

**If you are in any doubt about the contents of this Prospectus, the risks involved in investing in the Company or the suitability for you of investment in the Company, you should consult your stock broker, bank manager, solicitor, accountant or other independent financial adviser. Prices of shares in the Company's Sub-Funds may fall as well as rise.**

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**MORI UMBRELLA FUND PLC**

(An open-ended umbrella investment company with variable capital incorporated with limited liability in Ireland under the Companies Act 2014 with registration number 282792 and established as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended and with segregated liability between Sub-Funds.

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**Mori Eastern European Fund  
Mori Ottoman Fund  
Renasset Nigeria Fund  
Renasset Africa ex S.A. Fund**

**Investment Manager**

**MORI CAPITAL MANAGEMENT LIMITED**

Dated 2 August 2016

## PRELIMINARY

**THIS PROSPECTUS MAY BE ISSUED WITH ONE OR MORE SUPPLEMENTS EACH CONTAINING SPECIFIC INFORMATION RELATING TO A PARTICULAR SUB-FUND. THIS PROSPECTUS AND ANY RELEVANT SUPPLEMENT SHOULD BE READ AND CONSTRUED AS ONE DOCUMENT. TO THE EXTENT THAT THERE IS ANY INCONSISTENCY BETWEEN THIS PROSPECTUS AND ANY SUPPLEMENT, THE RELEVANT SUPPLEMENT SHALL PREVAIL.**

*This Prospectus does not constitute, and may not be used for the purposes of, an offer or solicitation to 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 distribution of this Prospectus and the offering of Shares in certain jurisdictions may be restricted and, accordingly, persons into whose possession this Prospectus comes are required to inform themselves about, and to observe, such restrictions. Prospective investors should inform themselves as to (a) the legal requirements within their own jurisdictions for the purchase or holding of Shares, (b) any foreign exchange restrictions which may affect them, and (c) the income and other tax consequences which may apply in their own jurisdictions relevant to the purchase, holding or disposal of Shares.*

*The latest published annual and half yearly reports of the Company will be supplied to the Shareholders free of charge on request and will be available to the public as further described in the section of the Prospectus headed "Report and Accounts".*

*The Directors of the Company, whose names appear under the heading "Management and Administration of the Company", 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) such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.*

***Investors should note that because investments in securities can be volatile and that their value may decline as well as appreciate, there can be no assurance that a Sub-Fund will be able to attain its objective. The price of Shares as well as the income therefrom may fall as well as rise to reflect changes in the Net Asset Value of a Sub-Fund. An investment in a Sub-Fund should only be made by those persons who could sustain a loss on their investment, should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. Authorisation of the Company by the Central Bank does not constitute a warranty as to the performance of the Company and the Central Bank shall not be liable by virtue of its authorisation of the Company, for any default, or for the performance of the Company.***

### **Central Bank Authorisation**

***Mori Umbrella Fund plc (the "Company") is an open-ended umbrella type investment company with variable capital authorised by the Central Bank pursuant to the UCITS Regulations. The authorisation of the Company is not an endorsement or guarantee of the Company by the Central Bank nor is the Central Bank responsible for the contents of this Prospectus. Any representation to the contrary is unauthorised and unlawful.***

### **Selling Restrictions**

*No person has been authorised to issue any advertisement or to give any information, or to make any representations in connection with the offering, placing, subscription or sale of Shares other than those contained in this Prospectus and, if issued, given or made, such advertisement, information or representations must not be relied upon as having been authorised by the Company. Neither the delivery of this Prospectus nor the offer, placement, allotment or issue of any of the Shares shall under any circumstances create any implication or constitute a representation that the information given in this Prospectus is correct as of any time subsequent to the date hereof.*

None of the Shares have been, nor will be, registered under the United States Securities Act of 1933 (the "1933 Act") and, except in a transaction which does not violate the 1933 Act or any other applicable United States securities laws (including without limitation any applicable law of any of the States of the United States), none of the Shares may be directly or indirectly offered or sold in the United States of America, or any of its territories or possessions or areas subject to its jurisdiction, or to or for the benefit of a US Person. Neither the Company nor any Sub-Fund will be registered under the United States Investment Company Act of 1940. None of the Investment Managers or Investment Advisors are a registered investment adviser under the US Investment Advisers Act of 1940, as amended or the Private Fund Investment Advisers Registration Act 2010 and are not obligated to pursue or obtain any such registration with respect to the Company or the Sub-Funds. **Notwithstanding the foregoing prohibition on offers and sales in the United States or to or for the benefit of US Persons, the Company may make a private placement of its Shares to a limited number or category of US Persons.**

### **Russia**

The Shares may only be purchased by persons in Russia who are qualified investors within the meaning of Russian Securities Market Federal Law.

### **Listing on the Irish Stock Exchange**

Application has been made to the Irish Stock Exchange for the Class M EUR shares of Mori Eastern European Fund to be admitted to the Official List and to trading on the Main Securities Market of the Irish Stock Exchange. This Prospectus, including all information required to be disclosed by the Irish Stock Exchange listing requirements and procedures, comprise listing particulars for the purpose of such application. The Class A, B, AA GBP, C EUR and C GBP Shares of Mori Eastern European Fund and the Class A, C USD, C EUR, C GBP and AA GBP Shares of Mori Ottoman Fund are currently listed on the Irish Stock Exchange.

Neither the admission of the Class A, Class B, Class AA GBP, Class C EUR, Class C GBP and Class M EUR shares of Mori Eastern European Fund and the Class A, Class AA GBP, C USD, Class C EUR and Class C GBP shares of Mori Ottoman Fund to the Official List and to trading on the main market of the Irish Stock Exchange nor the approval of the Prospectus pursuant to the listing requirements of the Irish Stock Exchange plc shall constitute a warranty or representation by the Irish Stock Exchange plc as to the competence of service providers to or any other party connected with the Company, the adequacy of information contained in the Prospectus or the suitability of the Company for investment purposes.

The Directors confirm that there has been no significant change in the financial or trading position of the Company since 30 September 2015, the date to which the audited financial statements have been prepared, other than ordinary investments of the Company and its sub-funds.

### **Reliance on this Prospectus**

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

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

*The Company will, on request, provide supplementary information to Shareholders relating to the risk management methods employed including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.*

### **Risk Factors**

*Investors should read and consider the section entitled "Risk Factors" before investing in the Company.*

### **Translations**

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

**Shareholders should note that the investment management fees, or a portion thereof, may be charged to the capital of the Company. Thus, on redemptions of holdings, shareholders may not receive back the full amount invested.**

**Shareholders should also note that where there is not sufficient income or capital gains to cover the fees and expenses of the Company that all/part of such fees and expenses may be charged to the capital of the Company. This may have the effect of lowering the capital value of your investment so that "income" will be achieved by forgoing the potential for future capital growth.**

**As certain of the Sub-Funds of the Company may invest more than 5% of their net assets in warrants, more than 20% in emerging markets or more than 30% in securities below investment grade, an investment in those Sub-Funds should only be made by those persons who could sustain a loss on their investment, should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

### **Redemption Charge**

**The Directors may at their discretion charge a redemption fee of up to 3% of the Net Asset Value per Share of a Share Class. In the event of a redemption fee being charged, Shareholders should view their investment as medium to long-term. It is not the current intention to impose a redemption fee in respect of any Share Class.**

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## **DEFINITIONS**

The following definitions apply throughout this Prospectus unless the context otherwise requires:-

<b>"1933 Act"</b>	the United States Securities Act of 1933, as amended
<b>"Accounting Date"</b>	30 <sup>th</sup> day of September in each year or such other date as the Directors may from time to time decide
<b>"Accounting Period"</b>	a period ending on an Accounting Date and commencing from the end of the last Accounting Period
<b>"Accumulation Shares"</b>	Shares of a Sub-Fund carrying no right to any distribution of income in respect of which any income and capital gains attributable to such Shares is retained within the relevant Fund and reflected in the price of the Shares
<b>"Administration Agreement"</b>	an agreement dated 13 November 2015 as may be amended or supplemented from time to time between the Company and the Administrator
<b>"Administrator"</b>	Northern Trust International Fund Administration Services (Ireland) Limited or any successor company as administrator of the Company's and of each Sub-Fund's affairs
<b>"Africa"</b>	any or all (as the context may require) of Benin, Botswana, Burkina Faso, Cote D'Ivoire (Ivory Coast), Egypt, Ethiopia, Ghana, Guinea Bissau, Kenya, Mali, Malawi, Mauritius, Morocco, Namibia, Niger, Nigeria, Rwanda, Senegal, South Africa, Swaziland, Tanzania, Togo, Tunisia, Uganda, Zambia, Zimbabwe and any other country of Africa as the Investment Manager in its absolute discretion may determine
<b>"African Securities"</b>	equity, equity-related, debt and debt-related securities (including convertible instruments and warrants) wherever issued by: (i) companies located in any country in Africa; (ii) the government of any country within Africa or any of its agencies or instrumentalities or any local government in any such country; and (iii) companies and other entities based outside Africa whose income is primarily derived from or which, as holding companies, hold the predominant portion of their participations in companies located in any or all of such countries; (iv) permitted Financial Derivative Instruments as specified in the "Instruments and Securities" section below
<b>"Application Form"</b>	means the agreement made between the Company and an investor pursuant to the provisions of which the investor agrees to purchase Shares and which is available from the Administrator
<b>"Articles"</b>	the Memorandum and Articles of Association of the Company, as amended from time to time
<b>"Base Currency"</b>	means in relation to any Sub-Fund such currency as is specified in the Prospectus for the relevant Sub-Fund



**"Board" or "Directors"** the board of directors of the Company, including duly authorised committees of the board of directors

**"Business Day"** means any day (except Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business as outlined below for the relevant Sub-Fund:

Mori Eastern European Fund Mori Ottoman Fund	in Dublin
Renasset Nigeria Fund	in Dublin and Nigeria
Renasset Africa ex S.A. Fund	in Dublin and London

**"Central Bank"** the Central Bank of Ireland or any successor thereto

**"Central Bank UCITS Regulations"** means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (S.I. No. 420 of 2015), as may be amended from time to time

**"Class"** a particular class of Shares issued by the Company in a particular Sub-Fund

**"Clearstream"** Clearstream Banking Société Anonyme

**"Closing Date" or "Closing Dates"** such date or dates as may be determined by the Directors and notified to the Central Bank

**"Company"** Mori Umbrella Fund plc

**"Currency Share Class"** means a Class of shares denominated in a currency other than the Base Currency of the relevant Sub-Fund

**"Data Protection Legislation"** means the Data Protection Act, 1988 as amended by the Data Protection (Amendment) Act, 2003

