally cleared. The risk of counterparty non-performance can be significant in the case of these over-the-counter instruments, and bid-ask spreads may be unusually wide in these heretofore substantially unregulated markets. While the Reform Act is intended in part to reduce these risks, its success in this respect remains uncertain.

### **Conflicts of Interest**

Due to the operations which are or may be undertaken by the Manager, the Administrator, the Depositary, the Directors, any other service providers appointed by the Manager and their respective holding companies, subsidiaries and affiliates (each an "**interested party**"), conflicts of interest may arise. Conflicts of interest will be resolved fairly.

Certain of the conflicts outlined below apply directly to the CCF and the Sub-Funds and others apply to the Portfolio Managers to whom the Sub-Funds assets may be allocated. Except where the context otherwise requires, each reference to the Manager includes the Manager acting in its capacity as UCITS management company of the CCF, as well as the Portfolio Managers.

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

#### *Directors*

It is envisaged that some or all of the Directors may hold directorships of investment funds (other than the CCF) which may have similar or overlapping investment objectives to or with the CCF. Each of the Directors will respectively ensure that the performance of their respective duties will not be impaired by any such involvement that they may have.

#### *Proprietary Investments*

An interested party may acquire or dispose of any investment, notwithstanding that the same or similar investments may be owned by or for the account of or otherwise connected with the CCF. This proprietary investing may compete with the Sub-Funds. Unitholders will not be permitted to inspect the records of any proprietary investing.

#### *Transactions Involving the CCF and Interested Parties*

An interested party may acquire, hold or dispose of investments notwithstanding that such investments had been acquired or disposed of by or on behalf of the CCF by virtue of a transaction effected by the CCF in which the interested party was concerned, provided that the acquisition or disposal by an interested party of such investments in a transaction with the CCF is effected on normal commercial terms as if negotiated on an arm's length basis and transactions must be in the best interests of the Unitholders and done in compliance with the requirements of the Central Bank.

Such dealings will be deemed to have been effected on normal commercial terms negotiated at arm's length for purposes of Irish law if: (1) a person approved by the Depositary (or the Directors in the case of a transaction involving the Depositary) as independent and competent certifies that the price at which the transaction is effected is fair; or (2) the transaction is executed on best terms on an organised investment exchange in accordance with the rules of such exchange; or (3) where (1) and (2) are not practical, the transaction is executed on terms which the Depositary is, or the Directors in the case of a transaction involving the Depositary are, satisfied are normal commercial terms negotiated at arm's length and are in the best interests of Unitholders.

Where transactions are conducted in accordance with (1) or (2) above, the Depositary must document how it complied with the requirements therein. Where transactions are conducted in accordance with (3) above, the Depositary, or the Manager 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 Manager may cause a Sub-Fund to purchase or sell securities from or to other clients or funds advised by the Manager or its affiliates, including other Sub-Funds, when the Manager believes such transactions are appropriate and in the best interests of the Sub-Fund and such other clients or funds. In the event the Manager or its affiliates wishes to reduce the investment of one or more such clients or funds in such a security and increase the investment of other clients or funds in such security, it may effect such transactions by directing the transfer of the security between the clients or funds. The Manager or its affiliates may also effect such transactions in order to re-balance portfolios and provide better liquidity to the clients or funds involved. Any such purchase and sale will take place at the stated net asset value of the security being purchased or sold. Any incremental costs and expenses associated with any such investment will be borne by all such clients or funds on a *pro rata* basis. In addition, the Manager or its affiliates may recommend that a Sub-Fund purchase or sell an investment that is being sold or purchased, respectively, at the same time by the Manager, an affiliate or another advisory client. In relation to cross trades and such simultaneous purchases and sales, the Manager or its affiliates may have a conflict of interest between acting in the best interests of the Sub-Fund and assisting another client or fund by selling or purchasing a particular security.

#### *Other Activities/Clients*

The interested parties may invest, directly or indirectly, or manage or advise other investment funds or accounts which invest in assets that may also be purchased or sold by the CCF. In particular, Towers Watson Limited ("**TWL**") and its affiliates directly advise numerous clients on a discretionary and non-discretionary basis. Neither of TWL nor the Manager's other affiliates is under any obligation to offer investment opportunities of which any of them becomes aware to the CCF or to account to the CCF in respect of (or share with the CCF or inform the CCF of) any such transaction or any benefit received by any of them from any such transaction. However, such other funds or accounts will compete for the time and attention of such parties and might create other conflicts of interest. The agreements with such parties do not require them to devote any particular amount of time to the CCF or any Sub-Fund.

The Manager also has a conflict of interest in managing multiple Sub-Funds, as what may be in the best interest of one Sub-Fund may be to the detriment of another Sub-Fund.

#### *Valuation of Assets*

From time to time, the Manager may require that a competent person be appointed to value assets belonging to a Sub-Fund in circumstances set out in the “Valuation” section of this Prospectus. Where such competent person to value any asset belonging to a Sub-Fund is an interested party, a conflict of interest may arise. For example, where a valuation is provided by the Portfolio Manager or an affiliate, such Portfolio Manager’s fee may increase as the value of the assets of the Sub-Fund increases.

#### *Manager Personnel*

Manager personnel may perform services for TWL or other of its affiliates and their clients at the same time that they also perform services for the Manager and the Sub-Funds. In serving in such capacities, such personnel will have access to confidential information regarding the Sub-Funds and affiliates and their clients. Accordingly, the Manager and TWL will implement policies and procedures to safeguard any such confidential information and to address any potential conflicts.

#### *Client and Non-Client Unitholders*

It is anticipated that the substantial majority, but possibly not all, of the Unitholders in any Sub-Fund may separately be clients of TWL and its affiliates. Permitting different investor populations to participate in the same underlying portfolios increases both the conflicts of interest and the potential risks to which the Unitholders are subject. Under certain circumstances, the potentially disparate interests of the Unitholders who are not themselves clients of the TWL and its affiliates, on the one hand, and Unitholders who are clients of TWL and its affiliates, on the other hand, could materially adversely affect one or both groups of investors. For example, TWL and its affiliates may make substantial client allocations to a particular Sub-Fund which could prevent other Unitholders in that Sub-Fund from themselves investing more in that Sub-Fund due to strategy capacity constraints. Conversely, TWL and its affiliates may submit substantial redemption requests on behalf of its clients within a particular Sub-Fund which could substantially reduce the Net Asset Value of that Sub-Fund as a whole for the remaining Unitholders in that Sub-Fund.

#### *Advisory Consultants*

The advisory consultants of Unitholders who are separately clients of TWL and its affiliates may have an incentive to recommend an investment in the Sub-Funds over other possible investments, or to advise retaining investments in the Sub-Funds longer than they otherwise would, due to the possible greater economic or reputational benefit to the Willis Towers Watson (“WTW”) organisation for increased assets in the Sub-Funds. Although TWL and its affiliates intend to have mechanisms in place to address and mitigate these conflicts, there can be no assurance that such mechanisms will effectively do so or that similar conflicts will not otherwise exist.

#### *Compensation for Sales of Units*

Certain parties that sell Units and their employees may receive ongoing compensation in respect of selling Units. As a result, they have a conflict of interest in consulting with investors as to the purchase and redemption of Units. Further, different parties involved in the sales of Units may receive different amounts of compensation with respect to the Units, and Distributors may receive different amounts of compensation with respect to sales of Units of the Sub-Funds than from other products advised by the Manager and/or its affiliates, including different Sub-Funds, or third parties and therefore may have incentives to favor one or more products over others.

#### *Variation in Terms and Fair Treatment of Unitholders*

Pursuant to the UCITS Directive, the Manager will at all times ensure that Unitholders are treated fairly and in accordance with the terms of the Sub-Fund or, if applicable, the series of Units within a relevant Sub-Fund, in which a Unitholder has invested. The Manager will ensure the fair treatment of Unitholders within the same Sub-Fund or, if applicable, the fair and equal treatment of Unitholders

within the same series within a Sub-Fund, through its decision-making procedures and organisational structure which identify any differential treatment, or the right thereto, accorded to any Unitholder. In addition, the Manager will monitor the terms of any side arrangements (if any) entered into with Unitholders in relation to their investment in the CCF to seek to ensure the fair treatment of Unitholders.

Subject to the Manager's obligation to treat investors fairly, a Sub-Fund, through the establishment of a separate series or sub-series or entering into a separate agreement or some other mechanism, may enter into an arrangement with one or more Unitholders that has the effect of establishing rights under, or altering or supplementing the terms of, this Prospectus, the relevant Supplement, the Deed of Constitution, or the relevant Unitholder's subscription documents solely with respect to that or those Unitholders. This type of arrangement may grant a Unitholder preferential rights with regard to, for example: timing of redemptions (including Redemption Dates, lock up periods etc.); prior notice period for redemptions; notice of certain events affecting, or information regarding, the Manager and its affiliates, any of their principals, the Sub-Fund, the Directors, a Portfolio Manager and its principals; management fees; the extent of any direct indemnification of any Sub-Fund by a Unitholder; or other matters. The Manager will not enter into this type of arrangement if the Manager or the Directors determine that the arrangement would have a material adverse effect on other Unitholders. Furthermore, details of the terms of such differential treatment, together with a description of the type of investor that has been afforded such treatment and details of any economic or legal links which such investor may have with the CCF or the Manager will be made available to investors, upon request, before they invest in such Sub-Fund.

A Sub-Fund may provide certain information regarding the Sub-Fund's investments to certain Unitholders and not to other Unitholders. This information could give the Unitholders that receive the information an actual or perceived advantage in determining whether to purchase or redeem Units. Funds and/or accounts that the Manager or its affiliates manage, other than the Sub-Funds, that invest in the Sub-Funds may also enter into arrangements with their investors, similar to those described above. Affiliates of the Manager and their principals or employees, or funds or accounts advised by them other than the Sub-Funds, may invest with a Portfolio Manager on terms more favourable than those available to the Sub-Funds, and, as investors in any third party fund managed by a Portfolio Manager, may act in ways adverse to the interests of the Sub-Funds. It is the intention of some or all Portfolio Managers generally not to provide Unitholders in the Sub-Funds with regular access to its portfolio managers (the "PMs"). However, as a result of arrangements outside of and the Manager's control, certain Unitholders may (directly or indirectly) have access to the PMs, including in connection with investments in other funds that are directly managed by the Portfolio Manager or through investment consulting or other commercial relationships. The other Unitholders will have no recourse against any Sub-Fund, the Manager, and/or any of their affiliates in the event that certain Unitholders receive additional and/or different rights and/or terms as a result of such arrangements.

#### *Service Provider Discounts*

The Manager, as the UCITS management company in respect of the CCF and/or a Sub-Fund, may avail of services from AMX group companies and/or affiliates for no fee or for a reduced fee.

Certain advisors, vendors or other service providers to or in respect of the CCF and/or a Sub-Fund may also provide goods or services to or have business, personal, financial or other relationships with the Manager, its affiliates and/or their principals ("Management Company Parties"). Such advisors, vendors and service providers may include accountants, administrators, lenders, bankers, brokers, attorneys, consultants, and investment or commercial banking firms ("Service Providers"). In certain circumstances, Service Providers or their affiliates may charge different rates or have different arrangements for services provided in respect of one or more of the aforementioned parties as compared to services provided in respect of the CCF and/or a Sub-Fund. In certain circumstances, such different arrangements may result in one or more of such parties paying more favorable rates, or being subject to more favorable arrangements, than those to which the CCF and/or a Sub-Fund is subject. In particular, such parties may receive legal services at more favorable rates than the rates

applicable to legal services performed by the same legal counsel in respect of investment funds managed by the Manager and/or its affiliates. The Manager does not have any obligation to obtain similar benefits (*e.g.*, rate reductions or discounts from Service Providers) for the CCF and/or a Sub-Fund as it may obtain for the Manager, its affiliates and/or their principals.

## MANAGEMENT AND ADMINISTRATION

### The Manager

The Manager was incorporated as a private limited company in Ireland on 17 August 2018 under registration number 632258 with its registered office at Riverside One, Sir John Rogerson's Quay, Dublin 2, Ireland. The Manager has an authorised share capital of €10,000,000 divided into 10,000,000 ordinary shares of €1 each. The Manager is a subsidiary of the Willis Towers Watson Group. The Manager's principal business is the provision of fund management services to collective investment schemes. The Manager has been authorised by the Central Bank as a UCITS management company and is regulated by the Central Bank.

Pursuant to the terms of the Deed of Constitution, the Manager shall provide or procure the provision of investment management services, distribution, registration, transfer agency and administrative services to the CCF. The Manager also acts as promoter of the CCF.

The Deed of Constitution allows the Manager, with the prior approval of the Central Bank and in accordance with the Central Bank UCITS Regulations, to delegate its management duties to other parties. The Manager intends to appoint a Portfolio Manager to provide discretionary investment management services to a Sub-Fund and/or an investment adviser to provide investment advisory services to a Sub-Fund or to the Manager. Any such appointment will be in accordance with the requirements of the Central Bank and details will be as set out in the applicable Supplement. In accordance with the requirements of the UCITS Directive, the liability of the Manager to the CCF and its Unitholders shall not be affected by the delegation of investment management functions to a Portfolio Manager or by any further sub-delegation by a Portfolio Manager.

The appointment of a new Manager must be approved by the Central Bank.

The Manager is the UCITS management company of the CCF. To cover potential professional liability risks resulting from activities which the Manager, as the UCITS management company may carry on, the Manager has professional indemnity insurance against liability arising from professional negligence which is appropriate to the risks covered.

The relevant experience, past and present, of each Director of the Manager is outlined below, along with their main activities outside of acting as the Directors.

The Directors will have responsibility for the administrative management and supervisory functions of the Manager, along with the Manager's risk officer and compliance officer.

### The Directors

The Directors are responsible, *inter alia*, for the establishment of the CCF and its Sub-Funds and for the appropriate management and control of the CCF.

The following are the Directors:

#### **André Bruwer**

André has extensive experience in the offshore fund industry and has been closely involved in managing the fund governance for some of the world's largest fund groups. André completed his Law degree at the University of Stellenbosch in 1994 and subsequent post graduate qualification in law in 1998. André initially worked as a Lecturer and Assistant Lecturer in The University of Western Cape and the University of Stellenbosch. André qualified as an Attorney in 2002 working with Bowman Gilfillian in South Africa before moving to Lenz and Staehelin in Switzerland. André re-qualified and was submitted as a Solicitor in England and Wales in 2003. André then joined Man Investments and after a number of senior management roles was appointed Global Head of Product

Legal managing multi-jurisdictional teams based in New York, Chicago, Guernsey, London and Switzerland.

André left Man Group at the end of 2011 before becoming an Independent Advisor for various clients in the investment management industry, including PGGM, the investment manager of the Dutch based pension scheme PFZW. André worked as a consultant to the PGGM Legal, Tax and Regulatory team with a particular focus on legacy hedge fund portfolios and was closely involved in managing the liquid alternatives platform at PGGM.

### **Oliver Jaegemann**

Oliver is a Fellow of The Institute of Actuaries specialising in Investments.

Oliver completed a Bachelor of Actuarial and Financial Studies in University College Dublin in 2003. Additionally, in 2010, he completed a Master's in Business Administration from the Northwestern University, Kellogg School of Management focusing on Finance, Entrepreneurship and Marketing. Oliver originally joined Willis Towers Watson in 2003 before leaving five years later to complete his MBA. He gained additional experience at Russell Investments where he participated in a two year leadership development program which included working on their retail sales team, index group and on their global innovation council.

Oliver returned to Willis Towers Watson in May 2012 where he worked as Global Head of Product for Towers Watson Investment Management responsible for both the ongoing product management of existing pooled fund solutions globally and the product development of pooled fund solutions covering all sectors and geographies. In October 2015, Oliver was appointed Global Head of The Asset Management Exchange with overall responsibility for running and developing the exchange.

### **Eoin Motherway (Irish)**

Eoin joined AMX in May 2016 and leads the AMX Investment Operations team based in Ireland. Eoin completed a Bachelor of Commerce at University College Cork in 1994 with a focus on IT and Accounting. Eoin trained as a chartered accountant in Deloitte in Cork for four years before joining Goldman Sachs in London in 1998. While at Goldman Sachs, Eoin held the positions of Senior Account Officer for Goldman Sachs and EMEA Funding Controller.

Eoin returned to Ireland in 2004 where he joined Investors Bank & Trust as Director of Fund Accounting prior to it being acquired by State Street International and subsequently acted as European Head of Private Equity. In 2008, he left State Street to join BNY Mellon where he remained for 8 years until 2016. His most recent post in BNY Mellon being Head of Fund Accounting for Ireland & UK and EMEA Head of Operations Client Management. Although based in Cork, Eoin worked with teams in Cork, Dublin, Wexford, London, Manchester, Edinburgh, and Luxembourg and he helped establish the BNY Mellon EMEA Centre of Excellence in Poland. Eoin is a sitting member of Board of Cork Chamber of Commerce and has chaired the Financial Services Forum for 10 years seeking to enhance Cork as an International Financial Services location.

### **Eimear Cowhey (Irish)**

Eimear Cowhey (Irish Resident) has over 30 years' experience in the offshore funds industry and currently acts as a non-executive independent chairman, director and committee member of various investment fund and management boards in Dublin, Luxembourg and the U.K.. From 1999 to 2006 she held various executive positions within Amundi Pioneer, including Head of Legal and Compliance and Head of International Product Development. From 1992 to 1999 she held various executive positions within Invesco Asset Management, including Managing Director, Global Fund Director and Head Legal Counsel. Eimear is a qualified Irish lawyer with a Diploma in Accounting and Finance, Diploma in Company Direction (IoD), Certificate in Financial Services Law and is in the course of achieving Chartered Director status from the IoD (London).



Eimear was a member of the Committee on Collective Investment Governance (“**CCIG**”) which was established by the Central Bank of Ireland in December 2013 and which issued an expert report in July 2014 on recommendations for good governance practice for investment funds.