**"Dealing Day"** such day or days in each year as the Directors may from time to time determine for each Sub-Fund and which shall be specified in this Prospectus provided that there shall be at least two Dealing Days in each month

**"Dealing Deadline"** means in relation to applications for subscription or repurchase or conversion of Shares in a Sub-Fund, the dates and times specified for the relevant Sub-Fund in the section entitled "The Shares" of this Prospectus

**"Depository"** means Northern Trust Fiduciary Services (Ireland) Limited or any successor thereto duly appointed as depository of the Company in accordance with the requirements of the Central Bank

**"Depository Agreement"** means the agreement dated 23 June 2016 between the Company and the Depository as amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank

**"Distribution Shares"** Shares of a Sub-Fund in respect of which the net income and capital gains arising may be distributed

<b>"Distribution Period"</b>	the period from one date on which dividends are paid by the Company to the next. This may be annual or shorter where dividends are paid more regularly
<b>"Distributors"</b>	Drakens Capital (Pty) Ltd or any successor entity as distributor of the Shares of Renasset Africa ex S.A. Fund; Mori Capital Management Limited or any successor entity as distributor of the Shares of Mori Eastern European Fund and Mori Ottoman Fund
<b>"Eastern Europe" or "Emerging Europe"</b>	any or all (as the context may require) of Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Croatia, Cyprus, Czech Republic, Estonia, Greece, Hungary, Kazakhstan, Latvia, Lithuania, Macedonia, Moldova, Montenegro, Poland, Romania, the Russian Federation, Serbia, Slovakia, Slovenia, Tajikistan, Turkey, Turkmenistan, Ukraine and Uzbekistan and any other country of Eastern Europe as the Investment Manager in its absolute discretion may determine
<b>"Eastern European Securities" or "Emerging European Securities"</b>	equity, equity-related, debt and debt-related securities (including convertible instruments and warrants) wherever issued by: (i) companies located in any country in Eastern Europe; (ii) the government of any country within Eastern Europe or any of its agencies or instrumentalities or any local government in any such country; (iii) companies and other entities based outside Eastern Europe whose income is primarily derived from or which, as holding companies, hold the predominant portion of their participations in companies located in any or all of such countries; (iv) interests in any collective investment scheme or investment company or similar entity wherever based whose investment policy is principally to invest in such securities, and whether or not such securities are tradable in any country within Eastern Europe by means of either a local stock exchange quotation or other market or over-the-counter trading; and (v) permitted Financial Derivative Instruments as specified in the "Instruments and Securities" section below
<b>"EEA"</b>	European Economic Area – zone of economic cooperation between member states of the European Union (EU) and the European Free Trade Association (EFTA). Current EFTA members are Iceland, Liechtenstein and Norway
<b>"Emerging Markets"</b>	any or all (as the context may require) of Argentina, Brazil, Chile, China, Colombia, Georgia, India, Indonesia, South Korea, Malaysia, Mexico, Peru, Philippines, Qatar, Taiwan, Thailand and the areas described within this prospectus as Eastern Europe, MENA Region, Frontier Markets and Africa
<b>"Euro" "EUR" "€"</b>	the lawful currency of the participating member states of the European Union which have adopted the single currency in accordance with the EC Treaty of Rome dated 25 March

1957 (as amended by the Maastricht Treaty dated 7 February 1992) or any successor currency thereto

**"Euroclear"**

Euroclear Bank SA/N.V., Brussels Office, as operator of the Euroclear system

**"Europe"**

any or all of countries which are members of, or in access negotiations with, European Union and European Economic Area, currently including the following: Austria, Belgium, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, United Kingdom, as well as Switzerland

**"European Securities"**

equity, equity-related, debt and debt-related securities (including convertible instruments and warrants) wherever issued by: (i) companies located in any country in Europe; (ii) the government of any country within Europe or any of its agencies or instrumentalities or any local government in any such country; and (iii) companies and other entities based outside Europe whose income is primarily derived from or which, as holding companies, hold the predominant portion of their participations in companies located in any or all of such countries; (iv) interests in any collective investment scheme or investment company or similar entity wherever based whose investment policy is principally to invest in such securities, and whether or not such securities are tradable in any country within Europe by means of either a local stock exchange quotation or other market or over-the-counter trading; and (v) permitted Financial Derivative Instruments as specified in the "Instruments and Securities" section below

**"Exempt Irish Investor"**

means:

- (1) a Foreign Person;
- (2) an intermediary, including a nominee, for a Foreign Person;
- (3) the Administrator for so long as the Administrator is a qualifying management company within the meaning of section 739B of the Taxes Act;
- (4) a specified company within the meaning of section 734 of the Taxes Act;
- (5) an investment undertaking within the meaning of section 739(B) of the Taxes Act;
- (6) an investment limited partnership within the meaning of section 739J of the Taxes Act;
- (7) an exempt approved scheme or a retirement annuity contract or trust scheme within the provisions of sections 774, 784 or 785 of the Taxes Act;

- (8) a company carrying on life business within the meaning of section 706 of the Taxes Act;
- (9) a special investment scheme within the meaning of section 737 of the Taxes Act;
- (10) a unit trust to which section 731(5)(a) of the Taxes Act applies;
- (11) a charity entitled to an exemption from income tax or corporation tax under section 207(1)(b) of the Taxes Act;
- (12) a person entitled to exemption from income tax and capital gains tax under section 784A(2), section 787I of the Taxes Act or section 848E of the Taxes Act and the units held are assets of an approved retirement fund, an approved minimum retirement fund, a special savings incentive account or a personal retirement savings account (as defined in section 787A of the Taxes Act);
- (13) the Courts Service within the meaning of section 4 of the Courts Service Act, 1998;
- (14) a Credit Union;
- (15) a company within the charge to corporation tax under section 739G(2) of the Taxes Act, but only where the fund is a money market fund;
- (16) a company within the charge to corporation tax under section 110(2) of the Taxes Act;
- (17) the National Asset Management Agency;
- (18) the National Treasury Management Agency or a fund investment vehicle within the meaning of section 739D(6)(kb) of the Taxes Act;
- (19) the National Pensions Reserve Fund Commission or a Commission investment vehicle (within the meaning given by section 2 of the National Pensions Reserve Fund Act 2000 as amended);
- (20) the State acting through the National Pensions Reserve Fund Commission or a Commission investment vehicle within the meaning given by section 2 of the National Pensions Reserve Fund Act 2000 (as amended); and
- (21) any other person as may be approved by the directors from time to time provided the holding of Shares by such person does not result in a potential liability to tax arising to the Company in respect of that Shareholder under Part 27 Chapter 1A of the Taxes Act;

in respect of each of which the appropriate declaration set out in Schedule 2B of the Taxes Act and such other information evidencing such status is in the possession of

the Company on the appropriate date

***“Foreign Person”***

means (i) a person who is neither resident nor ordinarily resident in Ireland for tax purposes who has provided the Company with the appropriate declaration under Schedule 2B of the Taxes Act and the Company is not in possession of any information that would reasonably suggest that the declaration is incorrect or has at any time been incorrect, or (ii) the Company is in possession of written notice of approval from the Revenue Commissioners to the effect that the requirement to have been provided with such declaration is deemed to have been complied with in respect of that person or class of shareholder to which that person belongs, and that approval has not been withdrawn and any conditions to which that approval is subject have been satisfied

***“Frontier Markets”***

means Argentina, Bahrain, Bangladesh, Benin, Bosnia Herzegovina, Botswana, Bulgaria, Burkina Faso, Croatia, Estonia, Ghana, Guinea-Bissau, Ivory Coast, Jamaica, Jordan, Kazakhstan, Kenya, Kuwait, Lebanon, Lithuania, Mali, Mauritius, Morocco, Niger, Nigeria, Oman, Pakistan, Palestine, Romania, Senegal, Serbia, Slovenia, Sri Lanka, Togo, Trinidad and Tobago, Tunisia, Ukraine, Vietnam, Zimbabwe and any country considered a frontier market as the Investment Manager in its absolute discretion may determine

***“GBP”, “£”, “Sterling”***

means the lawful currency of the United Kingdom or any successor currency thereto

***“Global Share Certificate”***

the global share certificate in registered form which will represent the shares in issue in each Sub-Fund which are being cleared through Euroclear or Clearstream

***“Gross Asset Value of a Sub-Fund”***

the Net Asset Value of a Sub-Fund plus the principal amount of any borrowings outstanding in respect of that Sub-Fund

***“Hedged Share Class”***

means a Class whose denominated currency is hedged against the Base Currency of the relevant Sub-Fund

***“Initial Issue Price”***

means the price per Share at which Shares are initially offered in a Sub-Fund or Class during the Initial Offer Period (excluding the Subscription Charge, if any) as specified in the Prospectus

***“Initial Offer Period”***

means the period during which Shares in a Sub-Fund are initially offered at the Initial Issue Price as specified in the Prospectus

***“Intermediary”***

means a person who:

- (a) carries on a business which consists of, or includes, the receipt of payments from an investment undertaking resident in Ireland on behalf of other persons; or
- (b) holds units in an investment undertaking on behalf of other persons

<b>"Investment Adviser"</b>	Drakens Capital (Pty) Ltd or any successor entity as investment advisor to the Investment Manager in respect of the Renasset Africa ex SA Fund and the Renasset Nigeria Fund
<b>"Investment Grade"</b>	securities rated, at the time of purchase, Baa3 or above by Moody's or BBB or above by Standard & Poor's and Fitch or an equivalent rating from another agency
<b>"Investment Manager"</b>	Mori Capital Management Limited or any successor entity as investment manager of the Sub-Funds of the Company
<b>"Investment Management Agreement"</b>	an agreement between the Company and the relevant Investment Manager further details of which are set out under the section entitled "Management and Administration of the Company" in the Prospectus
<b>"Irish Resident"</b>	means any person who is Ordinarily Resident in Ireland or Resident in Ireland
<b>"Management Share"</b>	a management share in the capital of the Company
<b>"Member State"</b>	a member state of the European Union
<b>"MENA Region"</b>	Middle East and North Africa region consisting of the following countries: Afghanistan, Algeria, Bahrain, Egypt, Iraq, Israel, Jordan, Kuwait, Lebanon, Libya, Morocco, Oman, Palestine, Pakistan, Qatar, Saudi Arabia, Tunisia, United Arab Emirates and Yemen and any other country of the region as the Investment Manager in its absolute discretion may determine
<b>"MENA Region Securities"</b>	equity, equity-related, debt and debt-related securities (including convertible instruments and warrants) wherever issued by: (i) companies located in any country in the MENA Region; (ii) the government of any country within the MENA Region or any of its agencies or instrumentalities or any local government in any such country; and (iii) companies and other entities based outside the MENA Region whose income is primarily derived from or which, as holding companies, hold the predominant portion of their participations in companies located in any or all of such countries; (iv) interests in any collective investment scheme or investment company or similar entity wherever based whose investment policy is principally to invest in such securities, and whether or not such securities are tradable in any country within the MENA Region by means of either a local stock exchange quotation or other market or over-the-counter trading; and (v) permitted Financial Derivative Instruments as specified in the "Instruments and Securities" section below
<b>"Minimum Holding"</b>	means such value or number of Shares of any Class (if any) as specified in the Prospectus for the relevant Class of Shares within a Sub-Fund