She is a former Council member and past Chairman of Irish Funds (formerly IFIA) and is a former member of the IFSC Funds Group a joint government/industry group to advise the government of investment fund related matters. She is a founder and director of basis.point which is the Irish investment fund industry charity focused on alleviating poverty through education, particularly among the youth of Ireland.

#### **Adrian Waters (Irish)**

Adrian is a Fellow of The Institute of Chartered Accountants in Ireland and of The Institute of Directors. He is a Chartered Director (UK Institute of Directors) and he specializes in risk management and governance. He has over 30 years’ experience in the funds industry. From 1993 to 2001, he held various executive positions within The BISYS Group, Inc. (now part of the Citi Group), including Chief Executive Officer of BISYS Fund Services (Ireland) Limited and finally as Senior Vice President – Europe for BISYS Investment Services out of London. From 1989 to 1993, he was employed by the Investment Services Group of PricewaterhouseCoopers in New York and prior to that by Oliver Freaney and Company, Chartered Accountants, in Dublin. Adrian holds a Bachelor of Commerce degree and a Post Graduate Diploma in Corporate Governance both received from University College Dublin in 1985 and 2005, respectively. Additionally, in 2013, he has received a Master of Science degree in Risk Management from the Stern Business School at New York University.

All of the Directors, with the exception of Eoin Motherway, are non-executive directors. Eoin Motherway will act as executive director. The directors’ address, for the purpose of the CCF, is the registered office of the Manager.

#### *Remuneration Policy*

An effective remuneration policy (the “**Remuneration Policy**”) has been put in place by the Manager and it complies with the UCITS Regulations, together with the ESMA Guidelines on sound remuneration policies under the UCITS Directive and the Alternative Investment Fund Managers Directive (the “**Guidelines**”). Each of the Directors, together with the Compliance Officer and the Risk Officer (the “**identified staff**”) will be subject to the Remuneration Policy.

The key tenets of the Remuneration Policy are that any Directors who are also associates of an AMX entity will not be remunerated for their services to the Manager.

In addition the Directors’ remuneration will be outlined in a services agreement and the level of remuneration will be reviewed annually by the Directors collectively, taking into account market rates and the level of risk and complexity of the Manager. The Directors’ remuneration is not dependent on the performance of the Sub-Funds.

The Manager believes that the proposed Remuneration Policy is in line with the strategy, objectives, values and interests of the Manager, the CCF, the Sub-Funds and the Unitholders and includes measures to avoid conflicts of interest. In particular, the Remuneration Policy provides that the remuneration of the identified staff should not contain any variable or performance related element and accordingly it promotes sound and effective risk management.

Furthermore, the Portfolio Managers (being the only entities to which portfolio management activities are delegated by the Manager) are subject to regulatory requirements on remuneration that are equally as effective as those applicable under the Guidelines or are subject to appropriate contractual arrangements in order to ensure that there is no circumvention of the remuneration rules set out in the present guidelines.

Details of the up-to-date remuneration policy of the Manager (including, but not limited to: (i) a description of how remuneration and benefits are calculated; (ii) the identities of persons responsible for awarding the remuneration and benefits; and (iii) the composition of the remuneration committee, where such a committee exists) will be available by means of a website <https://theamx.com/> and a paper copy will be made available to Unitholders free of charge upon request.

### *Benchmarks Regulation*

Pursuant to Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the “**Benchmarks Regulation**”), where a benchmark is used by a Sub-Fund within the meaning of the Benchmarks Regulation, the Manager is required to produce and maintain a robust written plan setting out the actions that it would take in the event that such a benchmark materially changes or ceases to be provided. The Manager shall comply with its obligations under the Benchmarks Regulation and further information on the written plan is available on request.

### **The Administrator**

Northern Trust International Fund Administration Services (Ireland) Limited has been appointed by the Manager to act as administrator, registrar and transfer agent under the terms of the Administration Agreement.

The Administrator is a private limited liability company incorporated in Ireland on 15 June 1990 and is an indirect wholly owned subsidiary of Northern Trust Corporation. Northern Trust Corporation and its subsidiaries comprise the Northern Trust Group, one of the world’s leading providers of global custody and administration services to institutional and personal investors. As at 30 June 2019, the Northern Trust Group’s assets under custody and administration totalled in excess of US\$11.3 trillion. The principal business activity of the Administrator is the administration of collective investment schemes.

The duties and functions of the Administrator include, inter alia, the calculation of the Net Asset Value and the Net Asset Value per Unit, the keeping of all relevant records in relation to the CCF as may be required with respect to the obligations assumed by it pursuant to the Administration Agreement, the preparation and maintenance of the CCF’s books and accounts, liaising with the auditors in relation to the audit of the financial statements of the CCF and the provision of certain Unitholder registration and transfer agency services in respect of Units of each Sub-Fund.

The Administrator is not involved directly or indirectly with the business affairs, organisation, sponsorship or management of the Manager or the CCF and is not responsible for the preparation of this Prospectus other than the preparation of the above description and accepts no responsibility or liability for any information contained in this Prospectus except disclosures relating to it.

As at the date of this Prospectus, the Administrator is not aware of any conflicts of interest in respect of its appointment as administrator to the CCF. If a conflict of interest arises, the Administrator will ensure it is addressed in accordance with the Administration Agreement and in the best interests of the Unitholders.

### **The Depositary**

The Manager has appointed Northern Trust Fiduciary Services (Ireland) Limited to act as the depositary to the CCF. The Depositary is a private limited liability company incorporated in Ireland on 5 July 1990. Its main activity is the provision of custodial services to collective investment schemes. The Depositary is an indirect wholly-owned subsidiary of Northern Trust Corporation. Northern Trust Corporation and its subsidiaries comprise the Northern Trust Group, one of the world’s leading providers of global custody and administration services to institutional and personal

investors. As at 30 June 2019, the Northern Trust Group's assets under custody and administration totalled in excess of US\$11.3 trillion.

The Depositary is responsible for providing safe custody, oversight and asset verification services for all of the CCF's assets which are held under the control of the Depositary in a segregated account in the name of the Manager on behalf of the CCF or CCF and therefore, not available to the creditors of the Depositary, in the event of its insolvency. Pursuant to the UCITS Regulations, the Depositary, in respect of the CCF, shall, inter alia, monitor and verify the CCF's cash flows, custody all of the CCF's financial instruments that are capable of being held in custody and shall perform verification and record keeping services in respect of the CCF's other assets.

Up-to-date information on: the identity of the Depositary; a description of the Depositary's duties; a description of any conflicts of interest that may arise in the context of the appointment of the Depositary; and a description of any safekeeping functions delegated by the Depositary, the list of delegates and sub-delegates and any conflicts of interest that may arise from such delegation will be made available to investors upon request.

#### *Conflicts of Interest related to the Depositary*

Pursuant to the UCITS Regulations the Depositary must act in accordance with the best interests of the Unitholders of the CCF.

Potential conflicts of interest may arise as between the CCF, the Manager and the Depositary in circumstances, where in addition to providing depositary services to the CCF, the Depositary or its affiliates may also provide other services on a commercial basis to the CCF including administration and transfer agency services, currency hedging services as well as acting as counterparty to OTC transactions and providing credit facility arrangements.

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

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

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

Under the terms of the Depositary Agreement, the Depositary may delegate its safekeeping obligations provided that (i) the services are not delegated with the intention of avoiding the requirements of the UCITS Regulations, (ii) the Depositary can demonstrate that there is an objective reason for the delegation and (iii) the Depositary has exercised all due, skill, care and diligence in the selection and appointment of any third party to whom it wants to delegate parts of the services, and keeps exercising all due skill, care and diligence in the periodic review and ongoing monitoring of any third party to whom it has delegated parts of its safekeeping services and of the arrangements of the third party in respect of the matters delegated to it. The liability of the Depositary will not be affected by virtue of any such delegation. The Depositary has delegated to its global sub-custodian,

The Northern Trust Company, London branch, responsibility for the safekeeping of the CCF's financial instruments and cash. The global sub-custodian proposes to further delegate these responsibilities to sub-delegates, the identities of which are set forth in Schedule 5, and an up-to-date list of the Depositary's sub-custodians will be available to the Unitholders upon request.

The Depositary Agreement provides that the Depositary shall be liable, (i) in respect of a loss of a financial instrument held in its custody (or that of its duly appointed delegate) unless it can prove that the loss has arisen as a result of an external event beyond the Depositary's reasonable control, the consequences of which would have been unavoidable despite all reasonable measures to the contrary, and (ii) in respect of all other losses as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the UCITS Regulations.

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

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

### **The Distributors and Other Parties**

The Manager may, from time to time, appoint distributors, sub-distributors, paying agents, representative agents, facilities agents, information agents or other entities in the context of the distribution, placement or marketing of Units.

Although it is intended that the Manager shall bear the costs of any distribution fees out of the Management Fee, the fees and expenses of sub-distributors, paying agents, representative agents, facilities agents, information agents or such other entities appointed to market, distribute or place the Units of a Sub-Fund shall, where those fees and expenses are to be borne by the Sub-Fund in question, be at normal commercial rates.

Local regulations in EEA countries may require the appointment of paying agents and the maintenance of accounts by such agents through which subscriptions and redemption monies may be paid. Investors who choose, or are obliged under local regulations to pay or receive subscription or redemption monies via an intermediary entity rather than directly to or from the Depositary (e.g. a sub-distributor or agent in the local jurisdiction) bear a credit risk against that intermediate entity with respect to (i) subscription monies prior to the transmission of such monies to the Depositary for the account of the relevant Sub-Fund, and (ii) redemption monies payable by such intermediate entity to the relevant investor.

### **Data Protection Information**

Prospective investors should note that by completing the application form they are providing personal information to the Manager and/or the Administrator, which may constitute personal data within the meaning of Data Protection Law. This personal data will be kept only for as long as necessary and used for the purposes of client identification, administration, updating the Manager's records for fee billing, to monitor and record calls and electronic communications for quality, business analysis, training, investigation and fraud prevention purposes, for crime detection,

prevention, investigation and prosecution and to enforce or defend the Manager's, the Administrator's or Depositary's rights directly or through third parties to whom either the Manager, Administrator or Depositary delegates such rights or responsibilities, statistical analysis, market research, and to comply with any applicable legal or regulatory requirements, such as anti-money laundering checks and related actions which the Manager, the Administrator or the Depositary considers necessary to meet any legal obligations. The Manager and the Administrator will retain your personal information for the duration of your investment in the CCF and for as long as is required for the Manager or the Administrator to perform the services or perform investigations in relation to same depending on whether additional legal/regulatory obligations mandate that the Manager retains your personal information. Data may be disclosed to third parties including regulatory bodies, tax authorities in accordance with the CRS and any other tax reporting obligations under legislation or regulation, delegates, advisers and service providers of the CCF and their or the Manager's duly authorised agents and any of their respective related, associated or affiliated companies wherever located (including outside the EEA) for the purposes specified. Investors have the following rights in respect of their personal data kept by the Manager, the Administrator or the Depositary: the right to access their personal information, the right to rectify their personal information, the right to restrict the use of their personal information, the right to request that their personal information is erased, the right to object to processing of their personal information and the right to data portability (in certain specific circumstances as set out in more detail in the application form).

## **SUBSCRIPTIONS, TRANSFERS AND REDEMPTIONS**

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*The discussion below relates to subscription, transfer and redemption terms applicable to the Sub-Funds.*

The Directors shall, before the initial offer of Units in any Sub-Fund, determine the terms on which such Units will be issued, details of which will be as set out in the applicable Supplement.

After the relevant Closing Date for each Sub-Fund, the CCF may offer Units in each Sub-Fund on each Subscription Date at an issue price equal to the Net Asset Value per Unit of the relevant Sub-Fund on each Valuation Date, subject to an Equalisation Amount (as defined below), if any. Where the amount subscribed for Units is not equivalent to an exact number of Units, fractions of Units may be issued up to four decimal places.

Dealing in each Sub-Fund is on a forward pricing basis. A forward price is the price calculated at the next Valuation Point of the Sub-Fund after the subscription, redemption or transfer of Units is agreed.

The subscription procedures for each Sub-Fund are set out in the applicable Supplement.

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

It is the responsibility of each Unitholder to verify that it is permitted to own Units and to ensure that the Units held at no time be held by it for the account of benefit of any person prohibited from owning such Units.

Each Unitholder must complete an application form (available from the Administrator) and send it by post, delivery, fax or such other electronic means as agreed with the Administrator (with the original form and supporting documentation in relation to anti-money laundering checks to follow promptly by post, where required) to the Administrator by the relevant subscription dealing deadline set out in the applicable Supplement.

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

The Administrator reserves the right to request such information as is necessary to verify the identity, address and source of funds of the applicant. This information may also include details as to the tax residency of an applicant together with relevant documentary evidence. Investors should refer to the anti-money laundering requirements within the application form. Depending on the circumstances of each application, a detailed verification of the source of funds might not be required where the application is made through a recognised intermediary (and in such cases, a due diligence check and verification of funds will be carried out by the intermediary itself). These exceptions will only apply if the financial institution or intermediary referred to above is located within a country recognised in Ireland as having equivalent anti-money laundering regulations or satisfies other applicable conditions. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Administrator or the Directors may refuse to accept the application and all subscription monies. The Administrator may also refuse to process redemption or pay out redemption proceeds if any requested information is not received.

The Administrator will notify applicants if additional proof of identity is required. In the case of corporate applicants, this may require production of certified copies of all documentation including the certificate of incorporation (and any change of name), bye-laws, memorandum and articles of association (or equivalent), and an authorised signatories list together with the names, occupations, residential and business addresses and dates of birth of all directors, beneficial owners and authorised signatories. Detailed verification of directors' and substantial beneficial owners' identity and address may also be required.

Notwithstanding the foregoing, the Administrator may process redemption requests absent original application forms and/or supporting documentation provided that the Administrator will not pay out redemption proceeds until such time as the original of the application form used on initial subscription and any other documentation required by the Administrator, including all anti-money laundering and tax documentation is received by the Administrator.

Units will not be issued until such time as the Administrator has received and is satisfied with all the information and documentation required to verify the identity, address, tax status and source of funds of the applicant. This may result in Units being issued on a Subscription Date subsequent to the Subscription Date on which an applicant initially wished to have Units 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 the subscription or pay out redemption proceeds if such information as has been requested by the Administrator has not been provided by the applicant. In addition, the Directors or the Administrator will not pay out redemption proceeds until such time as the original of the application form used on initial subscription and any other documentation required by the Administrator, including all anti-money laundering documentation, is received by the Administrator.

Units will be issued in registered form. A contract note, which will constitute a written confirmation of ownership of the Units to which it relates, will normally be sent to each successful applicant within two Business Days of the determination of the Net Asset Value in respect of the relevant Subscription Date on which the application is being processed. The contract note will detail the number of Units to which it relates, the series of Units to which it relates, the Sub-Fund to which it relates and the price at which the Units have been issued. Unit certificates will not be issued. No Units will be issued to investors if they subscribe for less than the Minimum Initial Subscription (or such other minimum amount as the Directors have in their absolute discretion determined). Investors must re-submit their application along with the Minimum Initial Subscription (or such other amount as the Directors have in their absolute discretion determined) in those circumstances.

Units will be issued upon: (i) fulfilment of the conditions for acceptable subscriptions; (ii) the provision of all relevant money laundering documentation and tax documentation; and (iii) receipt of cleared funds by the CCF and the Administrator in accordance with the terms and conditions of the Prospectus and Supplements in force at the time of the subscription. Failure by the CCF to receive cleared funds within the relevant time limit as set out in the relevant Supplement will result in the cancellation of the subscription.

Investors will be required to agree to indemnify and hold harmless the CCF, the Manager, AMX UK, the Administrator and the Depository for any losses, costs or expenses incurred by them as a result of the failure or default of the investor to transmit subscription monies in immediately available funds to the account of the CCF within the time specified in the applicable Supplement.

In addition, the Directors or the Administrator will delay processing a redemption request or paying out redemption proceeds until proper information has been provided including any relevant money laundering documentation and such delays could lead to redemption requests being held over to subsequent Redemption Dates. The Directors, the CCF and the Administrator shall be held harmless by the applicant against any loss arising as a result of such delays.

The Directors or the Administrator may, in their absolute discretion, reject any application for Units in full or in part. Amounts paid to the CCF 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, where permitted by applicable law, to the applicant at his/her own risk and expense without interest.

By submitting an application form to the Administrator, an investor makes an offer to subscribe for Units which, once it is accepted by the Manager on behalf of CCF, has the effect of a binding contract. Upon the issue of Units, a prospective investor will become a Unitholder and will be bound by the

terms of the Deed of Constitution. The Deed of Constitution is governed by, and construed in accordance with, the laws of Ireland. Pursuant to its terms, the application form is also governed by, and construed in accordance with, the laws of Ireland. Subject to any indemnities provided by a Unitholder to the CCF or to any other service provider in respect of the CCF, a Unitholder's liability to the CCF will generally be limited to the issue price of the Units for which such Unitholder has agreed to subscribe. A Unitholder's rights in respect of its investment in the CCF are governed by the Deed of Constitution, the Act, the terms set out in this Prospectus, the relevant Supplement and the application form

Statutory enforcement in Ireland of civil or commercial judgments obtained in a foreign jurisdiction is available, subject to satisfying certain conditions, in respect of such judgments originating in other European Union Member States (under Council Regulation (EU) No 1215/2012 of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters and Council Decision 2006/325/EC of 27 April 2006 concerning the Agreement between the European Community and the Kingdom of Denmark on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters) and in respect of such judgments originating in Norway, Iceland or Switzerland (under the Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters signed at Lugano on 30 October 2007 as applied in Ireland by Part IIIA of the Jurisdiction of Courts and Enforcement of Judgments Act 1998 as amended). Additionally, a final and unappealable judgment originating in any other foreign jurisdiction which imposes a liability to pay a liquidated sum will be recognised and enforced in the courts of Ireland at common law, without any re-examination of the merits of the underlying dispute, provided such judgment satisfies certain criteria.

### **Equalisation**

On the purchase of Units in a Sub-Fund, there may be included in the subscription price a sum per Unit which the Manager deems to represent the amount of income of the Sub-Fund accrued but undistributed up to the time of the issue the relevant Units. This sum is known as the "**Equalisation Amount**".

On the first payment of a Gross Income Payment (as defined in the applicable Supplement) in respect of a Unit of a Sub-Fund subject to equalisation, the Unitholder shall receive a Gross Income Payment of the same net amount as the Gross Income Payment paid to other Unitholders in the relevant Sub-Fund, but that Gross Income Payment amount may include a capital sum representing that part of the subscription price of the Units which represents the Equalisation Amount.

Where an investor purchases Units in a Sub-Fund during a Gross Income Period (as defined in the applicable Supplement), that Unitholder should not be entitled to share in the income of the Sub-Fund arising before that Unitholder's acquisition of those Units. However, the purpose of the subscription price reflecting the Equalisation Amount is to ensure that all Unitholders in the Sub-Fund receive the same Gross Income Payment per Unit. Where Units in a Sub-Fund are subject to equalisation, this will be disclosed in the relevant Supplement.

### **In Specie Subscriptions**

The Manager may, in its absolute discretion, accept payment for Units by a transfer in specie of assets, the nature of which shall be within the investment objective, policy and restrictions of the Sub-Fund and the value of which (including the Net Asset Value per Unit, thereof) shall be calculated by the Administrator, having consulted with the Manager, in accordance with the valuation principles governing the Sub-Fund and applicable law. The Directors and the Depositary will also ensure that the number of Units issued in respect of any such in specie transfer will be the same amount which would have fallen to be allotted for settlement in cash. Any prospective investor wishing to subscribe for Units by a transfer in specie of assets will be required to comply with any administrative and other arrangements (including any warranties to the Sub-Fund in relation to the title of such assets being passed to the Depositary, if applicable) for the transfer specified by the Depositary and the



Administrator. The Directors and the Depositary must be satisfied that any such in specie transfer and the terms of the exchange will not be such as are likely to result in any material prejudice to existing Unitholders. No Units shall be issued until the ownership of the securities or other assets shall have been transferred to the Sub-Fund and deposited with, and vested in, the Depositary or its agent to the Depositary's satisfaction.

### **Subscription Fees**

Details in respect of any subscription fee charged by a Sub-Fund shall be set out in the applicable Supplement.

### **Transfers**

Although the transfer of Units is not currently permitted, should the Directors in their absolute discretion determine otherwise, a transfer of Units may only occur with the prior consent of the Directors and where the Directors conclude that such a transfer would not result in a regulatory, pecuniary, legal, taxation or material administrative disadvantage for the CCF or the Unitholders as a whole or in relation to a particular group of Unitholders. Furthermore, the Directors have the ability at any time, without notice to Unitholders, to absolutely prohibit the transfer of Units within the CCF and/or a particular Sub-Fund and such a prohibition will be reflected within an updated version of this Prospectus.

### **Switching or Conversion of Units**

With the consent of the Directors, a Unitholder may switch or convert Units of one Sub-Fund or series into Units of another Sub-Fund or series or Units of one series within a Sub-Fund into Units of another series within the same Sub-Fund by submitting a switching or conversion request by 5:00 p.m. on the Business Day falling 10 Business Days' notice prior to the relevant Redemption Date to the Administrator in such form as the Administrator may require, subject always to any applicable lock-up periods (as may be provided for within the relevant Supplement) and the Unitholder's full compliance with all subscription and redemption procedures applicable to the relevant Sub-Funds. Conversions will only be accepted where cleared funds and completed application forms (including any documents required in connection with anti-money laundering procedures) have been received in respect of the original subscriptions.

A conversion or switch is effected by arranging for the redemption of Units of one Sub-Fund or one series, converting the redemption proceeds into the currency of another Sub-Fund or series where required, and subscribing for the Units of the other Sub-Fund or series with the redemption proceeds or the proceeds of the currency conversion. No conversion fee will be levied. During the period between the determination of the Net Asset Value applicable to the Units being redeemed and the subscription for Units, the Unitholder will not be the owner of, or be eligible to receive gross income payments with respect to, either the Units which have been redeemed or the Units being acquired.

Conversion will take place in accordance with the following formula:

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

where:

NSH = the number of Units which will be issued in the new Sub-Fund;

OSH = the number of the Units to be converted;

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

SP = the issue price of Units in the new Sub-Fund on that Business Day after adding the subscription fee, if any.

If NSH is not a whole number of Units, the Administrator reserves the right to issue fractional Units in the new Sub-Fund or series or to return the surplus arising to the Unitholder seeking to convert the Units.

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

A conversion or a switch may be adjusted, as appropriate, in order to provide for any accrued recoverable tax amounts applicable to the relevant Unitholder, and such accrued recoverable tax amounts may be transferred to the Unitholder's new holding.

Should the Directors be of the view that a Unitholder is a Restricted Person (as defined below), the Directors may, in their absolute discretion, immediately switch or convert the Units of the relevant Unitholder from one series (the "**Original Series**") into Units of another series within the same Sub-Fund or into a series of Units within another Sub-Fund (the "**New Series**") (a "**Compulsory Switch or Conversion**"). If, after a Compulsory Switch or Conversion has been effected, the relevant Unitholder is no longer deemed to be a Restricted Person and is permitted to hold Units in the Original Series, the relevant Unitholder, with the consent of the Directors, may switch or convert the Units of the New Series back into Units of the Original Series, however, the relevant Unitholder will bear any tax leakage incurred during the time that the Unitholder did not hold Units in the Original Series.

### **Redemptions**

After the relevant Closing Date for each Sub-Fund, the CCF may accept requests for redemptions on each Redemption Date at a price equal to the Net Asset Value per Unit of the relevant Sub-Fund on each relevant Redemption Date.

Redemption requests may be sent by post, delivery, fax or such other electronic means as agreed by the Administrator. No redemption payments will be made until the complete subscription documentation in original form where required has been received by the Administrator (including any documents in connection with anti-money laundering procedures) and the anti-money laundering procedures have been completed. Redemption requests will only be processed on receipt of faxed instructions where payment is made to a bank account on record. Where payment is to be made to a bank account not on record, the redemption request will be accepted by the Administrator if the redemption request is signed by an authorised signatory of the Unitholder. However, the redemption proceeds will not be released to the Unitholder until the bank account on record has been formally amended. In addition, the Administrator or the Directors may refuse to process a redemption request unless proper information has been provided. The Administrator and the Directors shall be held harmless by the applicant against any loss arising as a result of such refusal. Any amendments to a Unitholder's registration details or payment instructions will only be effected upon receipt of original documentation by the Administrator.

Any redemption request provided by a Unitholder will be deemed irrevocable; provided, that the CCF may, in its sole discretion, elect to waive a redemption request or allow a redemption request to be revoked.

Further information in relation to the procedure for redeeming Units will be set out in the applicable Supplement.

## **Redemption Fees**

Details in respect of any redemption fee charged by a Sub-Fund shall be set out in the applicable Supplement.

## **Deferral of Redemptions**

The Manager may, in its absolute discretion, limit the number of Units that can be redeemed on any one Redemption Date to such amount as may be set out in the applicable Supplement. In this event, the limitation will apply *pro rata* so that all Unitholders wishing to have their Units redeemed on that Redemption Date redeem the same proportion of such Units, and Units not redeemed will be carried forward for redemption on the next Redemption Date and all following Redemption Dates (in relation to which the CCF will carry out the same procedure as described herein) until the original request has been satisfied in full. If requests for redemption are so carried forward, the Administrator will inform the Unitholders affected. Where part of a redemption request is carried forward to subsequent Redemption Dates, it will be treated as if it was received on each subsequent Redemption Date, without priority over new redemption requests received on the same Redemption Date.

Further detail in relation to the process for the deferral of redemptions in respect of each Sub-Fund shall be set out in the applicable Supplement.

## **In specie Redemptions**

The Manager may, in their absolute discretion, determine that the payment of redemption proceeds shall be satisfied in whole or in part by the in specie transfer of assets of the relevant Sub-Fund having a value equal to the Net Asset Value of the Units to be redeemed. Such in specie transfers may only be made with the consent of the redeeming Unitholder, unless the redemption request represents 5% or more of the Net Asset Value of the Sub-Fund, in which case the consent of the redeeming Unitholder is not required but the Manager will use its reasonable efforts to, if requested by such Unitholder, sell the assets which have been allocated to satisfy the redemption request, with the costs of the sale of the assets being deducted from the redemption proceeds which are to be remitted to such Unitholder. The Directors and the Depositary must be satisfied that any such in specie redemption and the terms of the exchange will not be such as are likely to result in any material prejudice to existing Unitholders. The allocation of the assets of the Sub-Fund used to satisfy all in specie redemption requests are subject to the approval of the Depositary.

## **Anti-dilution Levy**

The Sub-Fund may suffer a reduction in value as a result of the costs incurred in dealing in its underlying investments and of any spread between the buying and selling prices of such investments. This is known as "dilution". To prevent this and to protect the interests of all Unitholders including potential Unitholders an anti-dilution levy may be charged, which will be for the benefit of the Sub-Fund. Details of any such anti-dilution levy will be set out in the applicable Supplement.

## **Compulsory Redemptions**

The Directors may compulsorily redeem or transfer any holding of Units if it comes to their attention that those Units are being held directly or beneficially by any person who is not entitled to apply for Units as described more fully in the section headed "Investor Restrictions" below. Should the Directors decide to compulsorily redeem or transfer any holding of Units on the basis that those Units are being held directly or beneficially by any person who is not entitled to apply for Units as described more fully in the section headed "Investor Restrictions" below, the Directors may effect the compulsory redemption immediately in their absolute discretion. Furthermore, the Manager may apply the proceeds of such a compulsory redemption in the discharge of any taxation or withholding tax arising as a result of the holding or beneficial ownership of Units by such person including any interest or penalties payable thereon.

The Directors also reserve the right to the compulsory redemption of all Units held by a Unitholder if the aggregate Net Asset Value of the Units held by the Unitholder is less than the Minimum Holding specified in the applicable Supplement. In this regard, prior to any compulsory redemption of Units, the Directors will notify the Unitholder in writing and allow such Unitholder fifteen days, or such other period of time as set out in the applicable Supplement, to purchase additional Units to meet this minimum holding requirement.

The Directors also have the power to compulsorily redeem Units in certain other circumstances, as may be provided for within the Supplement for the relevant Sub-Fund.

### **Withholdings and Deductions**

In the event that the Manager is required to account for tax on a disposal of Units or upon payment of a gross income payment to a Unitholder or in any other circumstances in which a taxation liability arises in connection with a Unitholder's holding of Units, the Manager reserves the right to redeem (and cancel) such number of Units held by a Unitholder as may be necessary to discharge the tax liability arising.

The Manager may, but shall not be obliged to, estimate the value of the cash dividends, tax reclaims and interest which comprise the gross income payments declared or accrued and not yet received by the relevant Sub-Fund as at the relevant Dealing Day, and not include them as part of the redemption proceeds paid to the redeeming Unitholder. Upon actual receipt and reconciliation of such cash dividends, tax reclaims and/or interest, the Manager shall calculate the Unitholder's actual entitlement to such cash dividends and interest as of the Dealing Day applicable to the redemption and make a payment to the Unitholder taking into account the foreign exchange rate applied to such cash dividends or interest when it is received and after deducting any relevant fees, costs, charges and expenses payable by the Unitholder in relation to such cash dividends and interest.

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

Subscriptions, conversions and redemptions for any Sub-Fund will be suspended for as long as the calculation of the Net Asset Value of that Sub-Fund is suspended as more fully described in the section headed "Valuation – Suspension of Valuation". In the case of suspension of dealings in Units, any subscription requests or redemption requests will be dealt with on the next Dealing Day following the end of such suspension period at the Net Asset Value per Unit, unless such a request has been withdrawn in the interim by the relevant Unitholder.

The Directors may alternatively declare a temporary suspension of subscriptions and redemptions from a Sub-Fund during any of the circumstances listed in the section headed "Valuation – Suspension of Valuation", but permit the determination of the Net Asset Value of the relevant Sub-Fund and the Net Asset Value per Unit of any series to continue, provided that such Net Asset Value figures shall not be used as the basis for dealing in Units of that Fund.

### **Investor Restrictions**

Potential investors should note that restrictions apply regarding the types of persons who may invest in the CCF. These restrictions apply in order to comply with the laws and regulations of certain jurisdictions, including Ireland and the United Kingdom.

Investment in the CCF will be limited to those investors who, in the opinion of the Directors, are not Restricted Persons. A "Restricted Person" is a person in respect of whom the Directors have imposed restrictions for the purpose of ensuring that no investment in the CCF is made by any person or persons:

- (i) who is a natural person;

- (ii) whose investment in the CCF may result in a breach of any law or requirement of any country or governmental authority or may result in the CCF or any Sub-Fund incurring a tax liability or suffering a pecuniary disadvantage which the CCF or the relevant Sub-Fund might not otherwise have incurred or suffered;
- (iii) whose holding of Units in a particular series is not permitted by the Supplement in respect of the Sub-Fund;
- (iv) who appears to have breached or falsified representations on subscription documents or if the holding of the Units by such Unitholder is unlawful;
- (v) who does not supply the information, documentation or declarations required (which may include tax documentation or supporting documentation for money laundering prevention) following a request to supply such information, documentation or declarations by the Manager or the Administrator or who lets such information, documentation or declarations lapse and fails to provide the Manager or the Administrator with up-to-date information, documentation or declarations that may be required by the Manager or the Administrator;
- (vi) such that the status, standing or tax residence of the CCF is or may be prejudiced or the CCF (and/or its Unitholders as a whole) may suffer any taxation, legal, pecuniary, fiscal or regulatory disadvantage which it would not otherwise have suffered;
- (vii) any Unitholder whose withholding rate or tax reclaim rate diverges from the other Unitholders in the series of Units due to changes in taxation treaties or domestic exemptions affecting the Unitholder;
- (viii) any person in breach of any restrictions on ownership from time to time specified by the Manager in this Prospectus or in the relevant Supplement;
- (ix) any person who holds less than the Minimum Holding;
- (x) who may cause the assets of a Sub-Fund to be deemed to constitute “plan assets” (as such term is defined under Section 3(42) of ERISA); or
- (xi) who is a United States Person.

The Manager may compulsorily redeem Restricted Persons and may apply the proceeds of such compulsory redemption in the discharge of any taxation or withholding tax arising as a result of the holding or beneficial ownership of Units by such person including any interest or penalties payable thereon.

### **Abusive Trading Practices**

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

### **Umbrella Fund Cash Accounts**

In connection with the processing of subscriptions, redemptions, distributions or other relevant payments to or from investors or Unitholders, the Manager on behalf of the CCF may establish or operate an umbrella fund cash account in accordance with the requirements of the Central Bank. Any

balances on such accounts shall belong to the CCF or the relevant Sub-Fund and are not held on trust on behalf of any investors or Unitholders or any other persons.

Cash subscriptions received in advance of the relevant Dealing Day will be held as an asset of the relevant Sub-Fund in cash in an umbrella fund cash account until the relevant Dealing Day, at which time the Units will be issued and the investor will become a Unitholder in the relevant Sub-Fund. In respect of such subscription proceeds received in advance of the relevant Dealing Day and until such time as the Units have been issued to the investor, in the event of the CCF or the relevant Sub-Fund becoming insolvent, the investor will rank as a general unsecured creditor of the CCF or relevant Sub-Fund in respect of such subscription proceeds.

Should the CCF be unable to issue Units to an investor who has paid the requisite subscription amount to the CCF but has yet to provide the CCF or the Administrator with all requisite information or documentation in order to verify the investor's identity, the Depositary shall ensure that in the event that such subscription proceeds cannot be applied, it will return such subscription proceeds without interest to the relevant investor normally within five working days.

The CCF may temporarily borrow an amount equal to a subscription amount, subject to a Sub-Fund's borrowing limits as set out in the applicable Supplement, and invest the amount borrowed in accordance with the investment objective and policies of the Sub-Fund. Once the required subscription monies have been received, the CCF will use this to repay the borrowings. In the event of any delay in the settlement of the investor's subscription monies, the CCF reserves the right to charge that Unitholder for any interest or other costs incurred by the CCF as a result of this borrowing. If the Unitholder fails to reimburse the CCF for those charges, the CCF will have the right to sell all or part of the investor's holdings of Units in the Sub-Fund in order to meet those charges and/or to pursue that Unitholder for such charges.

In respect of a gross income payment declared and owing to a Unitholder that is unable to be paid for any reason whatsoever, such as, for example, if the relevant Unitholder has not provided the requisite information or documentation to the CCF or the Administrator, such distribution amount will be re-invested in further Units of the relevant Unit series.

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

For information on the risks associated with umbrella fund cash accounts, see "Risks Associated with Umbrella Fund Cash Accounts" in the section entitled "Risk Factors" in this Prospectus.

## VALUATION

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The Net Asset Value of the CCF and of each Sub-Fund or of each series of Units, as the case may be, will be calculated by the Administrator at the relevant Valuation Point for each Valuation Date in accordance with the principles more fully described in the section headed "Valuation Principles" below.

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

Where a Sub-Fund is made up of more than one series of Units, the Net Asset Value of each series of Units will be calculated by determining that part of the Net Asset Value of each Sub-Fund attributable to each such series of Units and dividing this value by the number of Units of that series in issue to the nearest four decimal places to give the Net Asset Value per Unit. Any increase or decrease in the Net Asset Value of each Sub-Fund will be allocated between the Unit series based on their *pro rata* Net Asset Values. The Net Asset Value of Unit series denominated in currencies other than the base currency of a Sub-Fund will be calculated using the relevant exchange rate prevailing at the relevant Valuation Point. The Base Currency of each Sub-Fund will be as set out in the applicable Supplement.