<b><i>"Minimum Additional Subscription Amount"</i></b>	means such amount (if any) as the Directors may from time to time prescribe as the minimum additional investment amount required by each Shareholder for Shares of each Class in a Sub-Fund as is specified in the Prospectus
<b><i>"Minimum Subscription Amount"</i></b>	means such amount (if any) as the Directors may from time to time determine as the minimum initial investment amount required by each Applicant for Shares of each Class in a Sub-Fund as is specified in the Prospectus
<b><i>"Money Market Instruments"</i></b>	means instruments normally dealt in on the money market which are liquid, and have a value that can be accurately determined at any time
<b><i>"Net Asset Value of a Sub-Fund/Net Asset Value"</i></b>	the net asset value of a Sub-Fund calculated in accordance with the provisions of the Articles, as described under "The Shares - Calculation of Net Asset Value"
<b><i>"Net Asset Value per Share"</i></b>	the net asset value per Share of a Sub-Fund calculated in accordance with the provisions of the Articles, as described under "The Shares - Calculation of Net Asset Value"
<b><i>"Nigerian Securities"</i></b>	equity, equity-related, debt and debt-related securities (including convertible instruments and warrants) wherever issued by: (i) companies located in Nigeria; (ii) the government of Nigeria or any of its agencies or instrumentalities or any local government in Nigeria; and (iii) companies and other entities based outside Nigeria whose income is primarily derived from or which, as holding companies, hold the predominant portion of their participations in companies located in Nigeria; (iv) permitted Financial Derivative Instruments as specified in the "Instruments and Securities" section below
<b><i>"Recognised Exchange"</i></b>	any stock exchange or market on which a Sub-Fund may invest which is regulated, recognised, open to the public and operating regularly. A list of these exchanges and markets is listed in Appendix II hereto
<b><i>"Register"</i></b>	the register in which the names of the Shareholders of the Company are listed
<b><i>"Repurchase Price"</i></b>	the Net Asset Value per Share of a Sub-Fund less a provision for duties and charges, at the discretion of the Directors, and less a redemption fee (if any)
<b><i>"Ruble" "RUB" or "py6"</i></b>	the lawful currency of Russia or any successor currency thereto
<b><i>"Settlement Date"</i></b>	means in respect of receipt of monies for payment of subscription monies or dispatch of monies for the repurchase of Shares dates and times specified for the relevant Sub-Fund in the section entitled "The Shares" of this Prospectus. In the case of repurchases this date will be no more than five Business Days after the relevant Dealing Deadline;

<b>"Shareholder"</b>	a person who is registered as the holder of Shares in the register for the time being kept by or on behalf of the Company
<b>"Shares"</b>	participating shares of no par value in the capital of the Company, designated as a class of participating shares in one or more Sub-Funds
<b>"South African Securities"</b>	means equity, equity-related, debt and debt-related securities (including convertible instruments and warrants) wherever issued by: (i) companies located in South Africa; (ii) the government of South Africa or any of its agencies or instrumentalities or any local government in South Africa; and (iii) companies and other entities based outside South Africa whose income is primarily derived from or which, as holding companies, hold the predominant portion of their participations in companies located in South Africa; (iv) permitted Financial Derivative Instruments as specified in the "Instruments and Securities" section below
<b>"Sub-Fund"</b>	a Sub-Fund of the Company established by the Directors from time to time with the prior consent of the Central Bank
<b>"Subscription Price"</b>	the Net Asset Value per Share of a Sub-Fund plus a provision for duties and charges, at the discretion of the Directors, plus a sales charge (if any) as described in this Prospectus
<b>"Subsidiary"</b>	any wholly-owned subsidiary of the Company established or acquired by the Company, the use of which shall be in accordance with the UCITS Regulations
<b>"The Irish Stock Exchange"</b>	the Irish Stock Exchange plc
<b>"Transfer/Redemption Form"</b>	the form to be completed by a Shareholder to request a transfer or redemption of Shares and which is available from the Administrator
<b>"UCITS"</b>	means an Undertaking for Collective Investment in Transferable Securities established pursuant to EC Council Directive 2009/65/EC of 13 July 2009, as amended
<b>"UCITS Regulations"</b>	mean the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No. 352 of 2011) as amended by the European Union (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations 2016 as may be further modified, amended, consolidated or re-enacted from time to time
<b>"Unhedged Currency Share Class"</b>	means a Class of shares where typically, shares may be subscribed for and dividends calculated and paid and repurchase proceeds paid in a currency other than the Base Currency of the relevant Sub-Fund on the basis of a currency conversion at the prevailing spot currency exchange rate of the relevant Base Currency for the currency of the relevant Share Class but in respect of which no hedging will be made (other than at the Sub-Fund portfolio level if applicable)



<b>"United States", "US"</b>	the United States of America (including the States and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction
<b>"US Dollars", "USD", "\$"</b>	means the lawful currency of the United States or any successor currency thereto
<b>"US Person"</b>	means a US Person as defined in Regulation S under the 1933 Act and CFTC Rule 4.7, as described in Appendix III
<b>"Valuation Day"</b>	means the Dealing Day
<b>"Valuation Point"</b>	means 9.30pm (Irish time) on the relevant Valuation Day or such other time as the Directors may determine from time to time, provided that the Valuation Point shall be after the Dealing Deadline for the relevant Dealing Day.

In this Prospectus, unless otherwise specified, all references to "billion" are to one thousand million, to "Dollars", "US\$" or "cents" are to United States dollars or cents, to "EUR" and "€" are to Euro, to "£" and "GBP" are to Pounds Sterling and to "Ruble" or "RUB" are to Russian Rubles.

## ***DIRECTORY***

### **REGISTERED OFFICE**

25/28 North Wall Quay  
IFSC  
Dublin 1  
Ireland

### **SECRETARY**

Goodbody Secretarial Limited  
IFSC  
North Wall Quay,  
Dublin 1  
Ireland

### **LEGAL ADVISORS IN IRELAND**

A&L Goodbody  
IFSC  
North Wall Quay  
Dublin 1  
Ireland

### **ADMINISTRATOR AND REGISTRAR**

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

### **DEPOSITARY**

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

### **AUDITORS**

Deloitte & Touche  
Earlsfort Terrace  
Dublin 2  
Ireland

### **INVESTMENT MANAGER**

Mori Capital Management Limited  
Regent House, Office 35  
Bisazza Street  
Sliema SLM 1640  
Malta

### **SPONSORING STOCKBROKER**

Davy Stockbrokers  
Davy House  
49 Dawson Street  
Dublin 2  
Ireland

### **DISTRIBUTORS**

Mori Capital Management Limited  
Regent House, Office 35  
Bisazza Street  
Sliema SLM 1640  
Malta

Drakens Capital (Pty) Ltd  
191 Jan Smuts Avenue  
Johannesburg 2193  
South Africa

## **THE COMPANY**

### **Establishment and Duration**

The Company was incorporated on 30 March 1998 under the laws of Ireland as an open-ended umbrella type investment company with variable capital and limited liability, and since 31 March 2006 has segregated liability between Sub-Funds and accordingly any liability incurred on behalf of or attributable to any Sub-Fund shall be discharged solely out of the assets of that Sub-Fund. The Company has been approved as a UCITS within the meaning of the UCITS Regulations and is authorised by the Central Bank pursuant to the UCITS Regulations. The Company's share capital is at all times equal to the Net Asset Value of the Company.

Although the Company has an unlimited life, it may at any time, by giving not less than four nor more than twelve weeks' notice to the Shareholders, expiring on a Dealing Day, repurchase at the Repurchase Price prevailing on such Dealing Day all the Shares in each or any Sub-Fund then outstanding.

### **Structure**

The Company is an umbrella type collective investment vehicle broken down into distinct Sub-Funds. The current Sub-Funds, their Dealing Days and denominated currencies are listed below:-

<b>Sub-Fund Name</b>	<b>Investment Objective</b>	<b>Dealing Day</b>	<b>Base Currency</b>
Mori Eastern European Fund	The Sub-Fund seeks long-term capital appreciation through investment primarily in a portfolio of Eastern European Securities	Every Business Day	Euro
Mori Ottoman Fund	The Sub-Fund seeks to provide investors with long-term capital appreciation through investment primarily in a portfolio of Emerging European Securities and MENA Region Securities	Every Business Day	Euro
Renasset Nigeria Fund	The Sub-Fund seeks long-term capital appreciation through investment primarily in a portfolio of Nigerian Securities	Every Business Day	USD
Renasset Africa ex S.A. Fund	The Sub-Fund seeks long-term capital appreciation through investment primarily in a portfolio of African Securities excluding South African Securities	Every Business Day	USD

Additional Sub-Funds may, with the prior consent of the Central Bank, be added by the Directors, provided however that no additional Sub-Funds may be added by the Directors unless the Directors have taken measures to ensure that the liabilities of each Sub-Fund are limited to their respective net assets. Any additional Sub-Funds to those listed above, their terms and conditions of initial offer/placing of Shares, details of investment objective, policies and restrictions and of any applicable fees and expenses shall be set out in this Prospectus.

The assets and liabilities of the Company shall be allocated to each Sub-Fund in the following manner:

- (a) for each Sub-Fund, the Company shall keep separate books in which all transactions relating to the relevant Sub-Fund shall be recorded and, in particular, the proceeds from the issue of Shares in each Sub-Fund shall be applied in the books of the Company to that Sub-Fund, and the assets and liabilities and income and expenditure attributable thereto shall be applied to such Sub-Fund subject to the provisions below;
- (b) any asset derived from another asset of a Sub-Fund shall be applied in the books of the relevant Sub-Fund as the asset from which it was derived and on each valuation of an asset, the increase or diminution in value thereof shall be applied to the relevant Sub-Fund;
- (c) where the Company incurs a liability which relates to any asset of a particular Sub-Fund or to any action taken in connection with an asset of a particular Sub-Fund, such liability shall be allocated to the relevant Sub-Fund;
- (d) in the case where an asset or a liability of the Company cannot be considered as being attributable to a particular Sub-Fund, the Directors shall have the discretion subject to the approval of the Auditors to determine the basis upon which such asset or liability shall be allocated between the Sub-Funds and the Directors shall have power at any time and from time to time subject to the approval of the Auditors to vary such basis provided that the approval of the Auditors shall not be required in any case where such asset or liability is allocated to all the Sub-Funds pro-rata to the Net Asset Values of each Sub-Fund;

provided that all liabilities shall (in the event of a winding up of the Company or a repurchase of all of the Shares of the Sub-Fund), unless otherwise agreed upon with the Company's creditors, be binding solely on the relevant Sub-Fund to which they are attributable.

### **Sub-Funds**

The Company is made up of Sub-Funds. The proceeds from the issue of Shares in a Sub-Fund shall be applied in the records and accounts of the Company for that Sub-Fund and the assets and liabilities and income and expenditure attributable thereto shall be applied to that Sub-Fund subject to the provisions of the Articles, provided that all liabilities, irrespective of whatever Sub-Fund they are attributable to, shall (in the event of a winding up of the Company or a repurchase of all of the Shares of the Sub-Fund), unless otherwise agreed upon with the creditors, be binding on the Company as a whole.

The Directors do not anticipate that an active secondary market will develop in the Shares of the Sub-Funds.

### **Classes**

Each Sub-Fund may comprise of one or more Classes. The Shares of each Class of a Sub-Fund will rank *pari passu* with each other in all respects provided that they may differ as to certain matters including currency of denomination, hedging strategies if any applied to the currency of a particular Class, dividend policy, the level of fees and expenses to be charged, subscription or redemption procedures or the Minimum Subscription Amount, Minimum Additional Subscription Amount and Minimum Holding applicable. A separate portfolio of assets is not maintained for each Class.

Monies subscribed for each Share Class should be in the currency set out in the section entitled “The Shares” of this Prospectus.

Additional Classes may be established by the Directors and notified to and cleared in advance with the Central Bank or otherwise must be created in accordance with the requirements of the Central Bank.

### **Hedged Share Classes**

The Company may (but is not obliged to) enter into certain currency related transactions in order to hedge the currency exposure of the assets of a Sub-Fund attributable to a particular Class into the currency of denomination of the relevant Class for the purposes of efficient portfolio management. Any financial instruments used to implement such strategies with respect to one or more Classes shall be assets/liabilities of a Sub-Fund as a whole but will be attributable to the relevant Hedged Share Class(es) and the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Hedged Share Class. Any currency exposure of a Hedged Share Class may not be combined with or offset against that of any other Class of a Sub-Fund. The currency exposure of the assets attributable to a Hedged Share Class may not be allocated to other Classes. A Hedged Share Class will not be leveraged as a result of currency hedging transactions.

As the Shares of a Hedged Share Class will not be hedged exactly to fluctuations in the hedged currency, at any time the Shares may be over or under hedged. It is expected that the extent to which such currency exposure will be hedged will, subject to the requirements and conditions of the Central Bank, range from 95% to 105% of the Net Asset Value of the relevant Hedged Share Class. The hedged positions will be kept under review to ensure that over-hedged positions do not exceed this level. This review will incorporate a procedure to ensure that positions materially in excess of 100% will not be carried forward from month to month. All costs and gain/losses of such hedging transactions will accrue solely to the holders of the relevant Hedged Share Class. To the extent that hedging is successful, the performance of Shares in a Hedged Share Class are likely to move in line with the performance of the underlying assets and Shareholders in the Hedged Share Class, will benefit if the denominated currency of the Class falls against the Base Currency of the relevant Sub-Fund. Shares and details of such transactions will be contained in the relevant Fund's annual and semi-annual reports.

### **Unhedged Currency Share Classes**

In the case of an Unhedged Currency Share Class denominated in a currency other than the Base Currency of a Sub-Fund, a currency conversion will take place on subscriptions, redemptions, switches and distributions at prevailing exchange rates of the relevant Base Currency for the currency of the relevant Share Class. The value of the Shares expressed in the Class currency will be subject to exchange rate risk in relation to the Base Currency.

### **Offer/placing of Shares**

On or before the Closing Date of a Sub-Fund, Shares in that Sub-Fund shall be offered or placed at the price set out in this Prospectus. The Shares will be represented on issue by entry in the register or by the Global Share Certificate which will be deposited on the Closing Date with a common depositary for Euroclear and Clearstream. The Global Share Certificate will be exchangeable for

definitive Shares in registered form in the limited circumstances set out in the Global Share Certificate, as summarised in the "Settlement" section of this Prospectus.

### **Listing**

The Class A Shares issued in Mori Eastern European Fund were admitted to the Official List and to trading on the main market of the Irish Stock Exchange on 7 October 1998 and dealing commenced in or around the date thereof.

The Class B Shares issued in Mori Eastern European Fund were admitted to the Official List and to trading on the main market of the Irish Stock Exchange on 27 November 2009 and dealing commenced in or around the date thereof.

The Class A Shares issued in Mori Ottoman Fund were admitted to the Official List and to trading on the main market of the Irish Stock Exchange on 3 January 2006 and dealing commenced in or around the date thereof.

### **Outstanding Commitments**

As of the date of this Prospectus, there is no loan capital (including term loans) outstanding or created but unissued and no outstanding mortgages, charges, debentures or other borrowings including bank overdrafts and liabilities under acceptances or acceptance credits, hire purchase or finance lease commitments, guarantees or other contingent liabilities.

### **Return to Shareholders**

The return to Shareholders in a particular Sub-Fund is related to the Net Asset Value of that Sub-Fund which in turn is primarily determined by the performance of the portfolio of investments held by that Sub-Fund.

### **Borrowing Powers**

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

### **Adherence to Investment and Borrowing Restrictions**

The Company will, with respect to each Sub-Fund, adhere to any investment or borrowing restrictions herein or imposed by the Irish Stock Exchange for so long as the Shares in a Sub-Fund are listed on the Irish Stock Exchange and any criteria necessary to obtain and/or maintain any credit rating in respect of any Shares or Sub-Fund or Class in the Company, subject to the UCITS Regulations.

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

It is intended that the Company shall have the power (subject to the prior approval of the Central Bank) to avail itself of any change in the investment and borrowing restrictions specified in the UCITS Regulations which would permit investment by the Company in securities, derivative instruments or in

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

### **Financial Derivative Instruments**

The Company may invest in financial derivative instruments ("FDI" or collectively "FDIs") including equivalent cash settled instruments dealt in on a Recognised Exchange and/or in over the counter derivative instruments in each case under and in accordance with conditions or requirements imposed by the Central Bank. The FDIs in which the Company may invest and the expected effect of investment in such FDIs on the risk profile of a Sub-Fund are disclosed below. If other FDIs may be invested in for a particular future Sub-Fund, such instruments and their expected effect on the risk profile of such Sub-Fund, will be disclosed in this Prospectus.

For the purpose of providing margin or collateral in respect of transactions in FDIs, the Company may transfer, mortgage, charge or encumber any assets or cash forming part of the relevant Sub-Fund.

The Company employs a risk management process to enable it to accurately measure, monitor and manage the various risks attached to financial derivative positions and details of this process have been provided to the Central Bank. The Company uses the commitment approach to calculate its daily global exposure, being the incremental exposure and leverage generated through the use of FDI, in accordance with its risk management process and the requirements of the Central Bank. The Company will not utilise financial derivatives which have not been included in the risk management process until such time as a revised risk management process has been submitted to the Central Bank. The Company will provide on request to Shareholders supplementary information relating to the risk management methods employed by the Company including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

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

The Net Asset Value per Share will be published daily in such newspapers and/or websites as the Directors may instruct the Administrator in the jurisdictions in which the Shares are offered for sale and shall be made available on Reuters and Bloomberg. In addition, the Net Asset Value per Share may be obtained from any duly appointed paying agent or the Administrator during normal business hours. The Net Asset Value of any Sub-Fund or attributable to a Class whose Shares are listed will also be notified to the Irish Stock Exchange, accordingly, by the Administrator without delay.

### **Distribution Policy**

The Company may in general meeting declare dividends but no dividend shall exceed the amount recommended by the Directors. The Directors may declare interim dividends at any time and from time to time as they deem appropriate. Interim dividend dates may vary between Sub-Funds.

The amount available for distribution in respect of any Accounting Period shall be a sum equal to the aggregate of the income received by the Company in respect of the relevant Sub-Fund in respect of its investments (whether in the form of dividends, interest or otherwise) less expenses and realised and unrealised capital gains less realised and unrealised capital losses during the Accounting Period.

The Directors currently do not intend to distribute dividends to Shareholders out of any Accumulation Shares.

With respect to Distribution Shares, it is intended that any dividends will be reinvested in the Company unless Shareholders request a cash distribution. Income equalisation arrangements are applied in the case of all Distribution Share Classes. These arrangements are intended to ensure that the income per Share which is distributed in respect of a Distribution Period is not significantly affected by changes in the number of Shares in issue during that period.

No dividends will be distributed if their amount is below the amount of USD 1000 or its equivalent of the denominated currency of the distributing Share Class. Such amount will automatically be reinvested in new Shares of the same Share Class, unless otherwise confirmed to Shareholders.

Any failure to supply the Company or the Administrator with any documentation requested by them for anti-money laundering or anti-fraud purposes, as described above, may result in a delay in the settlement of dividend payments. In such circumstances, any sums payable by way of dividend to Shareholders shall remain an asset of the Sub-Fund until such time as the Administrator is satisfied that its anti-money-laundering and anti-fraud procedures have been fully complied with, following which such dividend will be paid.

Dividends to be reinvested will be reinvested on behalf of the Shareholders in additional Shares of the same Share Class. Such Shares will be issued on the payment date at the Net Asset Value per Share of the relevant Share Class in non-certificated form. Fractional entitlements to registered Shares will be rounded down to two decimal places.

Dividends remaining unclaimed five years after the dividend record date will be forfeited and will accrue for the benefit of the relevant Sub-Fund.



## **INSTRUMENTS AND SECURITIES**

### **Further Information on Securities in which the Company may Invest**

The Company's assets will, subject to the investment restrictions set out under the heading "Investment Restrictions" below, be invested in such securities or instruments, including those listed below, which the Investment Manager considers appropriate and where the Depositary is satisfied that it or its appointed sub-custodian can, in the context of the relevant risks, provide an acceptable level of custody in accordance with the requirements of the Central Bank.