Where series of Units denominated in different currencies are created within a Sub-Fund and currency hedging transactions are entered into in order to hedge any relevant currency exposure, such transactions will be clearly attributable to a specific Unit series. Save as provided for below in circumstances whereby the Directors refuse, in their absolute discretion, to issue Units to an incoming investor (or if the incoming investor is not issued Units for any other reason) after receipt by the Administrator of the CCF of an investor's instruction of investment, the costs and gains/losses of the hedging transactions will accrue solely to the relevant series of Units. This strategy may substantially limit Unitholders of the series of Units from benefiting if the series currency falls against the Base Currency and/or the currency in which the assets of a Sub-Fund are denominated.

In an effort to achieve appropriate currency hedging provisions for incoming investors, currency hedging will be executed upon an investor's instruction of investment, as dictated by the relevant dealing deadlines set out in the applicable Supplement. Although these currency hedging transactions may be executed prior to the Valuation Point, they will not be included in the Net Asset Value calculation in respect of the relevant Dealing Day. Any gains or losses associated with these transactions will be shared by all Unitholders in the relevant Unit series when such gains or losses are accounted for in the following Net Asset Value calculation in the relevant Sub-Fund.

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

## Allocation of Assets and Liabilities

The Deed of Constitution requires the Directors to establish separate Sub-Funds in the following manner:

- (a) the proceeds from the issue of each Unit shall be applied in the books and records of the Sub-Fund established for that Unit, and the assets less the liabilities plus income less expenditure attributable thereto shall be applied to such Sub-Fund subject to the provisions of the Deed of Constitution;
- (b) where any asset is derived from another asset (whether cash or otherwise), the derived asset shall be applied to the same Sub-Fund as the assets from which it was derived and on each revaluation of an asset the increase or diminution in value shall be applied to the relevant Sub-Fund;
- (c) in the case of any asset which the Directors do not consider as attributable to a particular Sub-Fund, the Directors shall have discretion, subject to the approval of the Depositary, to determine the basis upon which any such asset shall be allocated between Sub-Funds and the Directors shall have the power at any time, subject to the approval of the Depositary, to vary such basis provided that the approval of the Depositary shall not be required in any such case where the asset is allocated between all Sub Funds *pro rata* to their Net Asset Values at the time when the allocation is made; and
- (d) the Directors shall have the discretion, subject to the approval of the Depositary, to determine the basis upon which any liability (which, without limitation, may include all operating expenses of the CCF such as stamp duties, taxes, brokerage or other expenses of acquiring and disposing of investments, the fees and expenses of the auditors and legal advisers, the costs of printing and distributing reports, accounts and any prospectus, publishing prices and any relevant registration fees etc.) shall be allocated between the Sub-Funds (including conditions as to the subsequent re-allocation thereof if circumstances so permit) and shall have the power at any time and from time to time to vary such basis, provided that the approval of the Depositary shall not be required in any such case where a liability is allocated between the Sub-Funds *pro rata* to their Net Asset Values.

## Valuation Principles

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

- (1) The Net Asset Value of each Sub-Fund shall be determined and shall be equal to the value as at the relevant Valuation Point of all the assets, less all the liabilities, of that Sub-Fund.
- (2) The assets of the Sub-Fund shall be deemed to include:
  - (a) all cash in hand, on loan or on deposit, or on call including any interest accrued thereon;
  - (b) all bills, demand notes, promissory notes and accounts receivable;
  - (c) all bonds, certificates of deposit, shares, equity securities, units in collective investment schemes debentures, debentures stock, subscription rights, warrants, options, forwards, swaps, other derivatives, and other investments and securities owned and contracted for, (other than rights and securities issued by it);



- (d) all stock and cash dividends and cash distributions which the Directors consider will be received by the CCF in respect of a Sub-Fund but which have not yet been received by it but have been declared payable to stockholders of record on a date before the day as of which the assets are being valued;
  - (e) all interest accrued on any interest-bearing securities forming part of a Sub-Fund;
  - (f) mark-to-market profits on derivatives;
  - (g) all prepaid expenses including dividends receivable by the CCF relating to that Sub-Fund and a proportion of any prepaid expenses relating to the CCF generally, such prepaid expenses to be valued and defined from time to time by the Directors; and
  - (h) all other assets of the Sub-Fund of whatsoever kind and nature.
- (3) The liabilities of a Sub-Fund shall be deemed to include:
- (a) all bills, notes and accounts payable;
  - (b) all expenses payable and/or accrued (the latter on a day to day basis) including but not limited to the fees and expenses incurred by the Depositary and the Manager in the performance of their obligations hereunder;
  - (c) all known liabilities including the amount (if any) of any unpaid distribution declared upon the Units in the Sub-Fund, contractual obligations for the acquisition of investments or other property or for the payment of money and outstanding payments on any Units previously redeemed;
  - (d) an appropriate provision for taxes (other than taxes taken into account as duties and charges) and contingent liabilities as determined from time to time by the Administrator;
  - (e) mark-to market losses on derivatives; and
  - (f) all other liabilities of the Sub-Fund of whatsoever kind and nature except liabilities represented by Unit in the Sub-Fund.

In determining the amount of such liabilities the Administrator may calculate administrative and other expenses of a regular or recurring nature on an estimated figure for yearly or other periods in advance and accrue the same in equal proportions over any such period.

- (4) Any expense or liability of the CCF may be amortised over such period as the Directors (with the approval of the auditors) may determine (and the Directors may at any time and from time to time determine with the approval of the auditors to lengthen or shorten any such period), and the unamortised amount thereof at any time shall also be deemed to be an asset of the CCF.
- (5) Assets shall be valued as follows:
- (a) deposits shall be valued at their nominal amount plus accrued interest from the date on which the same was acquired or made;
  - (b) save as otherwise herein provided, listed securities quoted or dealt in on a Recognised Market shall be valued at the Valuation Point in each case being one of the closing bid, the last bid, the last traded price, the closing mid-market price, the latest mid-market price or the official closing price published by an exchange as may

be deemed appropriate by the Manager (or Portfolio Manager) and set out in the applicable Supplement for each Sub-Fund, on the Recognised Market on which these securities are traded or admitted for trading. If such securities are dealt in on more than one Recognised Market, the relevant Recognised Market will be, in the sole opinion of the Manager, the relevant market which the Manager determines provides the fairest criteria in a value of the relevant security. If, in the sole opinion of the Manager, the dealing price (which will be one of the closing bid, the last bid, the last traded price, the closing mid-market price, the latest mid-market price or the official closing price published by an exchange as may be deemed appropriate by the Manager (or Portfolio Manager) and set out in the applicable Supplement for each Sub-Fund) for the securities, calculated as at the Valuation Point is unavailable or not representative of the value of the securities, or in the context of unlisted securities or securities that are not quoted or dealt in on a Recognised Market, the value will be (i) the probable realisation value, estimated with care and in good faith by the Manager or such competent person(s) as may be appointed by the Manager and approved for the purpose by the Depositary; or (ii) calculated by any other means provided that the valuation is approved by the Depositary. Securities listed or traded on a Recognised Market but acquired at a premium or at a discount outside or off the Recognised Market may be valued taking into account the level of premium or discount at the relevant valuation;

- (c) exchange-traded derivative instruments shall be valued at the settlement price as determined by the market where the exchange-traded derivative is traded. If such settlement price is not available, the value will be (i) the probable realisation value, estimated with care and in good faith by the Manager or such competent person(s) as may be appointed by the Manager and approved for the purpose by the Depositary; or (ii) calculated, by the Manager or such competent person(s) as may be appointed by the Manager and approved for the purpose by the Depositary; or (iii) calculated by any other means provided that the valuation is approved by the Depositary;
- (d) off-exchange derivative contracts shall be valued by the counterparty on a daily basis. The valuation must be approved or verified weekly by a third party who is independent of the counterparty and who is approved for the purpose by the Depositary. An alternative valuation may also be used. Where an alternative valuation is used, the following conditions will be satisfied:
- the Manager will follow international best practice and adhere to the principles on valuation of OTC instruments established by bodies such as the International Organization of Securities Commissions (“IOSCO”) and AIMA;
  - the alternative valuation is that provided by a competent person appointed by the Manager and approved for the purpose by the Depositary or a valuation by any other means provided that the value is approved by the Depositary;
  - the alternative valuation must be reconciled to the counterparty valuation on a monthly basis. Where significant differences arise these must be promptly investigated and explained; and
  - as foreign exchange hedging may be used for the benefit of a particular Unit series within a Sub-Fund, its costs and related liabilities and/or benefits shall be for the account of that Unit series only. Accordingly, such costs and related liabilities and/or benefits will be reflected in the Net Asset Value per Unit for Units of any such Unit series;

- (e) cash shall be valued at face value (together with accrued interest to the relevant Valuation Date);
  - (f) the value of units or shares or other similar participation in any collective investment scheme shall be (i) if listed, quoted or traded on a Recognised Market valued in accordance with paragraph (b) above; or (ii) valued at the latest available net asset value or bid price of the collective investment scheme, as published by the collective investment scheme;
  - (g) where it is not the intention or objective of the Manager to apply amortised cost valuation to the portfolio of a Sub-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 3 months and does not have any specific sensitivity to market parameters, including credit risk. In this regard, where utilised, a review of the amortised cost valuation vis-à-vis market valuation will be carried out in accordance with the requirements of the Central Bank;
  - (h) forward foreign exchange contracts or foreign exchange swaps will be valued in accordance with paragraph (d) above or, alternatively by reference to freely available market quotations. If such freely available market quotations are used, there is no requirement to have such prices independently verified or reconciled on a weekly basis;
  - (i) notwithstanding the foregoing, where at the time of any valuation any asset of the CCF has been realised, or is contracted to be realised (the “**Realised Asset**”), there shall be included in the assets of the CCF in place of such Realised Asset the net amount receivable by the CCF in respect of the Realised Asset. If the amount receivable by the CCF in respect of the Realised Asset is not known exactly then its value shall be the net amount estimated by the Manager or such competent person(s) as may be appointed by the Manager and approved for the purpose by the Depositary;
  - (j) notwithstanding the foregoing, the Manager may, if it deems it necessary, with the approval of the Depositary, permit some other method of valuation to be used for any particular asset if the Manager considers that the alternative method of valuation better reflects the fair value of that asset and the Manager shall clearly document the rationale and methodology of the alternative method of valuation; and
  - (k) the value of an asset may be adjusted by the Manager with the approval of the Depositary where such an adjustment is considered necessary to reflect the fair value in the context of currency, marketability, dealing costs and/or such other considerations as are deemed relevant.
- (6) Pricing services, whether automated or not, of one or more third parties may be engaged to ascertain the value of any investment (in accordance with the valuation provisions set out herein). Pricing services will be selected by the Manager or a delegate of the Manager.
  - (7) Currencies or values in currencies other than in the currency of designation of a particular Sub-Fund shall unless the Directors determine otherwise be converted or translated at the rate which the Manager may consider appropriate having regard (inter alia) to any premium or discount which may be relevant and to costs of exchange into the currency of designation of that Sub-Fund.
  - (8) In calculating the Net Asset Value, the Administrator shall (subject to the general liability standard provided for in the Administration Agreement) not be liable for any loss suffered by

the CCF by reason of any error resulting from any inaccuracy in the information provided by any third party pricing service that the Administrator is directed to use by the CCF.

- (9) In the event that there is an error in the calculation of the Net Asset Value of any Sub-Fund or series of Units which results in a Unitholder receiving proceeds from the Manager, the Manager reserves the right to seek to recover from such Unitholder any excess amount recovered by them or to re-issue a contract note with the correct Net Asset Value of the relevant Sub-Fund or series of Units.

For the avoidance of doubt, the Manager acknowledges that the Administrator has not been retained to act as its external valuer or independent valuation agent.

### **Suspension of Valuation**

The Directors may at any time temporarily suspend the calculation of the Net Asset Value of the CCF or any Sub-Fund during:

- (a) any period during which one or more of a Sub-Fund's investments has suspended the determination of its or their net asset value(s) and/or has suspended redemptions or withdrawals.
- (b) any period when any of the principal markets or stock exchanges on which a substantial part of the investments of the relevant Sub-Fund are quoted is closed, otherwise than for ordinary holidays, or during periods in which dealings thereon are restricted or suspended;
- (c) the existence of any state of affairs which, in the opinion of the Directors, constitutes an emergency as a result of which disposal or valuation of a substantial part of the investments of the relevant Sub-Fund is not reasonably practicable or would be seriously detrimental to the interests of the Unitholders in the relevant Sub-Fund (or any series thereof);
- (d) any breakdown in the means of communication normally employed in determining the value of any portion of the investments of the relevant Sub-Fund or when for any reason the current prices on any market of a substantial part of the investments of the relevant Sub-Fund cannot be promptly and accurately ascertained;
- (e) any period when the transfer of funds involved in the realisation or acquisition of any investments cannot, in the opinion of the Directors, be effected at normal rates of exchange;
- (f) any period when, in the opinion of the Directors, the effect of redemptions, including redemptions for which redemption requests have been received, would materially impair a Fund's ability to operate in pursuit of its objectives, or any of the remaining investors in that Sub-Fund (or any series thereof) would be unfairly and materially disadvantaged or the effect of redemptions would otherwise jeopardise the tax status of that Sub-Fund (or any series thereof);
- (g) subject to the approval of the Directors, during any other such period when, in the opinion of the Manager, disposal of all or part of a Sub-Fund's assets, or determination of the Net Asset Value of the relevant Sub-Fund (or one or more series thereof) would not be reasonable or practicable or would be prejudicial to the investors in that Sub-Fund (or any series thereof) or
- (h) any period when a resolution calling for the termination of the relevant Sub-Fund or the winding up of the CCF has been proposed or the Sub-Fund is otherwise winding down its business.

Any such suspension will be notified to the Central Bank immediately (and in any event within the working day on which such suspension took effect) and shall be notified to the relevant Unitholders

and applicants for Units in such manner as the Directors may deem appropriate if, in the opinion of the Directors, it is likely to exceed fourteen (14) days and any such suspensions will be notified to applicants for Units or Unitholders requesting issue or redemption of Units of the relevant Sub-Fund by the Directors promptly following receipt of an application for such issue or filing of the written request for redemption. Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

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

The latest Net Asset Value per Unit of each Sub-Fund is calculated for each Valuation Point and will be available from the Administrator upon request and will be published on <https://theamx.com/> on each Dealing Day as soon as reasonably practicable. The historical performance of each Sub-Fund will be available from the Administrator upon request. The subscription and redemption prices will be made available promptly to Unitholders on request.

## **FEES AND EXPENSES**

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### **Management Fee**

Under the provisions of the Deed of Constitution, each Sub-Fund or series of Units will pay the Manager a fee in respect of its duties as manager of that Sub-Fund or series of Units. Details of such fees will be as set out in the applicable Supplement. The Manager shall also be entitled to be reimbursed all reasonable out-of-pocket expenses incurred by it in the performance of its duties.

### **Portfolio Management Fee**

Under the provisions of the relevant portfolio management agreement, a Portfolio Manager will be entitled to a portfolio management fee in respect of acting as the portfolio manager to the relevant Sub-Fund. Details of such fees will be as set out in the applicable Supplement. The Portfolio Manager shall also be entitled to be reimbursed all reasonable out-of-pocket expenses incurred by it in the performance of its duties.

### **Administration Fee**

Under the provisions of the Administration Agreement, each Sub-Fund or series of Units will pay the Administrator a fee in respect of its duties as Administrator of that Sub-Fund or series of Units. Details of such fees will be as set out in the applicable Supplement. The Administrator shall also be entitled to be reimbursed all reasonable out-of-pocket expenses incurred by it in the performance of its duties.

### **Depositary Fee**

Under the provisions of the Depositary Agreement, each Sub-Fund or series of Units will pay the Depositary a fee in respect of its duties as Depositary of that Sub-Fund or series of Units. Details of such fees will be as set out in the applicable Supplement. The Depositary shall also be entitled to be repaid out of the assets of each Sub-Fund any transaction charges and sub-Depositary fees, which will be charged at normal commercial rates. The Depositary shall also be entitled to be reimbursed all reasonable out-of-pocket expenses incurred by it in the performance of its duties.

### **Distribution Fee**

The Manager or its affiliates may pay a Distributor (such as AMX UK) a fee in respect of the services provided by the relevant Distributor under their respective distribution agreement. Such fees and all reasonable out-of-pocket expenses incurred by the Distributor in the performance of its duties will be paid out of the management fee or otherwise by the Manager or its affiliates and will not be borne by any Sub-Fund.

### **Establishment Expenses**

The fees and expenses incurred in connection with the establishment of the CCF, the preparation and publication of this Prospectus and all legal costs and out-of-pocket expenses are not expected to exceed €200,000. Such expenses are being amortised on a straight-line basis in the accounts of the CCF over a 48 month period commencing from the 13<sup>th</sup> month of the CCF's establishment, although the Directors may determine to accelerate such amortisation and charge all or part of such expenses after the first 12 months of the CCF's establishment in their discretion. While this is not in accordance with applicable accounting standards generally accepted in Ireland and the UK and may result in the audit opinion on the annual report being qualified in this regard, the Directors believe that such amortisation is fair and equitable to investors.

All Sub-Funds of the CCF will be allocated such portion of the formation expenses of the CCF as the Directors consider fair in the circumstances. Details of the establishment expenses relating to Sub-Funds will be set out in the applicable Supplement.