### **Common Shares**

The Company may purchase common shares, which are securities representing equity ownership in a corporation, providing voting rights, and entitling the holder to a share of the company's success through dividends and/or capital appreciation. In the event of liquidation, shareholders have rights to a company's assets only after bondholders, other debt holders, and preferred stockholders have been satisfied. Typically, shareholders receive one vote per share to elect the company's board of directors (although the number of votes is not always directly proportional to the number of shares owned). The board of directors is the group of individuals that represents the owners of the corporation and oversees major decisions for the company. Shareholders also receive voting rights regarding other company matters such as stock splits and company objectives. In addition to voting rights, shareholders sometimes enjoy what are called "pre-emptive rights". Pre-emptive rights allow shareholders to maintain their proportional ownership in the company in the event that the company issues another offering of shares. This means that shareholders with pre-emptive rights have the right but not the obligation to purchase as many new shares as it would take to maintain their proportional ownership in the company.

### **Preferred Shares**

The Company may purchase preferred shares. Preferred shares may pay dividends at a specific rate and generally have preference over common stock in the payment of dividends in a liquidation of assets but rank after debt securities. Unlike interest payments on debt securities, dividends on preferred shares are generally payable at the discretion of the board of directors of the issuer. The market prices of preferred shares are subject to changes in interest rates and are more sensitive to changes in the issuer's creditworthiness than are the prices of debt securities.

### **Convertible Securities/Reverse Convertible Securities**

The Company may invest in convertible securities, which are bonds, debentures, notes, preferred stock or other securities, which may be converted into or exchanged for a prescribed amount of common stock of the same or different issuer within a particular period of time at a specified price or formula. A convertible security entitles the holder to receive interest paid or accrued on debt or the dividend paid on preferred stock until the convertible security matures or is redeemed, converted or exchanged. Before conversion, convertible securities ordinarily provide a stream of income, which generate higher yields than those of common stocks of the same or similar issuers but lower than the yield on non-convertible debt. Convertible securities are usually subordinate or are comparable to non-convertible securities but rank senior to common stock or shares in a company's capital structure. The value of a convertible security is a function of (1) its yield in comparison with the yields of other securities of comparable maturity and quality that do not have a conversion privilege and (2) its worth,

at market value, if converted into the underlying common stock. Convertible securities are typically issued by smaller capitalised companies whose stock prices may be volatile. The price of a convertible security often reflects such variations in the price of the underlying common stock in a way that non-convertible debt does not. The Company may also invest in reverse convertible securities. A Reverse convertible security or reverse convertible is a short-term note linked to an underlying stock. The security offers steady stream of income due to the payment of a high coupon rate. At maturity, the investor will receive either 100% of the par value or a predetermined number of shares of the underlying stock, in addition to the stated coupon payment. 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.

### **Warrants**

A warrant is a company-issued certificate that represents an option to buy a certain number of stock shares at a specific price before a predetermined date. A warrant has a value of its own and can be traded on the open market. Equity-linked warrants provide an easy way for investors to gain access to markets where entry is difficult and time consuming due to regulatory issues. Each warrant issued represents one share of the underlying security. Price, performance and liquidity are all directly linked to the underlying security. The warrants are redeemable at 100% of the value of the underlying security (less transaction costs). Although warrant holders have no voting rights, they would benefit from all corporate actions (i.e. cash and stock dividends, splits, rights issuance etc.). Warrants are issued as American and European style. American style warrants can be exercised at any time. European style warrants cannot be exercised before maturity date, but the investor may elect to sell the warrant back to the issuer, with an early redemption penalty. In these cases, the issuer is under no obligations to buy the warrant back from the investor.

### **Corporate Debt Securities**

The Company may invest in corporate debt securities, which are bonds, notes, discount bonds, zero-coupon bonds or debentures issued by corporations and other business organisations, including business trusts, in order to finance their credit needs. Corporate debt securities include commercial paper, which consists of short-term (usually from 1 to 270 days) unsecured freely transferable promissory notes issued by corporations in order to finance their current operations. Corporate debt securities may pay fixed or variable rates of interest, or interest at a rate contingent upon some other factor, such as the price of some commodity. These securities may be convertible into preferred or common equity, or may be bought as part of a unit containing common stock. Credit risk is more pronounced for investments in fixed-income securities that are rated below Investment Grade or which are of comparable quality. The risk of default may be greater and the market for these securities may be less active, making it more difficult to sell the securities at reasonable prices, and also making valuation of the securities more difficult. The Company may incur additional expenses if an issuer defaults and tries to recover some of its losses in bankruptcy or other similar proceedings.

### **Inflation Indexed Securities**

The Company may invest in inflation-indexed bonds, which are freely transferable fixed income securities that are structured to provide protection against inflation. The principal or interest components of an inflation-indexed bond are adjusted periodically according to the general movements of inflation in the country of issue. "Real return" equals total return less the estimated cost of inflation, which is typically measured by the change in an official inflation measure. The basic goal

of inflation-indexed bonds is to guarantee that the purchasing power of principal is maintained. In other words, inflation-indexed bonds promise to return principal in today's money. Coupon payments are made based on the principal which increases with inflation, although these coupon payments may be reinvested in nominal (non-inflation protected) bonds. While bond holders get the benefit of bond payments protected from inflation, the governments that issue them are expected to benefit from lower borrowing costs. Nominal bond yields contain three components: a real yield, an inflation expectation, and an inflation uncertainty premium. Issuers benefit from removing the uncertainty premium from bond yields. Governments will also benefit if they hold inflation rates below the level expected by bond holders.

### **Debt Securities of Supra-National Organisations**

The Company may invest in debt securities issued by supranational organisations such as freely transferable promissory notes, bonds and debentures. Supranational organisations are entities designated or supported by a government or governmental entity to promote economic development, and include, among others, the Asian Development Bank, the European Communities, the European Investment Bank, the Inter-American Development Bank, the International Monetary Fund, the United Nations, the International Bank for Reconstruction and Development ("World Bank") and the European Bank for Reconstruction and Development. These organisations have no taxing authority and are dependent upon their members for payments of interest and principal. Moreover, the lending activities of such supranational entities are limited to a percentage of their total capital (including "callable capital" contributed by members at an entity's call), reserves and net income.

### **Emerging Market Debt Securities**

The Company may invest in debt securities of issuers located in emerging market countries including freely transferable promissory notes, bonds, bills, debentures, convertible securities, warrants, bank obligations, short-term paper, loans, and promissory notes. Examples include Brady Bonds, Eurobonds, bonds issued as a result of a debt restructuring plan and domestic and international bonds under the laws of an emerging market country.

### **Securitised Loan Participations**

The Company may invest in listed and unlisted fixed and floating rate loans arranged through private negotiations between a corporation or other type of entity and one or more financial institutions. Such investment is expected to be in the form of securitised participations in loans, which are freely transferable securities ("Participations"). Such Participations typically will result in the Company having a contractual relationship only with the Lender, not with the borrower. The Company will have the right to receive payments of principal, interest and any fees to which it is entitled only from the Lender selling the Participation and only upon receipt by the Lender of the payments from the borrower. In connection with purchasing Participations, the Company generally will have no right to enforce compliance by the borrower with the terms of the loan agreement relating to the loan nor any rights of set-off against the borrower. Thus, the Company may not directly benefit from any collateral supporting the loan in which they have purchased Participations. As a result, the Company will assume the credit risk of both the borrower and the Lender that is selling the Participation.

### **Mortgage-Backed Securities**

The Company may purchase mortgaged-backed securities. Mortgage-backed securities provide

capital for mortgage loans to residential homeowners, including securities that represent interests in pools of mortgage loans made by lenders such as savings and loan institutions, mortgage banks, commercial banks and others. Pools of mortgage loans are assembled for sale to investors (such as the Company) by various governmental, government-related and private organisations, such as dealers. The market value of mortgage-backed securities will fluctuate as a result of changes in interest rates and mortgage loans. Interests in pools of mortgage loans generally provide a monthly payment that consists of both interest and principal payments. In effect, these payments are a “pass through” of the monthly payments made by the individual borrowers on their residential mortgage loans, net of any fees paid to the issuer or guarantor of such securities. Additional payments are caused by repayments of principal resulting from the sale of the underlying residential property, refinancing or foreclosure, net of fees or costs that may be incurred. Some mortgage-backed securities are described as “modified pass through” because they entitle the holder to receive all interest and principal payments owed on the mortgage pool, net of certain fees, regardless of whether the mortgagor actually makes the payment.

### **Collateralised Mortgage Obligations**

The Company may invest in collateralised mortgage obligations (“CMOs”), which are a type of bond secured by an underlying pool of mortgages or mortgage pass-through certificates that are structured to direct payments on underlying collateral to different series or classes of the obligations. Such investments may include, but are not limited to, one or more of the following classes of CMOs:

#### *Adjustable Rate Bonds (ARMS):*

Interest rates on these classes of CMOs may increase or decrease at one or more dates in the future according to the documentation governing their issuance.

#### *Floating Rate Bonds (FLOATERS):*

Interest rates on these classes of CMOs vary directly or inversely (although not necessarily proportionately, and may contain a degree of leverage) to an interest rate index. The interest rate is usually capped to limit the extent to which the issuer is required to over-collateralise the CMOs in the series with mortgage-related securities in order to ensure that there is sufficient cash flow to service all the classes of CMOs in that series.

#### *Planned Amortisation Bonds or Targeted Amortisation Bonds:*

These classes of CMOs receive payments of principal according to a planned schedule to the extent that prepayments on the underlying mortgage-related securities occur within a broad time period (“Protection Period”). The principal is reduced only in specified amounts at specified times resulting in greater predictability of payment for the Planned Amortisation Bonds or Targeted Amortisation Bonds. If prepayments on the underlying mortgage-related securities occur at a rate greater or less than that provided for by the Protection Period, then the excess or deficiency of cash flows generated is absorbed by the other classes of CMOs in the particular series until the principal amount of each of the other classes has been paid in full, resulting in less predictability for those other classes. The principal reduction schedule of the Planned Amortisation Bonds or Targeted Amortisation Bonds may be determined according to an interest rate index. If the index rises or falls, then more or less, respectively, of the payments on the underlying mortgage-related securities will be applied to amortise the Planned Amortisation Bonds or Targeted Amortisation Bonds. The Company may also invest in

stripped securities which are created by separating bonds into their principal and interest components and selling each piece separately (commonly referred to as IOs and POs). Stripped securities are more volatile than other fixed income securities in their response to change in market interest rates. The value of some stripped securities moves in the same direction as interest rates, further increasing their volatility. The following are examples of stripped securities.

#### *Principal Only Bonds:*

This class of stripped CMO has the right to all principal payments from the underlying mortgage-related securities. Principal Only Bonds sell at a deep discount. The return on a Principal Only Bond increases the faster prepayments are received at par. The return on a Principal Only Bond decreases if the rate of prepayment is slower than anticipated.

#### *Interest Only Bonds:*

This class of CMOs has the right to receive only payments of interest from the pool of underlying mortgage-related securities. Interest Only Bonds have only a notional principal amount and are entitled to no payments of principal. Interest Only Bonds sell at a substantial premium and therefore the return on an Interest Only Bond increases as the rate of prepayment decreases because the notional amount upon which interest accrues remains larger for a longer period of time.

### **Asset-Backed Securities**

The Company may invest in asset-backed securities, which are securities that directly or indirectly represent a participation in, or are secured by and payable from, assets such as motor vehicle instalment loan contracts, leases on various types of real and personal property and receivables from revolving credit (credit card) agreements. Such assets are securitized through the use of trusts or special purpose corporations. A pool of assets representing the obligations often of a number of different parties collateralises asset-backed securities.

### **Structured Notes**

The Company may invest in freely transferable and unleveraged structured notes, which are over-the-counter debt instruments where the interest rate and/or principal are linked to the performance of a financial instrument provided that such financial instruments will comply with the Central Bank's conditions and criteria for investments in such securities and are envisaged by the investment policy of the relevant Sub-Fund (e.g., short-term rates, individual securities such as ADRs or GDRs or indices, foreign exchange rates, mortgage backed securities, etc). Sometimes the two are inversely related (i.e., as the index goes up, the coupon rate goes down). Inverse floaters are an example of this inverse relationship. In cases where the principal is indexed, the Company will be exposed to the risk of a loss of all or a portion of the principal.

### **Event-Linked Bonds**

Event-linked bonds are debt obligations generally issued by special purpose vehicles, with interest payments tied to certain events, such as insurance losses of casualty insurance contracts, indices, etc. Generally, event-linked bonds are issued as Rule 144A securities (i.e. securities which are not registered under the 1933 Act but which can be sold to certain institutional buyers in accordance with Rule 144A under the 1933 Act). The Company will only invest in bonds, which meet the credit quality

criteria set out in the investment policies relevant to each Sub-Fund. In the event that they are not issued with an undertaking to register with the US Securities and Exchanges Commission within one year of issue, investment in such instruments will be subject to the 10% aggregate restriction on investment in unlisted securities. If a trigger event causes losses exceeding a specific amount in the geographic region and time period specified in a bond, liability under the terms of the bond is limited to the principal and accrued interest of the bond. If no trigger event occurs, the Company will recover its principal plus interest. Often, event-linked bonds provide for extensions of maturity that are mandatory or optional at the discretion of the issuer, in order to process and audit loss claims in those cases where a trigger event has, or possibly has, occurred. An extension of maturity may increase volatility. In addition to the specified trigger events, event-linked bonds may also expose the Company to certain unanticipated risks including but not limited to issuer risk, credit risk, counterparty risk, adverse regulatory or jurisdictional interpretations, and adverse tax consequences. Event-linked bonds may become illiquid upon the occurrence of a trigger event.

### **Hybrid Securities**

The Company may invest in hybrid securities, which are securities that combine two or more financial instruments. Hybrid securities generally combine a traditional stock or bond with an option or forward contract. Generally, the principal amount payable upon maturity or redemption, or interest rate of a hybrid security, is tied (positively or negatively) to the price of some currency or securities index or another interest rate or some other economic factor (each a "benchmark"). The interest rate or (unlike most fixed income securities) the principal amount payable at maturity of a hybrid security may be increased or decreased, depending on the changes in the value of the benchmark.

### **Depository Receipts**

The Company may invest in American Depositary Receipts ("ADRs") which are securities issued by banks evidencing their ownership of specific foreign securities. ADRs may be sponsored or unsponsored; issuers of securities underlying unsponsored ADRs are not contractually obliged to disclose material information in the U.S. Accordingly, there may be less information available about such issuers than there is with respect to domestic companies and issuers of securities underlying sponsored ADRs. Although ADRs are denominated in U.S. dollars, the underlying security often is not; thus, the value of the ADRs may be subject to exchange controls and variations in the exchange rate. The Company may also invest in Global Depositary Receipts ("GDRs") which are receipts often denominated in U.S. dollars, issued by either a U.S. or non-U.S. bank evidencing its ownership of the underlying foreign securities. The Company may also invest in Special Drawing Rights (SDR), which are a country's reserve account with the International Monetary Fund, where the SDR unit of "currency" is valued against a composite of the major world currencies. A country may draw against these reserves to support its currency via foreign exchange transactions. SDRs, established in 1970, were designed to offset the over-reliance upon gold or the U.S. dollar, as it was feared that this would eventually lead to severe foreign exchange instability.

### **"Delayed Delivery" and "When Issued" Securities**

The Company may purchase debt obligations on a "delayed delivery" or "when-issued" basis, that is, for delivery to the Company later than the normal settlement date for such securities, at a stated price and yield. Such securities are termed "delayed delivery" when traded in the secondary market, or "when issued" in the case of an initial issue of securities. The Company generally would not pay for such securities or start earning interest on them until they are received. However, when the Company

undertakes a delayed delivery or when-issued purchase obligation, it immediately assumes the risk of ownership, including the risk of price fluctuation. Failure by the issuer to deliver the securities may result in a loss or missed opportunity for the Company to make an alternative investment.

## **REITs**

The Company may invest in Real Estate Investment Trusts (REITs), which are a corporation or business trust, which owns, manages, and/or leases commercial real estate properties, and/or invests in real estate related securities, such as mortgaged-backed securities or whole loans. REITs are usually exempt at the entity level from corporate income taxation, subject to meeting certain requirements for real estate investment and ownership, real estate income, and dividend levels (e.g., dividend payout requirements for REITs require that 90% of taxable income be paid as a dividend, must invest at least 75% of total assets in real estate assets and derive at least 75% of gross income from rental or management of real estate or interest from mortgage activities, etc). The prices of equity REITs are affected by changes in the value of the underlying property owned by the REITs and changes in capital markets and interest rates. The prices of mortgage REITs are affected by the quality of any credit they extend, the creditworthiness of the mortgages they hold, as well as by the value of the property that secures the mortgages.

A Sub-Fund may invest in REITs on a Recognised Exchange provided that doing so does not affect the ability of the relevant Sub-Fund to meet its liquidity obligations in accordance with Regulation 59 of the UCITS Regulations.

## **Currency Transactions**

The Company may employ techniques and instruments that are intended to provide protection against exchange 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 Company (i.e., active currency positions). The Company may also employ such techniques and instruments for the purpose of attempting to enhance the Company's return. They may implement any currency hedging activities by using spot and forward foreign exchange contracts and currency futures, options and swap contracts. More information concerning these types of permitted FDIs and the limits thereon is set forth above in the section entitled "Types and Description of FDI" and "Investment Techniques and Instruments and Financial Derivative Instruments".

## **Permitted Financial Derivative Instruments**

Subject to the conditions and within the limits from time to time laid down by the Central Bank, and except where otherwise stated in the investment objective and policies of a Sub-Fund, the Company may engage in transactions in FDIs, whether for efficient portfolio management purposes or investment purposes. For the avoidance of doubt efficient portfolio management involves the use of FDIs for one of the following purposes (a) a reduction of risk; (b) a reduction of cost with no increase or a minimal increase in risk; or (c) generation of additional capital or income with no, or an acceptably low level of risk (relative to the expected return). A list of the Recognised Exchanges on which the FDI may be quoted or traded is set out in Appendix II.

The Company may invest in FDIs provided that:

- (i) the relevant reference items or indices, consist of one or more of the following: transferable securities, money market instruments, collective investment schemes, deposits, financial indices, interest rates, foreign exchange rates or currencies; and
- (ii) the FDIs do not expose the Company to risks which it could not otherwise assume (e.g. gain exposure to an instrument/issuer/currency to which the Company cannot have a direct exposure); and
- (iii) the FDIs do not cause the Company to diverge from its investment objectives.

In addition to FDI dealt in on a Recognised Exchange, the Company may invest in FDI dealt in over-the-counter, "OTC derivatives" provided that:

- (i) the counterparty is a credit institution within any of the categories set out in regulation 7 of the Central Bank UCITS Regulations or an investment firm, authorised in accordance with the Markets in Financial Instruments Directive or a group company of an entity issued with a bank holding company licence from the Federal Reserve of the United States where that group company is subject to a bank holding company consolidated supervision by that Federal Reserve;
- (ii) in the case of a counterparty which is not a credit institution in accordance with subparagraph (i) above, was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account and where a counterparty is downgraded to A-2 or below (or comparable rating) by the credit rating agency referred to above this shall result in a new credit assessment being conducted of the counterparty without delay;
- (iii) risk exposure to the counterparty does not exceed the limits set out in regulation 70(1)(c) of the UCITS Regulations;
- (iv) the Company is satisfied that the counterparty will value the transaction at least daily, with reasonable accuracy and on a reliable basis and that the transaction can be sold, liquidated or closed by an offsetting transaction at any time at the request of the Company at fair value; and
- (v) the Company has systems in place to ensure that OTC derivatives are subject to reliable and verifiable valuation on a daily basis. The valuation provided by the counterparty must be verified independently at least weekly.

Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in under the section headed "Investment and Borrowing Restrictions". This provision does not apply in the case of an index based FDI provided the underlying index is one which meets with the criteria set out in Regulation 71(1) of the UCITS Regulations.

### **Cover Requirements**

The Company must ensure that its global exposure relating to FDI does not exceed its total Net Asset Value. FDI Global Exposure is calculated taking into account the current value of the underlying



assets, the counterparty risk, future market movements and the time available to liquidate the positions. A transaction in a FDI which gives rise to a future commitment on behalf of the Company must be covered as follows:

- (i) in the case of a FDI which require physical delivery of the underlying asset, the asset must be held at all times by the Company;
- (ii) in the case of a FDI which automatically, or at the discretion of the Company, are cash settled, or in the case of FDI where the underlying assets consists of highly liquid fixed income securities, the Company must hold, at all times, liquid assets which are sufficient to cover the exposure.

### **Risk Management**

The Company must employ a risk management process to monitor and measure the risks attached to FDI positions. In addition, the Company shall provide Central Bank with details of its proposed FDI activity and risk assessment methodology. The initial filing is required to include information to:

- permitted types of FDIs;
- details of the underlying risks;
- relevant quantitative limits;
- methods for estimating risks.

Material amendments to the initial filing must be notified to Central Bank in advance. Central Bank may object to the amendments notified to it and amendments objected to by Central Bank may not be made.