### **Other Expenses**

The CCF will pay the following costs and expenses:

- (i) all fees and out-of-pocket expenses of any other service provider (other than those specifically listed above or in the applicable Supplement) in respect of the CCF, including, but not limited to, any entity that provides money laundering reporting officer services, administration services in respect of the Central Bank's Online Reporting (ONR) System, VAT services, payroll services, FATCA and/or CRS compliance services, regulatory reporting services, country-specific registration or tax reporting services or GDPR compliance services to the CCF and/or any Sub-Fund (including VAT thereon). Such expenses may include, but are not limited to, transaction charges and all such fees and expenses shall be charged at normal commercial rates;
- (ii) all stamp duty (other than any payable by an applicant for Units or by a Unitholder) or other tax or duty which may be levied or payable from time to time on or in respect of the CCF or on creation or issue of Units or arising in any other circumstance;
- (iii) all fiscal and purchase or fiscal and sale charges arising on any acquisition or disposal of investments;
- (iv) all taxes payable by the CCF in Ireland or elsewhere and to municipal, or other governmental agencies in Ireland, or elsewhere;
- (v) all expenses incurred in relation to the registration of any investments into and transfer of any investments out of the name of the CCF or its nominees or the holding of any investment or the custody of investments and/or title thereto (including bank charges, insurance of documents of title against loss in shipment, transit or otherwise);
- (vi) all expenses incurred in the collection of income of the CCF;
- (vii) all expenses of and incidental to producing, printing and posting or otherwise dispatching the annual accounts of the CCF and/or each Sub-Fund and any report of the Directors, the Manager and/or auditors therewith and notices to Unitholders;
- (viii) all costs and expenses of and incidental to preparing written requests for confirmations or seeking such other confirmations from the Unitholders for the purpose of securing that the CCF conforms to legislation coming into force after the date of the incorporation of the CCF;
- (ix) all charges and expenses incurred before and after registration of the CCF in connection with the registration, operation, authorisation, existence and organisation of the CCF (except any placing commission) and the listing at any time of its series of Units on a stock exchange;
- (x) all broker's commissions and transfer taxes and other expenses chargeable to the CCF in connection with securities transactions to which the CCF is a party;
- (xi) all fees and expenses involved in registering the Manager or the CCF with governmental agencies or any stock exchange to permit or facilitate the sale of any of its Units in particular jurisdictions including the preparation, printing and filing of prospectuses or similar material for use in such jurisdiction and also the fees and expenses of maintaining all such registrations;

- (xii) all taxation payable in respect of the holding of or dealings with or income from the CCF relating to the CCF's property and in respect of allocation and distribution of income to Unitholders other than tax of Unitholders or tax withheld on account of Unitholders' tax liability;
- (xiii) all commissions, stamp duty, value added tax and other costs and expenses of or incidental to any acquisition, holding, settlement, realisation or other dealing in investments, foreign exchange options, financial futures, contracts for differences or any other derivative instruments or the provision of cover or margin therefor or in respect thereof or in connection therewith (including data and systems used for collateral and counterparty management and oversight);
- (xiv) all stationery, printing and postage costs in connection with the preparation and distribution of cheques, warrants, tax certificates, statements, accounts and reports made, issued or despatched pursuant to the Deed of Constitution;
- (xv) the fees and expenses of the auditors (including all professional and accounting fees relating to the ascertainment, payment and claims of tax charges or reliefs on behalf of the CCF), tax and legal advisers (in connection with the Manager's or the CCF's authorisation, regulation, status, registration in any jurisdiction in which the Units are marketed or otherwise sold, financial structure, relations with its Unitholders and other matters), translators and other professional advisers in respect of the Manager or the CCF (including the costs of fee/cost accrual management systems);
- (xvi) all fees and expenses incurred by the CCF, the Manager and/or its affiliates in connection with the management, marketing and advertising of the CCF, including but not limited to, the costs associated with obtaining marketing passports and/or marketing licences, the costs (including any licence fees) associated with the use of benchmarks and indices for performance comparison and other purposes, the costs associated with the investment, risk and liquidity management and regulatory compliance oversight functions in respect of the CCF (including the costs associated with the use of data and analytical systems and tools), the costs associated with investor reporting such as the costs relating to publishing details and prices of the Units and other performance and portfolio information of the CCF in newspapers and other hard copy and electronic publications and formats;
- (xvii) any fees payable by the Manager or the CCF to any regulatory authority in any country or territory, the costs and expenses (including legal, accountancy and other professional charges and printing costs) incurred in meeting on a continuing basis the notification, registration and other requirements of each such regulatory authority, and any fees and expenses of representatives or facilities agents in any such other country or territory;
- (xviii) all fees and costs relating to a scheme of reconstruction and amalgamation (to the extent it has not been agreed that such expenses should be borne by other parties) under which the CCF acquires investments;
- (xix) fees in respect of company secretarial services;
- (xx) all charges or expenses payable by the Manager and any other supplier of services to the Manager or to the CCF (including VAT thereon) as agreed between the Manager and the relevant supplier of services. Such expenses may include, but are not limited to, the fees payable to the Directors (and any associated costs, such as director and officer insurance), the fees and out-of-pocket expenses of the Manager's MLRO and company secretary, the cost of the Manager's professional indemnity insurance or the cost of an ERISA fidelity bond in the context of the Manager acting as the manager to the CCF;
- (xxi) any regulatory fees;



- (xxii) the costs of termination/liquidation of any Sub-Fund and the CCF;
- (xxiii) all regulatory costs and expenses incurred by the CCF or the Manager, including those incurred in preparing applicable regulatory filings; and
- (xxiv) all fees incurred in respect of the preparation of key investor information documents.

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

Any expenses incurred in relation to a particular Sub-Fund will be applied to that Sub-Fund. Expenses incurred in relation to more than one Sub-Fund will be applied across the relevant Sub-Funds in a fair and equitable manner as determined by the Directors in their absolute discretion.

## TAXATION

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The following summary of certain relevant taxation provisions is based on current law and practice and does not constitute legal or tax advice. It does not purport to deal with all the tax consequences applicable to the CCF or to all categories of investors, some of whom may be subject to special rules. Unitholders and potential investors are advised to consult their professional advisers concerning possible taxation or other consequences of purchasing, holding, selling, converting or otherwise disposing of the Units under the laws of their country of incorporation, establishment, citizenship, residence or domicile, and in light of their particular circumstances.

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

Any reference in this Taxation section to the CCF includes references to the Manager of the CCF taking any action on behalf of the CCF.

### Ireland

The Directors have been advised that, on the basis that the CCF is a common contractual fund within the meaning of section 739I(1) of the Taxes Act and certain conditions are met, the taxation position of the CCF and the Unitholders is as set out below.

#### Taxation of the CCF

It is intended that the CCF will be a common contractual fund within the meaning of section 739I of the Taxes Act, being an unincorporated body established by a UCITS management company under which the participants by contractual arrangement participate and share in the property of the collective investment undertaking as co-owners.

On the basis that the CCF is a common contractual fund within the meaning of section 739I of the Taxes Act and the conditions set out below are met, the CCF is not chargeable to Irish tax in respect of relevant profits. The relevant income and gains of the CCF shall be treated as arising, or as the case may be, accruing to each Unitholder in proportion to the value of Units held by that Unitholder, as if the relevant income and relevant gains have arisen or, as the case may be, accrued to the Unitholders in the CCF without passing through the CCF. This tax treatment shall only apply where each of the Units of the CCF:

- (a) is an asset of a pension fund or beneficially owned by a person other than an individual; or
- (b) is held by a custodian or trustee for the benefit of a person other than an individual.

The Directors intend that the CCF will qualify for the above tax treatment and on that basis, the CCF would be transparent for the purposes of Irish tax.

The CCF is required to make an annual statement to the Revenue Commissioners in an electronic format approved by the Revenue Commissioners which, in respect of each year of assessment:

- (a) specifies the total amount of relevant profits arising to the CCF in respect of the Units in the CCF; and
- (b) specifies, in respect of each Unitholder,:

- (i) the name and address of the Unitholder;
- (ii) the amount of the relevant profits to which the Unitholder is entitled; and
- (iii) such other information as the Revenue Commissioners may require.

This statement is required to be filed with the Revenue Commissioners by 28 February of the year following the year of assessment.

### **Taxation of Unitholders**

Distributions, interest or gains derived from securities may be subject to taxes, including withholding taxes imposed by the country of source. The CCF has been constituted by the Directors with the objective that it would be viewed as tax transparent. Provided such transparency is respected, where double taxation treaties apply, those treaties between the countries where the Unitholders and the investments are located will be relevant. Although in some markets domestic withholding tax exemptions may apply. The objective of the Directors is that the CCF may effectively be ignored for double taxation treaty purposes although the Directors make no representations or warranties as to the tax transparency of the CCF or its Sub-Funds in any jurisdictions.

The Unitholders in the CCF may not be able to benefit from a reduction in the rate of withholding tax and may not therefore be able to prevent withholding taxes being deducted or be able to reclaim withholding taxes suffered in particular countries. If this position changes in the future and the application for a higher or lower rate results in an additional payment of tax or repayment to a relevant Sub-Fund the Net Asset Value of the relevant Sub-Fund will not be re-stated and the benefit or the cost will be allocated to the existing Unitholders of the relevant Sub-Fund rateably at the time of the adjustment.

### **Stamp Duty**

No Irish stamp duty will be payable on the issue, transfer or redemption of Units provided that no application for Units or re-purchase or redemption of Units is satisfied by an in specie transfer of Irish situated securities or other properties. Even if such application was satisfied by an in specie transfer of property, held by a pension scheme or charity, to the CCF no stamp duty would be payable where Units in the CCF are issued to be held by or for the benefit of the pension scheme or charity.

### **Capital Acquisitions Tax**

No Irish gift tax or inheritance tax (capital acquisitions tax) liability will arise on a gift or inheritance of Units provided that at the date of the disposition the transferor is neither domiciled nor ordinarily resident in Ireland; and the Units are comprised in the disposition at the date of the gift or inheritance and the valuation date.

### **Taxation outside Ireland**

The tax consequences of any investment can vary considerably from one jurisdiction to another, and ultimately will depend on the tax regime of the jurisdictions within which a person is tax resident. Therefore, the Directors strongly recommend that Unitholders obtain tax advice from an appropriate source in relation to the tax liability arising from the holding of Units in the CCF and any investment returns from those Units.

Distributions, interest and gains (if any) derived from a CCF's securities and other investments may be subject to taxes, including withholding taxes imposed by the country of source. Where the tax transparency of the CCF is respected and double taxation treaties apply, those treaties between the countries where the Unitholders and the investments are located will generally be relevant. See the section Double Taxation Treaties of this Prospectus for further information.

It is the intention of the Directors that the CCF will not be carrying on activities that amount to a trade (as opposed to investment) in the United Kingdom. Even if the CCF were seen as trading in the United Kingdom, it is intended that the affairs of the CCF and the Manager will be arranged such that the conditions of the so-called United Kingdom Investment Manager Exemption will be satisfied. This cannot be guaranteed, however.

### **Tax Reclaims**

Tax reclaims may be filed on behalf of Unitholders and may be recorded in the relevant series by accounting on an accrual basis. Therefore, reclaims may be shared at the time of origination amongst the existing Unitholders in a series of Units. The composition of Unitholders and/or their holdings in the series at the time at which reclaims are paid may change. Tax reclaims may be filed, provided the Unitholders are entitled to the benefits of a double taxation treaty and that transparency is recognised in both the Unitholder's jurisdiction and the jurisdiction of the investments, in accordance with the confirmations received in any tax documentation completed by the Unitholder.

Tax reclaim filings may not be successful, and, in those cases, Unitholders of the relevant series will share the burden of an unsuccessful reclaim. From time to time, tax reclaims may fall below the market or other minimum filing amounts for a Unitholder in the relevant series. Accrued reclaims which are written off will be written off at the Unit series level. The Net Asset Value of the relevant series will not be restated and the cost will be allocated to the existing series Unitholders at the time of the adjustment.

Where a tax authority seeks to collect past tax or reclaim funds which were previously reclaimed on behalf of Unitholders, Unitholders shall indemnify and hold harmless the Directors and the Depositary from any claims, demands, proceedings, liabilities, damages, losses, costs and expenses directly or indirectly suffered or incurred by the CCF or series of Unit. The previous sentence includes, but is not limited to, claims, demands, proceedings, liabilities, damages, losses, costs and expenses related to the Directors's, Depositary's or other delegate's failure to provide correct information to the tax authority or failure to notify either the Unitholders or the tax authority of a change in circumstances.

### **Double Taxation Treaties**

It is intended that the CCF is treated as tax transparent in most or all countries, depending on the type and location of a particular CCF's investments, such that the treaty between the Unitholder's home country and country of investment would generally be applicable. However, this may not be the case for all Unitholders in every country of investment. The Directors also reserves the right not to apply applicable double taxation treaties in practice, for example, in a scenario where the cost of filing treaty claims would outweigh the tax benefit.

Unitholders participating in the same series of Units in a CCF must all be entitled to the same double taxation treaty benefits allowing their unique withholding tax and tax reclaims to be isolated to those eligible to benefit from such treaty benefits. Events which would cause a Unitholder's entitlements to treaty benefits, preferential withholding tax rates, or tax reclaims to diverge from the other Unitholders within the series include:

- (a) lack of valid Unitholder tax documentation for a particular market; and
- (b) divergence of tax treaty rates and domestic exemption applicability between Unitholders.

If a Unitholder fails to timely provide or otherwise lacks valid tax documentation to receive treaty benefits, the Directors, in its discretion, may either redeem the Unitholder's Units from the CCF or exchange the Unitholder's Units in the series for Units in a series where full statutory (i.e., non-treaty) rates of withholding tax are generally applied until valid documentation is received by the Depositary. When an investor's withholding rate or tax reclaim rate diverges from the other

Unitholders in the series due to changes in double tax treaties, domestic exemptions or other relevant law covering the investor, the Directors, in its discretion, may either redeem the Unitholder's Units from the CCF or exchange the investor's Units in a series for Units in a separate series.

### Automatic Exchange of Information for Tax Purposes

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

Under CRS, governments of participating jurisdictions have committed to collect detailed information to be shared with other jurisdictions annually. CRS is implemented in Ireland pursuant to the Returns of Certain Information by Reporting Financial Institutions Regulations 2015, S.I. 583 of 2015, made under Section 891F of the Taxes Act. DAC2 is implemented in Ireland pursuant to the Mandatory Automatic Exchange of Information in the Field of Taxation Regulations of 2015, S.I. No. 609 of 2015 made under Section 891G of the Taxes Act. Pursuant to these Regulations, the CCF will be required to obtain and report to the Revenue Commissioners annually certain financial account and other information for all non-Irish and non-US new and existing accountholders in respect of their Units. The returns are required to be submitted annually by 30 June. The information will include amongst other things, details of the name, address, taxpayer identification number ("**TIN**"), place of residence and, in the case of accountholders who are individuals, the date and place of birth, together with details relating to payments made to accountholders and their holdings. All Unitholders will be required to provide this information and documentation, if applicable, to the CCF and each Unitholder will agree or will be deemed to agree by its subscription for Units or, by its holding of Units, to provide the requisite information and documentation, if applicable, to the CCF, upon request by it or its service providers so that the CCF can comply with its obligations under the CRS.

### FATCA Implementation in Ireland

The FATCA provisions of the US Hiring Incentives to Restore Employment Act were enacted to identify US persons either directly investing outside the US or indirectly earning income inside or outside the US by using foreign entities. The obligations of Irish financial institutions under FATCA are covered by the provisions of the Ireland/US Intergovernmental Agreement ("**IGA**") and the Financial Accounts Reporting (United States of America) Regulations 2014, as amended (the "**Regulations**"). Under the IGA and the Regulations, any Irish financial institutions as defined under the IGA are required to report annually to the Revenue Commissioners details on its US account holders including the name, address and taxpayer identification number ("**TIN**") and certain other details. The CCF, in conjunction with assistance from its service providers where necessary, will endeavour to ensure that it satisfies any obligations imposed on it under the IGA and the Regulations.

The CCF's ability to satisfy its obligations under the IGA and the Regulations will depend on each Unitholder in the CCF, providing the CCF with any information, including information concerning the direct or indirect owners of such Unitholders, that the CCF determines is necessary to satisfy such obligations. Each Unitholder will agree in its application form to provide such information upon request from the CCF. If the CCF fails to satisfy its obligations under the IGA and the Regulations, it may, in certain circumstances, be treated as a Non-participating Financial Institution by the US Tax Authorities and therefore subject to a 30% withholding on its US source income. Unitholders are encouraged to consult with their own tax advisors regarding the possible implications of FATCA on their interest in the CCF.

**THE TAX AND OTHER MATTERS DESCRIBED IN THIS MEMORANDUM DO NOT CONSTITUTE, AND SHOULD NOT BE CONSIDERED AS, LEGAL OR TAX ADVICE TO PROSPECTIVE INVESTORS. PROSPECTIVE INVESTORS SHOULD CONSULT LEGAL AND**

**TAX ADVISORS IN THE COUNTRIES OF THEIR CITIZENSHIP, RESIDENCE AND DOMICILE TO DETERMINE THE POSSIBLE TAX OR OTHER CONSEQUENCES OF PURCHASING, HOLDING AND REDEEMING UNITS UNDER THE LAWS OF THEIR RESPECTIVE JURISDICTIONS.**

## **MATERIAL CONTRACTS**

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

### **The Deed of Constitution**

A summary of the pertinent terms of the Deed of Constitution is contained in the section of this Prospectus entitled "GENERAL INFORMATION" below.

However, specifically with respect to the appointment of the Manager, the Deed of Constitution provides, inter alia, that:

- (a) The Manager will be paid a management fee as set out in the Sub-Fund Supplement. The Manager shall also be entitled to be reimbursed out of the assets of the CCF all reasonable and properly vouched expenses incurred by it in the performance of its duties under the Deed of Constitution.
- (b) The Manager shall without prejudice to any indemnity allowed by law or elsewhere be indemnified out of the assets of the CCF or the relevant Sub-Fund against all claims, demands, losses or damages (including costs and expenses arising therefrom or incidental thereto) which may be made against or suffered by the Manager as a result of or in the course of the proper discharge of the Manager's obligations under the Deed of Constitution otherwise than by reason of any material breach or the Manager's (or any of its employees', agents', sub-contractors', permitted delegates' or affiliates') fraud, negligence, wilful default or bad faith.
- (c) Pursuant to the terms of the Deed of Constitution, the Manager shall so long as the CCF subsists continue to act as the UCITS management company thereof in accordance with the Deed of Constitution which may be terminated by either party giving not less than sixty (60) days prior written notice to the other party thereto. If no new Manager is appointed to the CCF within sixty (60) days of the date of the Manager's notification of its intention to retire, the Manager shall within six months of the expiry of the notice redeem all Units in the CCF and apply to the Central Bank for the revocation of the CCF's authorisation under the Act and shall serve notice of termination of the CCF pursuant to the terms of the Deed of Constitution provided that the Manager will continue to act as Manager until such time as the CCF has been terminated and authorisation of the CCF by the Central Bank has been revoked.
- (d) The Manager for the time being shall be subject to removal by notice in writing given by the Depositary to the Manager forthwith if (i) following the service of written notice, signed by Unitholders holding 50% (50 per cent) of the Units in issue in the CCF requiring the Manager to resign, the Manager has not resigned; (ii) the Manager goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved by the Unitholders) (iii) a receiver is appointed in respect of any of the assets of the Manager; (iv) if the Manager is no longer permitted by the Central Bank to perform its duties or exercise its powers in respect of the CCF; or (v) if an examiner is appointed to the Manager pursuant to Part X of the Companies Act 2014.
- (e) The Manager may retire at any time upon the appointment of a successor with the approval of the Depositary and the Central Bank and with prior notice to the Central Bank, save that the approval of the Depositary shall not be required where the Manager retires in favour of an affiliate or associate of the Manager. The successor to the Manager must be approved by the Central Bank. The Central Bank may replace the Manager under the Act.

## The Administration Agreement

The Manager has appointed the Administrator under the terms of the Administration Agreement to act as administrator, registrar and transfer agent of the CCF and to provide such administration services as set out in the Administration Agreement.

The Administration Agreement provides, inter alia, that:

- (a) In consideration of the services to be performed by the Administrator the Manager out of the assets of the CCF shall pay to the Administrator such fee as may be agreed between the parties from time to time, details of which are set out in the relevant Supplement.
- (b) The Administrator will be liable to the Manager and the CCF or any other person for any loss, damages, liabilities, reasonable costs and expenses whatsoever and howsoever incurred by the Manager, the CCF or any other person to the extent arising from the Administrator's or any of its delegates' or associated companies' breach of agreement, fraud, wilful misconduct, wilful default or negligence. The Administrator shall not be liable for any losses which arise to the extent due to any of the following:-
  - (i) any failure to fulfil a CCF Dependency (as listed in Schedule G of the Administration Agreement) except where such failure arises as a direct result of the Administrator's breach of agreement, fraud, bad faith, recklessness, wilful misconduct, wilful default or negligence;
  - (ii) the Administrator's reliance on information provided to the Administrator by or on behalf of the CCF; and
  - (iii) as a result of the acts or omissions of the Manager or any third party (excluding the Administrator's delegates or agents) whose data or services the Administrator must rely upon in performing its duties under the Administration Agreement except where such loss, liability, tax, interest or penalties arise as a direct result of the Administrator's breach of agreement, fraud, bad faith, recklessness, wilful misconduct, wilful default or negligence.
- (c) The Manager shall, out of the assets of the CCF, indemnify the Administrator, its officers, employees, agents, sub-contractors and representatives (the "Indemnitees") against, and hold them harmless from, any liabilities, tax, interest, losses, claims, costs, damages, penalties, fines or expenses of any kind whatsoever (including reasonable fees and legal expenses) ("Liabilities") that may be imposed on, incurred by or asserted against any of the Indemnitees in connection with or arising out of:
  - (i) the Administrator's proper performance of its services in accordance with the terms of this Administration Agreement provided that the Indemnitees have not acted with negligence or engaged in material breach, fraud, wilful misconduct or wilful default in connection with the Liabilities in question;
  - (ii) any failure to fulfil a CCF dependency (as listed in Schedule G of the Administration Agreement);
  - (iii) the Administrator's reliance on information provided to the Administrator by or on behalf of the CCF or any asset pricing, valuer or market data providers provided that the Indemnitees have not acted with negligence or engaged in material breach, fraud, wilful misconduct or wilful default in connection with the Liabilities in question;



- (iv) any action or omission taken by the Administrator acting reasonably and in good faith in accordance with any proper instructions or other directions upon which the Administrator is authorised to rely under the terms of the Administration Agreement. Furthermore, the Manager shall indemnify the Indemnitees out of the assets of the CCF against any liabilities, losses, claims, costs, damages, penalties, fines or expenses of any kind whatsoever (including reasonable fees and legal expenses) which they may suffer or incur in connection with or arising directly from or as a result of the interception, non-receipt, alteration or corruption of any email communication sent or received by the Administrator and its employees and delegates or otherwise arising in respect of a breach of confidentiality provided that the Indemnitees have not acted with negligence or engaged in material breach, fraud, wilful default or bad faith;
  - (v) the actions or omissions of any broker, dealer, bank, depositary, custodian or other person engaged by the Manager (other than an associated company of the Administrator); and
  - (vi) any claim whether arising out of the investment activities of the CCF or otherwise related to the services of the Administrator, including an action, suit, claim or demand brought or threatened against, or suffered or sustained by the Administrator, by a Unitholder or a person who holds a charge or other security interest over any property comprised in the CCF including but not limited to a claim under an external complaints resolution procedure.
- (d) The Administration Agreement will continue in force until terminated by either party giving to the other not less than ninety (90) days' written notice, however, upon the insolvency of either party or upon the occurrence of certain other events as set out in the Administration Agreement, the Administration Agreement may be terminated by either party with immediate effect.
- (e) The Administration Agreement shall be governed by and construed in accordance with the laws of Ireland and the parties submit to the exclusive jurisdiction of the courts of Ireland.

### **The Depositary Agreement**

The Manager on behalf of the CCF has appointed the Depositary pursuant to the Deed of Constitution and the Depositary Agreement to provide in accordance with the UCITS Directive the depositary services comprising asset verification services, cash-flow monitoring services, custody services and oversight services and such other duties as are imposed on the Depositary pursuant to the Deed of Constitution and the Depositary Agreement.

The Depositary Agreement provides, inter alia, that:

- (a) The Depositary shall be entitled to receive such fees out of the assets of the CCF as may be agreed between the Depositary and the Manager on behalf of the CCF from time to time, details of which are set out in the relevant Supplement.
- (b) The Manager, out of the assets of the CCF, shall also pay or reimburse the Depositary in respect of all reasonable and properly vouched out-of-pocket expenses, as well as the reasonable fees and customary agents' charges paid by the Depositary or its affiliate to any third party sub-custodian which shall be charged at normal commercial rates together with value added tax, if any, thereon.
- (c) The Depositary shall be liable to the CCF and the Unitholders for the loss of financial instruments held in custody by the Depositary or a third party to whom the custody of financial instruments held in custody in accordance with paragraph (4)(a) of Regulation 34 of

the UCITS Regulations has been delegated. In the case of such a loss of a financial instrument held in custody, the Depositary shall return a financial instrument of an identical type or the corresponding amount to the CCF, or the Manager acting on behalf of the CCF without undue delay. The Depositary shall be liable to the CCF and the Unitholders for the loss of assets held in custody by the Depositary pursuant to the terms of the Depositary Agreement.

- (d) The Manager shall indemnify and keep indemnified and hold harmless the Depositary (and each of its directors, officers and employees) out of the assets of the relevant Sub-Fund from and against any and all third party actions, proceedings, claims, costs, demands and expenses which may be brought against suffered or incurred by the Depositary other than in circumstances where the Depositary is liable for (i) the Loss of Financial Instruments held in custody by the Depositary or a third party to whom the custody of Financial Instruments held in custody in accordance with Regulation 34(4)(a) of the UCITS Regulations has been delegated or (ii) losses as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the UCITS Regulations.
- (e) The Depositary Agreement shall continue unless and until terminated by the Manager or the Depositary by a notice in writing to the other party, such termination to take effect not sooner than ninety (90) days after the date of such delivery or posting of the notice, with an additional ninety (90) days if required by the Manager to conclude an orderly transition to a replacement depositary. Upon the insolvency of either party or the occurrence of certain other events, the Depositary Agreement may be terminated by either party with immediate effect. The Manager may terminate the Depositary Agreement at any time with immediate effect in the event that Northern Trust Corporation's long-term credit rating according to Moody's falls below Baa2 or if it considers this to be in the best interest of the Unitholders to do so, or if it is required to do so by the Central Bank. In order to ensure the protection of Unitholders, the termination of the Depositary Agreement by any party pursuant to the foregoing shall not take effect unless and until a successor depositary approved for such purpose by the Central Bank has been appointed by the Manager or the authorisation of the CCF by the Central Bank has been revoked.
- (f) The Depositary Agreement shall be governed by and construed in accordance with the laws of Ireland and the parties submit to the exclusive jurisdiction of the courts of Ireland.

## GENERAL INFORMATION

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### The CCF

The CCF is a Common Contractual Fund and it was established on 18 October 2019 pursuant to the Deed of Constitution. The CCF is established as an umbrella fund with segregated liability between Sub-Funds and is authorised by the Central Bank pursuant to the UCITS Regulations.

### Termination of the Deed of Constitution

The Deed of Constitution shall continue unless and until terminated by the Manager or the Depositary by a notice in writing to the other party, such termination to take effect not sooner than ninety (90) days after the date of such delivery or posting of the notice, with an additional ninety (90) days if required by the Manager to conclude an orderly transition to a replacement depositary. Upon the insolvency of either party or the occurrence of certain other events, the Deed of Constitution may be terminated by either party with immediate effect. The Manager may terminate the Deed of Constitution at any time with immediate effect in the event that Northern Trust Corporation's long-term credit rating according to Moody's falls below Baa2 or if it considers this to be in the best interest of the Unitholders to do so, or if it is required to do so by the Central Bank.

#### *Termination of the CCF or Sub-Funds*

- (a) The CCF or any of its Sub-Funds or series of Units may be terminated by the Manager in its absolute discretion by notice in writing to the Unitholders as hereinafter provided in any of the following events, namely:
- (a) if the Manager determines that the continuation of any CCF, Sub-Fund or series of Units is not economically viable. Unless otherwise stated in the applicable Supplement, it is anticipated that the minimum viable size of each Sub-Fund at any stage is \$100 million or such other lower amount as may be determined by the Directors in their absolute discretion. The process set out in the Deed of Constitution in relation to the termination of Sub-Funds shall be followed where the Directors determine to terminate a Sub-Fund where that Sub-Fund has fallen below its minimum viable size. Where the Directors have determined that a Sub-Fund must reach a minimum viable size within a certain period of time (with such minimum viable size and the corresponding period of time being set out in the Supplement for the relevant Sub-Fund), the Manager on behalf of the Sub-Fund will return any subscriptions to the Unitholders where the minimum viable size is not reached within the relevant period;
  - (b) if the CCF shall cease to be an authorised Common Contractual Fund under the Act or if any of its Sub-Funds or series of Units shall cease to be approved by the Central Bank;
  - (c) if any law shall be passed which renders it illegal or in the reasonable opinion of the Manager impracticable or inadvisable to continue the CCF or any of its Sub-Funds or series of Units ;
  - (d) if within a period of three months from the date of the Manager expressing in writing to the Depositary its desire to retire, a replacement manager shall not have been appointed; or
  - (e) if within a period of three months from the date of the sole remaining Portfolio Manager expressing in writing to the Manager its desire to retire the Manager shall have failed to appoint a new Portfolio Manager.

- (b) Notwithstanding the above, the Manager shall have power upon notice to the Central Bank to close any Sub-Fund by serving not less than thirty days' notice of such closure on the holders of Units in that Sub-Fund.
- (c) After the giving of notice of such termination the Manager shall procure the sale of all investments then remaining in the hands of the Depositary or of the Depositary's nominee as part of the assets and such sale shall be carried out as the Manager and the Depositary think desirable.
- (d) The Manager shall at its discretion procure the distribution to the Unitholders, of all net cash proceeds derived from the realisation of the investments of the relevant Sub-Fund or attributable to the relevant series of Units and any cash then forming part of the relevant Sub-Fund or attributable to the relevant series of Units so far as the same are available for the purpose of such distribution. The cash amount payable to the relevant Unitholder in the context of such a distribution may be adjusted, as appropriate, in order to reflect the accrued recoverable tax amounts attributable to that Unitholder.
- (e) Every such distribution shall be made only after such form of request for payment and receipt as the Manager shall in its absolute discretion require, have been lodged with the Manager, provided that:
  - (i) the Manager acting in good faith, shall be entitled to retain out of any monies held by the Depositary full provision for all reasonable costs, charges, expenses, claims, liabilities and demands relating to the relevant Sub-Fund or series of Units for which the Manager or the Depositary is or may become liable; and
  - (ii) any unclaimed net proceeds or other cash held by the Depositary may at the expiration of twelve months from the date on which the same were payable be paid into court subject to the right of the Depositary to deduct therefrom any expenses it may incur in giving effect to this provision.
- (f) If the CCF or any Sub-Fund shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator or the Manager (where relevant) may, if of the Unitholders responding to a request for confirmation, a simple majority consent, divide among the Unitholders in specie the whole or any part of the assets of the CCF or Sub-Fund, and whether or not the assets shall consist of property of a single kind, and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between the Unitholders. In such circumstances, the Unitholder has the right to instruct the liquidator or Manager (where relevant) to sell such underlying investments on its behalf (the amount that the Unitholder receives after such a sale will be net of all usual sale charges).

*Miscellaneous*

- (g) The Deed of Constitution provides that the sole object of the CCF is the collective investment of its Sub-Funds in property with the aim of spreading risk and giving Unitholders the benefit of the results of the management of its Sub-Funds.
- (h) The assets of the CCF are only invested in investments permitted under the Act and are subject to the restrictions and limits set out in the Act, the UCITS Regulations, in this Prospectus, any relevant Supplement and any derogations permitted by the Central Bank.
- (i) The Manager, on behalf of the CCF, may, with the prior approval of the Central Bank and subject to the Irish Companies Act 2014, form one or more wholly-owned companies (a "Subsidiary" or "Subsidiaries") if the formation of such a Subsidiary is, in the opinion of

the Manager, desirable to the CCF for investment purposes or to enable the CCF to avail of any pecuniary tax or other benefits or to comply with the laws or regulations of any jurisdiction or otherwise for efficient Sub-Fund management.

- (j) No voting rights shall attach to the Units and no meetings of Unitholders shall be held.
- (k) Subject to any limits imposed by the Act and the limits and conditions laid down by the Central Bank or in this Prospectus or any relevant Supplement, the Manager may at any time borrow money for the account of the CCF (including borrowing for the purpose of repurchasing Units) and may mortgage, charge or pledge or instruct the Depositary to mortgage, charge or pledge the undertaking, property and assets of the CCF or any part thereof and to issue debentures, debenture stock, bonds and other securities whether outright or as security for any debt, liability or obligation of the CCF.
- (l) A register in respect of the Sub-Fund listing the Unitholders who have been issued with Units in registered form in the Sub-Fund or any series of Units is to be kept by or under the control of the Manager.
- (m) The inscription of the Unitholder's name in the register of Units evidences such Unitholder's entitlement to such registered Units.
- (n) The CCF is organised in the form of an umbrella fund with segregated liability between Sub-Funds. Each Sub-Fund will have a distinct portfolio of investments. Separate books and records will be maintained for each Sub-Fund. The assets and liabilities attributable to each Sub-Fund established by the Manager will be segregated by the Depositary and there will be no cross-liabilities among the Sub-Funds. Each Sub-Fund will bear its own liabilities.

#### *Modification of the Deed of Constitution*

- (o) The Depositary and the Manager may, with the prior approval of the Central Bank, be entitled by deed supplemental to the Deed of Constitution to modify, alter or add to the provisions of the Deed of Constitution in such manner and to such extent as they may consider necessary or expedient for any purpose other than one which would cause the CCF to cease to be an authorised Common Contractual Fund, provided that, unless the Depositary shall certify in writing that in its opinion such modification, alteration or addition does not materially prejudice the interests of the Unitholders or any of them and does not operate to release the Depositary or the Manager from any responsibility to the Unitholders or unless such modification, alteration or addition shall be required by virtue of legislation, or any regulation made or notice issued by the Central Bank under the Act, no such modification, alteration or addition shall be made unless, of the Unitholders in the CCF (or the relevant Sub-Fund only, if applicable) responding to a request for confirmation, a simple majority of such Unitholders confirm in writing that they consent to such modification, alteration or addition, and provided also that no such modification, alteration or addition shall impose upon any Unitholder any obligation to make any further payment in respect of his Units or to accept any liability in respect thereof.
- (p) The Manager shall, within 21 days of the execution of such supplemental deed, deposit with the Central Bank a copy of the Deed of Constitution as so modified, altered or added to, or containing the said modifications, alterations or additions.

#### **Reports**

The financial year-end of the CCF is 30 September in each year. The annual report of the CCF, incorporating audited financial statements in respect of each Sub-Fund, will be published within four months of the financial year end to which it relates. The first such year-end of the CCF will be 30

September 2020. The financial statements of the CCF will be maintained in the Base Currency. The first report will be made up to 30 September 2020.

Unaudited interim financial reports for the CCF will be made up to 31 March each year and will be published within two months of the date on which such report is made up. The first interim report will be made up to 31 March 2021.

The annual and interim financial reports will be made available to all Unitholders and sent to the Central Bank within four months and two months respectively at the end of the period to which they relate.

### **Documents Available**

Copies of the following documents are available free of charge at the registered office of the Manager and will be sent to Unitholders and prospective investors, free of charge, upon request:

- (a) the Prospectus and any Supplement;
- (b) the Deed of Constitution;
- (c) the most recently published annual or interim reports in respect of the CCF or a Sub-Fund;  
and
- (d) a list of the Sub-Funds that are currently in existence.

In respect of each Sub-Fund, the Manager will also periodically disclose to Unitholders the risk profile of that Sub-Fund(s), along with the risk management system employed by the Manager to manage those risks.