The Company must submit a report to Central Bank on its FDI positions on an annual basis. The report, which must include information under the different categories identified above, must be submitted with the annual report of the Company. The Company must, at the request of Central Bank, provide this report at any time.

The use of these strategies involves certain special risks, including (1) dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates, (2) imperfect correlation between the hedging instruments and the securities or market sectors being hedged, (3) the fact that skills needed to use these instruments are different from those needed to select the Company's securities, (4) the possible absence of a liquid market for any particular instrument at any particular time, and (5) possible impediments to effective portfolio management or the ability to meet repurchase requests or other short-term obligations because of the percentage of the Company's assets segregated to cover its obligations.

### **Types and Description of FDI**

Below are the types of FDI that the Company may enter, subject to the requirements laid down by the Central Bank:

## **Options**

The Company may enter into options contracts. A call option on a security is a contract under which the purchaser, in return for a premium paid, has the right to buy the securities underlying the option at the specified exercise price at any time during the term of the option. The writer (seller) of the call option, who receives the premium, has the obligation, upon exercise of the option, to deliver the underlying securities against payment of the exercise price. A put option is a contract that gives the purchaser, in return for a premium paid, the right to sell the underlying securities at the specified exercise price during the term of the option. The writer of the put, who receives the premium, has the obligation to buy the underlying securities, upon exercise, at the exercise price. An option contract remains in place until the option is exercised or, allowed to lapse, i.e., not exercised prior to expiration. Alternatively, it is possible for either party to the contract to enter into an "opposite" contract and for these contracts to be offset against each other, bringing net exposure to zero.

## **Futures and Options on Futures**

The Company may also enter into certain types of futures contracts or options on futures contracts. The sale of a futures contract creates an obligation by the seller to deliver (or settle the difference in cash) the type of financial instrument called for in the contract in a specified delivery month for a stated price. The purchase of a futures contract creates an obligation by the purchaser to pay for and take delivery of the type of financial instrument called for in the contract in a specified delivery month, at a stated price. The purchase or sale of a futures contract differs from the purchase or sale of a security or option in that no price or premium is paid or received. Instead, an amount of cash or other liquid assets generally must be deposited with the broker. This amount is known as initial margin. Subsequent payments to and from the broker, known as variation margin, are made on a daily basis as the price of the underlying futures contract fluctuates making the long and short positions in the futures contract more or less valuable, a process known as "marking to market." In most cases futures contracts are closed out before the settlement date without the making or taking of delivery. Closing out a futures contract sale is effected by purchasing a futures contract for the same aggregate amount of the specific type of financial instrument or commodity and the same delivery date. If the price of the initial sale of the futures contract exceeds the price of the offsetting purchase, the seller is paid the difference and realises a gain. Conversely, if the price of the offsetting purchase exceeds the price of the initial sale, the seller realises a loss. Similarly, the closing out of a futures contract purchase is effected by the purchaser entering into a futures contract sale. If the offsetting sale price exceeds the purchase price, the purchaser realises a gain, and if the purchase price exceeds the offsetting sale price, a loss will be realised. The Company may also enter into options traded over-the-counter (or OTC options). Unlike exchange traded options, which are standardised with respect to the underlying instrument, expiration date, contract size, and strike price, the terms of OTC options generally are established through negotiation with the other party to the option contract. While this type of arrangement allows the Company great flexibility to tailor the option to its needs, OTC options generally involve greater risk than exchange-traded options, which are guaranteed by clearing organisations of the exchanges where they are traded.

## **Swaps and OTC contracts**

The Company may enter into transactions in swaps or options on swaps (including interest rate swaps, credit default swaps, total return swaps, synthetic equity swaps, swaptions, currency swaps and spread locks).

In a standard swap transaction, two parties agree to exchange the returns (or differentials in rates of return) earned or realised on particular pre-determined investments or instruments, which may be adjusted for an interest factor. The gross returns to be exchanged or “swapped” between the parties are generally calculated with respect to a “notional amount”, i.e., the return on or increase in value of a particular currency amount invested at a particular interest rate, in a particular foreign currency, a particular security or “basket” of securities representing a particular index. An interest rate swap involves the exchange by the Company with another party of their respective commitments to pay or receive cash flows (e.g., an exchange of floating rate payments for fixed-rate payments. The purchase of a cap entitles the purchaser, to the extent that a specified index exceeds a predetermined value, to receive payments on a notional principal amount from the party selling the cap. The purchase of a floor entitles the purchaser, to the extent that a specified index falls below a predetermined value, to receive payments on a notional principal amount from the party selling the floor. A collar combines elements of buying a cap and selling a floor. Spread locks are contracts that guarantee the ability to enter into an interest rate swap at a predetermined rate above some benchmark rate. The Company may enter into credit default swap agreements, either as a buyer or seller. The buyer in a credit default 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 obligation has occurred. If the Company is a buyer and no event of default occurs, the Company will lose its periodic stream of payments. If an event of default does occur, the Company (the buyer) will receive the full notional value of the reference obligation that may have little or no value. Conversely, if the Company is a seller and an event of default occurs, the Company (the seller) must pay the buyer the full notional value, or “par value”, of the reference obligation in exchange for the reference obligation. As a seller, the Company receives a fixed rate of income throughout the term of the contract, provided that there is no default event. If an event of default occurs, the seller must pay the buyer the full notional value of the reference obligation.

The Company may also enter into swaps and swaptions traded over-the-counter (or OTC swaps). Unlike exchange traded swaps, which are standardised with respect to the underlying instrument, expiration date, contract size, and strike price, the terms of OTC swaps generally are established through negotiation with the other party to the swap contract. A synthetic equity swap is an example of such OTC contract, and is essentially an agreement between two parties to exchange the difference between the spot and strike prices over a period of time. It is a derivative product in which the Company deposits a margin with a broker usually as the counterparty, and that margin rises and falls with the value of the portfolio. The shares the counterparty buys are used as collateral, so there is no un-hedged exposure. A Total Return Swap is also usually an OTC instrument, and is a bilateral financial contract between a total return payer, and a total return receiver. The total return payer pays the total return of a reference security and receives a form of payment from the receiver of the total rate of return. Often payment is a floating rate payment, a spread to LIBOR. The reference assets can be indices, bonds (emerging market, sovereign, bank debt, mortgage backed securities, corporate), loans (term or revolving), equities, real estate receivables, lease receivables, or commodities. While this type of arrangement allows the Company great flexibility to tailor the swap to its needs, OTC swaps generally involve greater risk than exchange-traded options, which are guaranteed by clearing organisations of the exchanges where they are traded. Swap agreements, including caps, floors and collars, can be individually negotiated and structured to include exposure to a variety of different types of investments or market factors.

The Company on behalf of a Sub-Fund may enter into swaps with certain entities as outlined above under the section entitled "Permitted Financial Derivative Instruments". Subject to compliance with those conditions, the Investment Manager has full discretion as to the appointment of counterparties

when entering into swaps in furtherance of the Sub-Fund's investment objective and policies. The underlying strategy or index and composition of the investment portfolio or index will be compatible with the investment objective and policies of a Sub-Fund. Any counterparty to a total return swap will not have discretion over the composition or management of the Sub-Fund's investment portfolio or of the underlying of the financial derivative instrument. It is not possible to comprehensively list in this Prospectus all the counterparties as they have not, as of the date of issue of this Prospectus, been selected and they may change from time to time.

Depending on their structure, swap agreements may increase or decrease the overall volatility of the Company's investments and its share price and yield because, and to the extent, these agreements affect the Company's exposure to long-term or short-term interest rates, foreign currency values, mortgage-backed securities values, corporate borrowing rates or other factors such as security prices or inflation rates. Swap agreements will tend to shift the Company's investment exposure from one type of investment to another. For example, if the Company agrees to exchange payments in Euros for payments in the currency of another country, the swap agreement would tend to decrease the Company's exposure to Euro-zone interest rates and increase its exposure to the other country's currency and interest rates. Caps and floors have an effect similar to buying or writing options.

#### **Forward Currency Exchange Contracts**

The Company may buy and sell currencies on a spot and forward basis, subject to the limits and restrictions adopted by the Central Bank from time to time to reduce the risks of adverse changes in exchange rates, as well as to enhance the return of the Company by gaining an exposure to a particular foreign currency. A forward currency exchange contract, which involves an obligation to purchase or sell a specific currency at a future date at a price set at the time of the contract, reduces the Company's exposure to changes in the value of the currency it will deliver and increases its exposure to changes in the value of the currency it will receive for the duration of the contract. The effect on the value of the Company is similar to selling securities denominated in one currency and purchasing securities denominated in another currency. A contract to sell currency would limit any potential gain, which might be realised if the value of the hedged currency increases. The Company may enter into these contracts to hedge against exchange risk, to increase exposure to a currency or to shift exposure to currency fluctuations from one currency to another. Suitable hedging transactions may not be available in all circumstances and there can be no assurance that the Company will engage in such transactions at any given time or from time to time. Also, such transactions may not be successful and may eliminate any chance for the Company to benefit from favourable fluctuations in relevant foreign currencies. The Company may use one currency (or a basket of currencies) to hedge against adverse changes in the value of another currency (or a basket of currencies) when exchange rates between the two currencies are positively correlated.

#### **Repurchase Agreements, Reverse Repurchase Agreements and Stocklending Agreements**

A portion of the Company's assets may be held in ancillary liquid assets.

The Company may utilise stocklending agreements and repurchase/reverse repurchase agreements for efficient portfolio management purposes in accordance with the requirements of the Central Bank. In such a transaction the relevant Sub-Fund may temporarily transfer its securities to a borrower, with agreement by the borrower to return equivalent securities to the Sub-Fund at a pre-agreed time. In entering into such transactions the Sub-Fund will be endeavouring to increase the returns on its portfolio of securities by receiving a fee for making its securities available to the borrower. Please see

Counterparty Risk in the section “Risk Factors” for details of the risks involved in such practises.

A Sub-Fund may enter into repurchase / reverse repurchase agreements (“repo contracts”). Such a transaction is an agreement whereby one party sells the other a security at a specified price with a commitment to buy the security back at a later date for another specified price. A Sub-Fund may enter into such agreements as follows (a) if the Sub-Fund has short-term funds to invest then difference between the sale and repurchase prices paid for the security represents a return to the Sub-Fund similar to interest on a loan or (b) if the Sub-Fund wishes to briefly obtain use of a particular security.