## SCHEDULE 1

### INVESTMENT AND BORROWING RESTRICTIONS

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

#### 1. Investments of the CCF are confined to:-

- (a) Transferable Securities and Money Market Instruments, which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State;
- (b) recently issued Transferable Securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year;
- (c) Money Market Instruments, other than those dealt on a regulated market;
- (d) units of UCITS;
- (e) units of alternative investment funds;
- (f) deposits with credit institutions; and
- (g) FDIs.

#### 2. Investment Restrictions

- (a) A Sub-Fund may invest no more than 10% of its Net Asset Value in Transferable Securities and Money Market Instruments other than those referred to in paragraph 1.
- (b) Subject to paragraph 2, a Sub-Fund shall not invest any more than 10% of its Net Asset Value in securities of the type to which Regulation 68(1)(d) of the UCITS Regulations apply.

Paragraph 1 above does not apply to an investment by a responsible person in certain US securities known as Rule 144 A securities provided that:

- (i) the relevant securities have been issued with an undertaking to register the securities with the U.S. Securities and Exchange Commission within one year of issue; and
  - (ii) the securities are not illiquid securities i.e. they may be realised by a Sub-Fund within seven days at the price, or approximately at the price, at which they are valued by the Sub-Fund.
- (c) A Sub-Fund may invest no more than 10% of its Net Asset Value in Transferable Securities or Money Market Instruments issued by the same body provided that the total value of Transferable Securities or Money Market Instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.
  - (d) The limit of 10% (in (c)) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a Sub-Fund invests more than 5% of its Net Asset Value in these bonds issued by one issuer, the total value of these

investments may not exceed 80% of the Net Asset Value of the Sub-Fund. Such an investment will require the prior approval of the Central Bank.

- (e) The limit of 10% (in (c)) is raised to 35% if the Transferable Securities or Money Market Instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.
- (f) The Transferable Securities and Money Market Instruments referred to in (d) and (e) shall not be taken into account for the purpose of applying the limit of 40% referred to in (c).
- (g) Cash booked in accounts and held as ancillary liquidity shall not exceed:

10% of the Net Asset Value of the Sub-Fund; or

where the cash is booked in an account with the Depository, 20% of the Net Asset Value of the Sub-Fund.

- (h) The risk exposure of a Sub-Fund to a counterparty to an OTC derivative may not exceed 5% of the Net Asset Value of the Sub-Fund.

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

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

- (i) investments in Transferable Securities or Money Market Instruments;
- (ii) deposits; and/or
- (iii) counterparty risk exposures arising from OTC derivatives transactions.

- (j) The limits referred to in (c), (d), (e), (g), (h) and (i) above may not be combined, so that exposure to a single body shall not exceed 35% of the Net Asset Value of a Sub-Fund.
- (k) Group companies are regarded as a single issuer for the purposes of (c), (d), (e), (g), (h) and (i). However, a limit of 20% of the Net Asset Value of a Sub-Fund may be applied to investment in Transferable Securities and Money Market Instruments within the same group.
- (l) A Sub-Fund may invest up to 100% of its Net Asset Value 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 will be drawn from the following list:

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



- Government of India (provided the issues are of investment grade),
- Government of Singapore,
- European Investment Bank,
- European Bank for Reconstruction and Development,
- International Finance Corporation,
- International Monetary Fund,
- Euratom,
- The Asian Development Bank,
- European Central Bank,
- Council of Europe,
- Eurofima,
- African Development Bank,
- International Bank for Reconstruction and Development (The World Bank),
- The Inter-American Development Bank,
- European Union,
- Federal National Mortgage Association (Fannie Mae),
- Federal Home Loan Mortgage Corporation (Freddie Mac),
- Government National Mortgage Association (Ginnie Mae),
- Student Loan Marketing Association (Sallie Mae),
- Federal Home Loan Bank,
- Federal Farm Credit Bank,
- Tennessee Valley Authority, and
- Straight-A Funding LLC.

A Sub-Fund must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of the Net Asset Value of the Sub-Fund.

### **3. Investment in Collective Investment Schemes (“CIS”)**

- (a) A Sub-Fund may not invest more than 20% of its Net Asset Value in any one CIS.
- (b) Investment in alternative investment funds may not, in aggregate, exceed 30% of the Net Asset Value of a Sub-Fund.

- (c) The CIS in which a Sub-Fund invests is prohibited from investing more than 10% of its net assets in other open-ended CIS.
- (d) When a Sub-Fund invests in the units of other CIS that are managed, directly or by delegation, by the Manager or by any other company with which the 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 Sub-Fund's investment in the shares of such other CIS.
- (e) Where by virtue of investment in the units of another investment fund, a responsible person, an investment manager or an investment advisor receives a commission on behalf of the Sub-Fund (including a rebated commission), the responsible person shall ensure that the relevant commission is paid into the property of the Sub-Fund.

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

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

#### **5. General Provisions**

- (a) The CCF or the Manager acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
- (b) A Sub-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 CIS; or
  - (iv) 10% of the Money Market Instruments of any single issuing body.

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

- (c) Paragraphs 5(a) and 5(b) above 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 Sub-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 the Sub-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(c) to 2(k), 3(a), 3(b), 5(a), 5(b), 5(d), 5(e) and 5(f), and provided that where these limits are exceeded, paragraphs 5(e) and 5(f) below are observed; or
- (v) shares held by a Sub-Fund or Sub-Funds in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of Units at Unitholders' request exclusively on their behalf.
- (d) Sub-Funds need not comply with the investment restrictions herein when exercising subscription rights attaching to Transferable Securities or Money Market Instruments which form part of their assets.
- (e) The Central Bank may allow recently authorised Sub-Funds to derogate from the provisions of 2(c) to 2(l), 3(a), 3(b) 4(a) and 4(b) for six months following the date of their authorisation, provided they observe the principle of risk spreading.
- (f) If the limits laid down herein are exceeded for reasons beyond the control of a Sub-Fund, or as a result of the exercise of subscription rights, the Sub-Fund must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Unitholders.
- (g) The CCF may not carry out uncovered sales of:-
  - (i) Transferable Securities;
  - (ii) Money Market Instruments;
  - (iii) units of investment funds; or
  - (iv) FDIs.
- (h) A Sub-Fund may hold ancillary liquid assets.

## **6. Financial Derivative Instruments**

- (a) The Sub-Fund's global exposure relating to FDIs must not exceed its total Net Asset Value;
- (b) Position exposure to the underlying assets of the FDIs, including embedded FDIs in Transferable Securities or Money Market Instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank UCITS Regulations/ Guidance. (This provision does not apply in the case of index based FDIs provided the underlying index is one which meets with the criteria set out in the Central Bank UCITS Regulations);
- (c) The Sub-Fund may invest in FDIs dealt in OTC provided that the counterparties to OTC transactions are institutions subject to prudential supervision and belonging to categories approved by the Central Bank;
- (d) Investments in FDIs are subject to the conditions and limits laid down by the Central Bank.

## SCHEDULE 2

### LIST OF RECOGNISED MARKETS

It is the CCF's intention to seek exposure to countries or regions through investment in companies or instruments that are listed or traded on a stock exchange or market that is located in a jurisdiction other than Ireland. With the exception of permitted investments in unlisted securities, the CCF's investments will be restricted to securities listed or traded on exchanges and markets listed below:-

1. All stock exchanges:-

- In a Member State of the European Union.
- In a Member State of the European Economic Area (EEA) (excluding Liechtenstein)

Iceland

Norway

- In any of the following countries:-

US

Australia

Canada

New Zealand

Japan

Hong Kong

Switzerland

United Kingdom\*

\*If the United Kingdom is no longer deemed to be a Member State of the European Union.

Any stock exchange included on the following list:

Argentina	the stocks exchanges in Buenos Aires, Cordoba, Mendoza, Rosario and La Plata
Bahrain	the stock exchange in Manama
Bangladesh	the Dhaka Stock Exchange
Bermuda	Bermuda Stock Exchange
Botswana	the stock exchange in Serowe
Bosnia and Herzegovina	Sarajevo Stock Exchange
Brazil	the stock exchanges in Sao Paulo, Brasilia, Bahia-Sergipe-Alagoas, Extremo Sul Porto Alegre, Parana Curitiba, Regional Fortaleza, Santos, Pernambuco e Bahia Recife and Rio de Janeiro
Chile	the stock exchange in Santiago

China	the stock exchanges in Shanghai and Shenzhen
Columbia	the stock exchange in Bogota
Croatia	the Zagreb Stock Exchange
Eswatini	Swaziland Stock Exchange
Egypt	the stock exchanges in Cairo and Alexandria
Ghana	the stock exchange in Accra
Hong Kong	the stock exchange in Hong Kong
India	the stock exchanges in Bombay, Madras, Delhi, Ahmedabab, Bangalore, Cochin, Gauhati, Magadh, Pune, Hyderabad, Ludhiana, Uttar Pradesh and Calcutta
Indonesia	the stock exchanges in Jakarta and Surabaya
Israel	the stock exchange in Tel Aviv
Jordan	the stock exchange in Amman
Kazakhstan	Central Asian Stock Exchange and Kazakhstan Stock Exchange
Kenya	the stock exchange in Nairobi
Korea	the stock exchange in Seoul
Kuwait	the stock exchange in Kuwait
Mauritius	the stock exchange in Mauritius
Malaysia	the stock exchange in Kuala Lumpur
Mexico	the stock exchange in Mexico City
Morocco	the stock exchange in Casablanca
Namibia	Namibian Stock Exchange
Nigeria	the stock exchanges in Lagos, Kaduna and Port Harcourt
Oman	Muscat Stock Exchange
Pakistan	Pakistan Stock Exchange Limited
Peru	the stock exchange in Lima
Philippines	the Philippine Stock Exchange
Qatar	the Doha Exchange
Russia	the Moscow Exchange
Saudi Arabia	the stock exchange in Riyadh

Serbia	the Serbian stock exchange
Singapore	the stock exchange in Singapore
South Africa	the stock exchange in Johannesburg
South Korea	Korea Exchange
Sri Lanka	Colombo Stock Exchange
Taiwan	the stock exchange in Taipei
Thailand	the stock exchange in Bangkok
Tunisia	the stock exchange in Tunis
Turkey	the stock exchange in Istanbul
Uganda	Uganda Securities Exchange
Ukraine	Ukrainian Stock Exchange
United Arab Emirates	the Abu Dhabi Exchange
Uruguay	Bolsa de Valores de Montevideo
Venezuela	Caracus Stock Exchange, Maracaibo Stock Exchange
Vietnam	the Stock Trading Center of Viet Nam in Ho Chi Minh City
Zambia	Lusaka Stock Exchange

2. Any market on the following list:

- the market organised by the members of the International Capital Market Association
- NASDAQ
- the over-the-counter market in the U.S. conducted by primary and secondary dealers regulated by the SEC and by FINRA and by banking institutions regulated by the U.S. Comptroller of the Currency
- the Federal Reserve System or Federal Deposit Insurance Corporation
- the market conducted by listed money market institutions as described in the Financial Services Authority publication entitled "The Regulation of the Wholesale Cash and OTC Derivatives Markets": "The Grey Paper" (as amended or revised from time to time)
- the over-the-counter market in Japan regulated by the Securities Dealers Association of Japan
- AIM - the Alternative Investment Market in the UK, regulated by the London Stock Exchange
- the French Market for Titres de Creance Negotiable (over-the-counter market in negotiable debt instruments)

- the over-the-counter market in Canadian Government Bonds regulated by the Investment Dealers Association of Canada
- all futures and options exchanges in a member state of the European Union or a Member State of the European Economic Area (EEA) (excluding Liechtenstein)

These exchanges and markets are listed in accordance with the regulatory criteria defined in the UCITS Regulations. The Central Bank does not issue a list of approved markets.

## SCHEDULE 3

### COLLATERAL POLICY

In the context of EPM techniques and/or the use of FDIs for hedging or investment purposes, collateral may be received from a counterparty for the benefit of the relevant Sub-Fund or posted to a counterparty by or on behalf of the relevant Sub-Fund. Any receipt or posting of collateral by the Sub-Fund will be conducted in accordance with the requirements of the Central Bank and the terms of the CCF's collateral policy outlined below.

A counterparty will provide collateral to a Sub-Fund, where required, so that the Sub-Fund's risk exposure to the counterparty is reduced to the extent required by the Central Bank. The Sub-Fund's net exposure to the counterparty will not exceed 10% of the Net Asset Value of the Sub-Fund (in accordance with regulation 70(1)(c)(i) of the UCITS Regulations). The Sub-Fund may also be required under the terms of the relevant agreement to provide collateral to the counterparty in circumstances when the counterparty has a counterparty credit exposure to the Sub-Fund (e.g. when the value of the relevant contract result in a payable by the Sub-Fund to the counterparty). Collateral movements between a Sub-Fund and the counterparty will be in accordance with the requirements of Regulation (EU) No. 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories ("EMIR") and related rules. Collateral means assets delivered pursuant to the relevant arrangements under the relevant contracts and, in respect of collateral received by a Sub-Fund from the counterparty, which constitute acceptable collateral in accordance with the requirements of the Central Bank.

The types of collateral acceptable for a Sub-Fund shall include: (i) cash; (ii) government or other public securities; (iii) certificates of deposit issued by relevant institutions; (iv) bonds/commercial paper issued by relevant institutions or by non-bank issuers; and (v) equity securities traded on certain stock exchanges.

#### *Collateral – Received by the Sub-Fund*

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

The Manager or its delegate will liaise with the Depositary (and/or any other collateral management service provider as may be appointed from time to time) in order to manage all aspects of the counterparty collateral process. Risks linked to the management of collateral, such as operational and legal risks, shall be identified, managed and mitigated by the CCF's risk management process.

If the relevant Sub-Fund receives collateral for at least 30% of its Net Asset Value it will put in place an appropriate stress testing policy to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to enable the relevant Sub-Fund to assess the liquidity risk attached to the non-cash collateral. The liquidity stress testing policy with respect to non-cash collateral will at least prescribe the following:

- (a) Design of stress test scenario analysis including calibration, certification and sensitivity analysis;
- (b) Empirical approach to impact assessment, including back-testing of liquidity risk estimates;
- (c) Reporting frequency and limit/loss tolerance thresholds; and



- (d) Mitigation actions to reduce loss including haircut policy and gap risk protection.

All assets received by the relevant Sub-Fund in the context of stocklending/repurchase transactions shall be considered as collateral and must comply with the terms of the CCF's collateral policy.

#### *Non-Cash Collateral*

Cash is acceptable as a form of collateral by the Sub-Fund, as is non-cash collateral, provided the non-cash collateral meets the criteria set out below. Additionally, in the event that non-cash collateral consists of government securities of varying maturities, the Sub-Fund will only accept such securities if they do not exhibit high price volatility. Any non-cash collateral will be marked-to-market on a daily basis and subject to daily variation margin movements.

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

*Valuation* - collateral that is received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place. Any non-cash collateral will be marked-to-market on a daily basis and subject to daily variation margin movements.

*Issuer Credit Quality* - collateral received should be of high quality. The Portfolio 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 Portfolio 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 Portfolio Manager without delay. Rating services are not regarded as an unimpeachable source for assessing credit quality any more than a broker's recommendation on a stock is necessarily correct.

*Correlation* - collateral received should be issued by an entity that is independent from the counterparty. There are reasonable grounds for the Portfolio Manager to expect that it would not display a high correlation with the performance of the counterparty.

*Diversification (asset concentration)* - collateral should be sufficiently diversified in terms of country, markets and issuers in accordance with Schedule 3 of the Central Bank UCITS Regulations. When the Sub-Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the relevant exposure limit to a single issuer. A Sub-Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, local authority, third country or public international body drawn from the list of issuers. The Fund will receive securities from at least 6 different issues, but securities from any single issue will not account for more than 30% of the Sub-Fund's Net Asset Value and the Sub-Fund can accept more than 20% of its Net Asset Value as collateral from those entities listed at Part 2(l) of Schedule 1 of this Prospectus. In accordance with the Central Bank UCITS Regulations, invested cash collateral should be diversified in accordance with the diversification requirement applicable to non-cash collateral. Invested cash collateral may not be placed on deposit with the counterparty or a related entity.

*Immediately Available* - collateral received should be capable of being fully enforced by the Sub-Fund at any time without reference to or approval from the counterparty.

*Safekeeping* - collateral received on a legal title transfer basis, in the form of a financial instrument that fulfils the criteria of Article 12 of Commission Delegated Regulation (EU) 2016/438 of 17 December 2015 supplementing Directive 2009/65/EC (as amended), will be held by the Depositary (or sub-

custodian thereof). However, where the Sub-Fund receives collateral on any basis other than under a legal title transfer, even where the collateral is in the form of financial instruments, the Manager shall ensure that such collateral is held by a third party depository (i.e. an entity outside the remit of the Depository) which is subject to prudential supervision and is unrelated and unconnected to the provider of the collateral

*Haircuts* - The Manager (or its delegate), on behalf of the Sub-Fund, shall apply suitably conservative haircuts or discounts to the market value of assets being received as collateral where appropriate on the basis of an assessment of the characteristics of the assets such as the credit standing or the price volatility, as well as the outcome of any stress tests performed as referred to above. The Manager has determined that generally if issuer or issue credit quality of the collateral is not of a very high quality or the collateral carries a significant level of price volatility, a conservative haircut must be applied in accordance with the CCF's haircut policy. However, the application of such a haircut will be determined on a case by case basis. The Manager, on behalf of the CCF, in its discretion, may accept certain collateral with more conservative, less conservative or no haircuts applied in accordance with its haircut policy.

Non-cash collateral cannot be sold, pledged or re-invested.

#### *Cash Collateral*

Cash collateral received by a Sub-Fund may not be invested other than in the following:

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

Any re-investment of cash collateral shall be diversified in accordance with the requirements of the Central Bank. Re-invested cash collateral exposes the Sub-Funds to certain risks such as the risk of a failure or default of the issuer of the relevant security in which the cash collateral has been invested. Investors should consult the "Risk Factors" of the Prospectus for information on counterparty risk and broker credit risk in this regard.

#### *Collateral – Posted by the Sub-Fund*

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

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

## SCHEDULE 4

### FINANCIAL DERIVATIVE INSTRUMENTS

Subject to the limits and restrictions set out in the UCITS Regulations and the Central Bank UCITS Regulations and the Prospectus, a Sub-Fund may use the FDIs set out below for investment purposes and/or efficient portfolio management purposes and/or hedging purposes. The FDIs utilised by a Sub-Fund and their associated use or uses will be listed in the relevant Supplement for each Sub-Fund. FDIs may be traded on-exchange or over-the-counter (“OTC”). All short positions will only be generated synthetically using FDIs.

Financial Derivative Instruments	
FDI Type and Use*	Description
<p><b><u>Futures</u></b></p> <ul style="list-style-type: none"> <li>• Index Futures.</li> </ul>	<p>Futures are standardised, exchange-traded instruments that oblige the buyer to purchase an asset (or the seller to sell an asset) at a predetermined future date and price. The initial cash outlay is minimal but a Sub-Fund is subjected to the full market variation of the economic exposure of the underlying securities, hence whilst they provide exposure in a cost effective and liquid manner, their use can result in high levels of leverage. (Index futures refer to indices in bonds, equities, CDS, currency and swaps). Index futures may be used to obtain exposure to the components of an equity index in an efficient manner. They enable a Sub-Fund to track an index more efficiently as compared to investment in the underlying components of the index directly.</p>
<p><b><u>Forwards</u></b></p> <ul style="list-style-type: none"> <li>• Currency Forwards; and</li> <li>• Non-deliverable forwards.</li> </ul>	<p>Forwards are used to purchase or sell securities or markets on a specified date at a predetermined price.</p> <p>Currency forwards allow hedging against foreign exchange risk. Currency forwards may be used to efficiently gain exposure to a currency or to mitigate the exchange rate risk between the Base Currency and assets held in other currencies, the Base Currency and Unit series currency or Unit series currency and the currency of the assets.</p> <p>Non-deliverable forwards are non-deliverable forward currency exchange contracts that are cash-settled contracts on a thinly traded or non-convertible currency. The latter currency is specified against a freely convertible, major currency, and the contract is for a fixed amount of the non-convertible currency, on a specified due date, and at an agreed forward rate. At maturity, the daily reference rate is compared with the agreed forward rate, and the difference must be paid in the convertible currency on the value date.</p>
<p><b><u>Swaps</u></b></p>	<p>Swaps provide a convenient vehicle for hedging against market price movements for the terms desired. Also, through Swaps, a</p>

## Financial Derivative Instruments

FDI Type and Use*	Description
	<p>Sub-Fund can gain economic exposure to the underlying market in a cost effective and liquid manner. Swaps are typically OTC financial derivatives in which two counterparties exchange two sets of cash flows that are either pre-specified (Fixed Leg) or contingent on economic variables (Floating Leg) for the period pre-specified or until a termination event happens, as in cases of credit default swaps (“CDS”).</p>
<ul style="list-style-type: none"> <li>• Credit Default Swaps;</li> </ul>	<p>CDS provide a measure of protection against or exposure to defaults of debt issuers. The parties’ obligations depend on whether a credit event has occurred in relation to the reference asset. The credit events are specified in the contract and are intended to identify the occurrence of a significant deterioration in the creditworthiness of the reference asset. On settlement, credit default products may be cash settled or involve the physical delivery of an obligation of the reference entity following a default. The buyer in a CDS contract is obligated to pay the seller a periodic stream of payments over the term of the contract provided that no event of default on an underlying reference asset has occurred. If a credit event occurs, the seller must pay the buyer the full notional value of the reference asset that may have little or no value. A Sub-Fund may also use CDS to take synthetic short or directional positions and may therefore more commonly be used to hedge or efficiently gain exposure to credit risk.</p>
<ul style="list-style-type: none"> <li>• Total Return Swaps;</li> </ul>	<p>A Total Return Swap (“TRS”) is a contract whereby one party agrees to make a series of payments to another party based on the total return of the underlying assets during the specified period. In exchange, the other party to the contract agrees to make a series of payments calculated by reference to an interest rate and/or some other agreed-upon amount. TRS can be used to gain economic exposure to an asset without owning it or taking physical custody of it. A TRS is a highly customizable contract between two counterparties, so the potential underlying assets and maturities are wide-ranging. TRS can be tailored to specific maturities and may extend over long horizons. A Sub-Fund may use TRS to more efficiently take long or short positions in or hedge against changes in a number of economic exposures, such as: securities indices, specific securities prices, interest rates or currency exchange rates. A Sub-Fund deals TRS only with reputable, sizeable institutions that are prudently regulated. Counterparties to TRS dealt in by a Sub-Fund do not have any control or discretion over the composition or management of the Sub-Fund. Risks associated with counterparties are detailed in the section entitled “Risk Factors” in the Prospectus.</p>
<ul style="list-style-type: none"> <li>• Interest Rate Swaps;</li> </ul>	<p>Interest rate swaps are agreements to exchange interest rate cash flows, calculated on a notional principal amount, at specified</p>

## Financial Derivative Instruments

FDI Type and Use*	Description
	<p>times during the life of the swap. Each party's payment obligation is calculated using a different interest rate. The notional principal is never exchanged and is only used to calculate the payments. In a typical interest rate swap one party will pay a floating rate in return for receiving a fixed rate. An interest rate swap may be structured as a coupon swap, where there are regular payments made by both parties at the relevant rates, or a bullet swap, where single lump sum payment is made at the maturity of the swap in return for regular payments during the life of the swap.</p>
<ul style="list-style-type: none"> <li>• Inflation Swaps; and</li> </ul>	<p>Inflation swaps are similar to interest rate swaps, except that the parties generally agree to exchange payments at a fixed rate in return for payments based on inflation over the relevant period. In the case of inflation swaps, which are structured as bullet swaps generally both parties will only make a single lump sum payment on maturity of the swap.</p>
<ul style="list-style-type: none"> <li>• Cross Currency Swaps.</li> </ul>	<p>Cross currency swaps are agreements negotiated between two parties to exchange two different currencies, at specified dates during the life of the swap. There may be a final, interim or initial exchange of the notional amounts. Currency swaps are generally used to manage a Sub-Fund's currency exposure and may also be used as a means of gaining desired currency exposure.</p>
<p><b><u>Options</u></b></p> <ul style="list-style-type: none"> <li>• Currency Options;</li> <li>• Equity Options;</li> <li>• Dividend Options;</li> <li>• Index Options;</li> <li>• Interest Rate Options;</li> <li>• Options on Futures;</li> </ul>	<p>Options are financial derivatives that give the option holder the right but not the obligation to buy (call options) or sell (put options) the underlying asset specified in contract at maturity date (European style) or a set of scheduled dates (Bermudan style) or any time before the maturity date of the contract (American style). Options can be bought or sold on their own or embedded in other financial assets such as a callable bond. Options give the investment manager the opportunity to hedge exposure to underlying financial markets without directly holding the underlying assets. Also, it provides investment managers a way to gain economic exposure to the underlying market in a cost-effective and liquid manner. (Index options refer to indices in bonds, equities, CDS, currency and swaps).</p>
<ul style="list-style-type: none"> <li>• Rights;</li> </ul>	<p>An issue of rights to a company's existing shareholders that entitles them to buy additional shares directly from the company in proportion to their existing holdings, within a fixed time period. In a rights offering, the subscription price at which each share may be purchased is generally at a discount to the current market price. Rights are often transferable, allowing the holder to sell them on the open market in order to take advantage of the</p>

## Financial Derivative Instruments

FDI Type and Use*	Description
	economic gain resulting from the discounted subscription price.
<ul style="list-style-type: none"> <li>Bond Options;</li> </ul>	A bond option is an option (as described above) in which the underlying security is a bond. A bond option gives the holder the right, but not the obligation, to buy (call options) or sell (put options) the underlying bond at maturity date (European style) or at any time before the maturity date (American style) of the contract.
<ul style="list-style-type: none"> <li>CDS Options;</li> </ul>	A CDS option is an option (as described above) in which the underlying instrument is a CDS. A CDS option gives the holder the right, but not the obligation, to buy (call options) or sell (put options) the underlying CDS at maturity date (European style) or at any time before the maturity date (American style) of the contract.
<ul style="list-style-type: none"> <li>Knock-in Barrier Options;</li> </ul>	A knock-in barrier option, like other options, can have a range of underlying assets from which it derives value, but with the caveat that the option does not have value until the underlying asset's price reaches a pre-determined level. Upon reaching the pre-determined level, the option becomes activated and will exist until either the option matures or is exercised.
<ul style="list-style-type: none"> <li>Knock-out Barrier Options; and</li> </ul>	A knock-out barrier option, like other options, can have a range of underlying assets from which it derives value, but with the caveat that the option may be voided if the underlying asset's price reaches a pre-determined level. Once a knock-out option is voided, it can no longer be re-activated.
<ul style="list-style-type: none"> <li>Swaptions.</li> </ul>	A swaption is an option in which the underlying instrument is a swap. A swaption gives the holder the right, but not the obligation, to buy (call options) or sell (put options) the underlying swap at maturity date (European style) or at any time before the maturity date (American style) of the contract.
<b><u>Embedded Derivatives</u></b>	Embedded derivatives are a component of hybrid financial assets with the features of both transferable securities and derivatives. They are used to reduce or transfer risk or can be used to take economic exposure for a Sub-Fund.
<ul style="list-style-type: none"> <li>Convertible Bonds;</li> </ul>	A convertible bond, like traditional bonds, pay interest to the bond holder on a regular scheduled basis and returns the principal value upon maturity. Unlike traditional bonds, however, the holder has the right at certain times during the bond's life to convert the bond holding into a predetermined number of shares of common stock in the issuing company or into cash of equivalent value. Once converted into common stock, the bond is

## Financial Derivative Instruments

FDI Type and Use*	Description
	redeemed and the common stock holder can no longer reconvert back to the original bond. The market value of convertible securities tends to decline as interest rates increase and, conversely, to increase as interest rates decline.
<ul style="list-style-type: none"> <li>• Callable Bond;</li> </ul>	A callable bond is a bond with an embedded call provision, which allows the company issuing the bond to redeem (buy back) the bond at the call price at any time specified in the bond's terms and conditions.
<ul style="list-style-type: none"> <li>• Puttable Bond; and</li> </ul>	A puttable bond is a bond with an embedded put provision, which allows the investor to redeem (re-sell to the issuer) the bond at the put price and in any manner specified within the bond's terms and conditions.
<ul style="list-style-type: none"> <li>• Warrants.</li> </ul>	Warrants are instruments entitling the holder to subscribe for a share, debenture, alternative debenture or government and public security.

## SCHEDULE 5

### LIST OF SUB-CUSTODIANS

The Depositary's global sub-custodian has appointed the following entities as sub-delegates in each of the markets set forth below. This list may be updated from time to time and is available on request in writing from the Depositary. The Depositary does not anticipate that there would be any specific conflicts of interest arising as a result of any delegation to The Northern Trust Company or any of the sub-delegates listed below. The Depositary will notify the Manager of any such conflict should it so arise.

<b>Jurisdiction</b>	<b>Subcustodian</b>	<b>Subcustodian Delegate</b>
<b>Argentina</b>	Citibank N.A., Buenos Aires Branch	
<b>Australia</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Australia Limited
<b>Austria</b>	UniCredit Bank Austria AG	
<b>Bangladesh</b>	Standard Chartered Bank	
<b>Belgium</b>	Deutsche Bank AG	
<b>Bermuda</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Bermuda Limited
<b>Bosnia and Herzegovina (Federation of Bosnia-Herzegovina)</b>	Raiffeisen Bank International AG	Raiffeisen Bank Bosnia DD BiH
<b>Bosnia and Herzegovina (Republic of Srpska)</b>	Raiffeisen Bank International AG	Raiffeisen Bank Bosnia DD BiH
<b>Botswana</b>	Standard Chartered Bank Botswana Limited	
<b>Brazil</b>	Citibank N.A., Brazilian Branch	Citibank Distribuidora de Titulos e Valores Mobiliarios S.A ("DTVM")
<b>Bulgaria</b>	Citibank Europe plc, Bulgaria Branch	
<b>Canada</b>	The Northern Trust Company, Canada	
<b>Canada*</b>	Royal Bank of Canada	
<b>Chile</b>	Citibank N.A.	Banco de Chile
<b>China B Share</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (China) Company Limited
<b>Clearstream</b>	Clearstream Banking S.A.,	
<b>Colombia</b>	Cititrust Columbia S.A. Sociedad Fiduciaria	
<b>Costa Rica</b>	Banco Nacional de Costa Rica	
<b>Croatia</b>	UniCredit Bank Austria AG	Zagrebacka Banka d.d.
<b>Cyprus</b>	Citibank Europe PLC	
<b>Czech Republic</b>	UniCredit Bank Czech Republic and Slovenia, a.s.	
<b>Denmark</b>	Nordea Bank Abp	
<b>Egypt</b>	Citibank N.A., Cairo Branch	
<b>Estonia</b>	Swedbank AS	
<b>Eswatini (formerly Swaziland)</b>	Standard Bank Swaziland Ltd	
<b>Finland</b>	Nordea Bank Abp	
<b>France</b>	The Northern Trust Company	
<b>Germany</b>	Deutsche Bank AG	
<b>Ghana</b>	Standard Chartered Bank Ghana Limited	
<b>Greece</b>	Citibank Europe PLC	



<b>Hong Kong</b>	The Hongkong and Shanghai Banking Corporation Limited	
<b>Hong Kong (Stock Connect Shanghai/Shenshen)</b>	The Hongkong and Shanghai Banking Corporation Limited	
<b>Hungary</b>	UniCredit Bank Hungary Zrt.	
<b>Iceland</b>	Landsbankinn hf	
<b>India</b>	Citibank N.A.	
<b>Indonesia</b>	Standard Chartered Bank	
<b>Ireland</b>	Euroclear UK and Ireland Limited (Northern Trust self-custody)*	
<b>Israel</b>	Bank Leumi Le-Israel B.M.	
<b>Italy</b>	Deutsche Bank SpA	
<b>Japan</b>	The Hongkong and Shanghai Banking Corporation Limited	
<b>Jordan</b>	Standard Chartered Bank	
<b>Kazakhstan</b>	Citibank Kazakhstan JSC	
<b>Kenya</b>	Standard Chartered Bank Kenya Limited	
<b>Kuwait</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
<b>Latvia</b>	Swedbank AS	
<b>Lithuania</b>	AB SEB bankas	
<b>Luxembourg</b>	Euroclear Bank S.A./N.V.	
<b>Malaysia</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Malaysia Berhad
<b>Mauritius</b>	The Hongkong and Shanghai Banking Corporation Limited	
<b>Mexico</b>	Banco Nacional de Mexico S.A. integrante del Grupo Financiero Banamex	
<b>Morocco</b>	Société Générale Marocaine de Banques	
<b>Namibia</b>	Standard Bank Namibia Ltd	
<b>Netherlands</b>	Deutsche Bank AG	
<b>New Zealand</b>	The Hongkong and Shanghai Banking Corporation Limited	
<b>Nigeria</b>	Stanbic IBTC Bank Plc	
<b>Norway</b>	Nordea Bank Abp	
<b>Oman</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Oman S.A.O.G
<b>Pakistan</b>	Citibank N.A., Karachi Branch	
<b>Panama</b>	Citibank N.A., Panama Branch	
<b>Peru</b>	Citibank del Peru S.A.	
<b>Philippines</b>	The Hongkong and Shanghai Banking Corporation Limited	
<b>Poland</b>	Bank Polska Kasa Opieki Spółka Akcyjna,	
<b>Portugal</b>	BNP Paribas Securities Services	
<b>Qatar</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
<b>Romania</b>	Citibank Europe PLC	
<b>Russia</b>	AO Citibank	

<b>Saudi Arabia</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Saudi Arabia
<b>Serbia</b>	UniCredit Bank Austria A.G.	UniCredit Bank Serbia JSC
<b>Singapore</b>	DBS Bank Ltd	
<b>Slovakia</b>	Citibank Europe PLC	
<b>Slovenia</b>	UniCredit Banka Slovenija d.d.	
<b>South Africa</b>	The Standard Bank of South Africa Limited	
<b>South Korea</b>	The Hongkong and Shanghai Banking Corporation Limited	
<b>Spain</b>	Deutsche Bank SAE	
<b>Sri Lanka</b>	Standard Chartered Bank	
<b>Sweden</b>	Svenska Handelsbanken AB (publ)	
<b>Switzerland</b>	Credit Suisse (Switzerland) Ltd	
<b>Taiwan</b>	Bank of Taiwan	
<b>Tanzania</b>	Standard Chartered Bank (Mauritius) Limited	Standard Chartered Bank Tanzania Limited
<b>Thailand</b>	Citibank N.A., Bangkok Branch	
<b>Tunisia</b>	Union Internationale De Banques	
<b>Turkey</b>	Deutsche Bank AG & Deutsche Bank AS	
<b>Uganda</b>	Standard Chartered Bank Uganda Limited	
<b>United Arab Emirates (ADX)</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
<b>United Arab Emirates (DFM)</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
<b>United Arab Emirates (NASDAQ)</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
<b>United Kingdom</b>	Euroclear UK and Ireland Limited (Northern Trust self-custody) J.P. Morgan Chase Bank N.A. London Branch	
<b>United States</b>	The Northern Trust Company	
<b>Uruguay</b>	Banco Itau Uruguay S.A.	
<b>Vietnam</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (Vietnam) Ltd
<b>Zambia</b>	Standard Chartered Bank Zambia PLC	

\*The Royal Bank of Canada serves as Northern Trust's Sub-Custodian for securities not eligible for settlement in Canada's local central securities depository