The following conditions apply:

- (1) Repo contracts and stocklending agreements may only be effected in accordance with normal market practice.
- (2) A Sub-Fund may enter into repo transactions pursuant to which additional leverage is generated through re-investment of collateral. In this case, the repo transaction must be taken into consideration for the determination of global exposure as required pursuant to the UCITS Regulations and the Central Bank UCITS Regulations. Any global exposure generated must be added to the global exposure created through the use of derivatives and the total of these must not be greater than 100% of the net asset value of the Sub-Fund.
- (3) The counterparty to a repo contract or stocklending agreement must have a minimum credit rating of A2 or equivalent, or must be deemed by the Sub-Fund to have an implied rating of A2 or equivalent. Alternatively, an unrated counterparty will be acceptable where the Sub-Fund is indemnified or guaranteed against losses suffered as a result of a failure by the counterparty, by an entity which has and maintains a rating of A2 or equivalent.
- (4) A Sub-Fund must have the right to recall any securities subject to a repurchase agreement or lent out pursuant to a stocklending agreement or to terminate the relevant agreement to which it has entered. A Sub-Fund that enters into a reverse repurchase agreement should ensure that it is able to recall the full amount of cash or terminate the agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement should be used for the calculation of the Net Asset Value of the Sub-Fund. Fixed term repo contracts that do not exceed seven days can be considered as arrangements on terms that allow the assets to be recalled at any time by the Sub-Fund. Repo contracts or stocklending agreements do not constitute borrowing or lending for the purposes of Central Bank’s Regulation 103 and Regulation 111 respectively.

### **Operational Costs/Fees**

Direct and indirect operational costs and/or fees arising from the use of techniques and instruments for efficient portfolio management purposes on behalf of a Sub-Fund may be deducted from the revenue delivered to the relevant Sub-Fund. These costs and/or fees will be charged at normal commercial rates and will not include hidden revenue.

Where applicable, the entities to which such direct and indirect operational costs and/or fees have been paid during the annual period to the relevant accounting year end of the Company (including whether such entities are related to the Company or Depositary) will be disclosed in the annual report for such

period.

## **Collateral Policy**

### *Permitted Types of Collateral*

#### Non-Cash Collateral

Non-cash collateral must, at all times, meet with the following requirements:

**Liquidity:** Non-cash collateral should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received should also comply with the provisions of Regulation 74 of the UCITS Regulations (sections 5.1-5.3 in the section entitled "Investment and Borrowing Restrictions" of this Prospectus);

**Valuation:** Collateral must be capable of being 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;

**Issuer credit quality:** Collateral received should be of high quality;

**Correlation:** Collateral received should be issued by an entity that is independent from the counterparty. There should be a reasonable ground to expect that it would not display a high correlation with the performance of the counterparty;

#### **Diversification (asset concentration):**

- i. Subject to sub-paragraph ii below, collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of the Net Asset Value of the relevant Sub-Fund. When a Sub-Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer.
- ii. A Sub-Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong, provided that the Sub-Fund receives 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. Please see section 2.12 of the section of the Prospectus entitled "Investment and Borrowing Restrictions" for individual issuers.

**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 relevant counterparty; and

Non-cash collateral received cannot be sold, pledged or reinvested by the Sub-Fund.

#### Cash collateral

Reinvestment of cash collateral must be in accordance with the following requirements:

cash received as collateral may only be invested in the following:

- i. deposits with a credit institution authorised in the European Economic Area (EEA) ( EU Member States, Norway, Iceland, Liechtenstein), a credit institution authorised within a signatory state, other than an EU Member State or a Member State of EEA, to the Basle Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan, United States) or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand (the "Relevant Institutions");
- ii. high quality government bonds;
- iii. 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;
- iv. short-term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds (ref CESR/10-049);

invested cash collateral must be diversified in accordance with the requirements in section regarding diversification in respect of non-cash collateral above;

invested cash collateral may not be placed on deposit with the counterparty or a related entity.

#### Level of collateral required

The levels of collateral required are as follows:

Repurchase agreements	at least 100% of the exposure to the counterparty
Reverse repurchase agreements	at least 100% of the exposure to the counterparty
Lending of portfolio securities	at least 100% of the exposure to the counterparty
OTC derivatives	such collateral to ensure, in any event, that counterparty exposure is managed within the limits set out in the section entitled "Investment and Borrowing Restrictions" of this Prospectus

#### Haircut policy

In advance of entering into OTC derivative transactions or repo contracts the Investment Manager will determine what, if any, haircut may be required and is acceptable for each class of asset to be

received as collateral, which will be set out in the agreement with the relevant counterparty or otherwise documented at the time of entering into such agreement. Such haircut will take into account the characteristics of the asset such as the credit standing or price volatility of the assets received as collateral and, where applicable, the outcome of any stress test performed in accordance with the Central Bank's requirements.

In the event that a Sub-Fund may enter into a stocklending transaction, the Investment Manager does not intend to apply a haircut to any non-cash assets received as collateral but instead, in accordance with market practice, intends to operate a policy of over-collateralisation whereby collateral will be marked to market on an on-going basis. Counterparties may be required to post additional collateral from time to time.



## **INVESTMENT OBJECTIVES AND POLICIES**

The investment objective and policies for each Sub-Fund are set out in this section and the investment objective and policies for each Sub-Fund established will be formulated by the Directors at the time of creation of each Sub-Fund.

The Directors, in consultation with the Investment Manager for the relevant Sub-Fund, are responsible for the formulation of each Sub-Fund's investment policy and any subsequent changes to that policy in the light of political and/or economic conditions. The investment policy of a Sub-Fund, inclusive of the investment restrictions set out below, may be amended from time to time by the Directors with the approval of the Shareholders, if and as they shall deem it to be in the best interests of the relevant Sub-Fund to do so. In any event, no alteration to a Sub-Fund's investment objective or material alteration to the investment policies, or the investment restrictions set out herein may be made for a period of three years from the date of listing on the Irish Stock Exchange without the prior consent of the Shareholders by way of a special resolution and will only be made in exceptional circumstances. In the event of a change of investment objective and/or investment policies a reasonable notification period shall be provided to enable Shareholders to repurchase their Shares prior to implementation of such changes. Each Sub-Fund shall comply with the requirements of the Irish Stock Exchange for as long as its Shares are listed on the Irish Stock Exchange.

Investment of the assets of each Sub-Fund must comply with the UCITS Regulations. The Directors may impose further restrictions in respect of any Sub-Fund. The investment and borrowing restrictions applying to the Company and each Sub-Fund are set out below. Each Sub-Fund may also hold ancillary liquid assets.

The Investment Manager of a Sub-Fund has been given full discretion in the investment and reinvestment of the assets of that Sub-Fund, provided that it complies with the Sub-Fund's investment objective, policies and restrictions in exercising that discretion. Each Sub-Fund's asset allocation shall be determined solely by the relevant Investment Manager. Accordingly, the exposure of each Sub-Fund to individual issuers, instruments or markets shall be determined from time to time solely by the Investment Manager.

**The Investment Manager will not conduct business in any country, region or jurisdiction in violation of sanctions established by the United Nations, European Union, United Kingdom and/or the U.S. Department of the Treasury's Office of Foreign Assets Control. Additionally, neither the Company nor the Investment Manager will seek or conduct business; acquire or hold any asset or interest in an asset, with or for any person, entity, vessel or security that is sanctioned by any of the authorities named above.**

Each Sub-Fund may engage in transactions in FDIs, whether for efficient portfolio management purposes (for the purposes of and using the products described under the heading "Permitted Financial Derivative Instruments") or investment purposes. FDIs will either be listed on a Recognised Exchange or be transacted over the counter.

**The assets of each Sub-Fund will be invested separately in accordance with the investment objective and policies of the relevant Sub-Fund, which are set out below:**

### **Mori Eastern European Fund**

The Sub-Fund seeks long-term capital appreciation through investment primarily in a portfolio of Eastern European Securities.

The Investment Manager specialises in investment in Eastern Europe and uses a bottom-up approach that incorporates both stock and sector views. The stock-picking style uses proprietary valuation models, target prices, stock market capitalisation, liquidity and view on management's quality.

In seeking to achieve the Sub-Fund's investment objective, the Investment Manager shall invest the net assets (excluding cash and cash equivalents) of Mori Eastern European Fund primarily in equity or equity-related securities issued by companies located in, or exercising the predominant part of their economic activities in, or which, as holding companies, hold the predominant portion of their participations in companies whose principal operations are conducted in Eastern Europe. Such investments may from time to time include but shall not be limited to securities quoted on a Recognised Exchange as listed in Appendix II of the Prospectus, as well as unlisted ADRs and GDRs. The Sub-Fund can also invest in debt and debt-related securities, such as bonds issued by governments, local authorities and corporations in Eastern Europe.

Equity and equity related securities include but are not limited to equities, listed depository receipts, convertible securities, reverse convertibles, freely transferable structured notes, preferred shares, warrants and bonds convertible into common or preferred shares as well as shares in real estate investment trusts (REITs) as described in "Instruments and Securities" section of the Prospectus. The secondary market for REITs may be less active than the market for other stocks and therefore REITs may be less liquid investments than a typical stock quoted on a stock exchange. Debt and debt-related securities include but are not limited to corporate debt securities, fixed and floating rate bonds, zero-coupon and discount bonds, debentures and commercial paper. Up to 100% of the Sub-Fund's Net Asset Value may be held in debt and debt-related securities which are below Investment Grade or not rated and if not rated are deemed to be the equivalent of below Investment Grade.

The Sub-Fund will not invest in open ended collective investment schemes.

This Sub-Fund may engage in transactions in FDIs both for efficient portfolio management and investment purposes (for the purposes of and using the products described under the heading "Permitted Financial Derivative Instruments").

The Investment Manager has been given full discretion in the investment and reinvestment of the assets of Mori Eastern European Fund, provided that it complies with the Sub-Fund's investment objective, policies and restrictions in exercising that discretion. Mori Eastern European Fund's asset allocation shall be determined solely by the Investment Manager. Accordingly, the exposure of the Sub-Fund to individual issuers, instruments or markets shall be determined from time to time solely by the Investment Manager.

**An investment in this Sub-Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

### **Profile of Typical Investor**

Investors should have an understanding of investments in equities or funds and be able to accept significant losses, thus the Sub-Fund is deemed only suitable for investors viewing their investment as being over the medium to long term as the Sub-Fund is designed with the investment objective for

long-term growth of capital.

### **Mori Ottoman Fund**

The Sub-Fund seeks long-term capital appreciation through investment primarily in a portfolio of Emerging European Securities and MENA Region Securities.

The Investment Manager specialises in investment in Emerging Europe and uses a bottom-up approach that incorporates both stock and sector views. The stock-picking style uses proprietary valuation models, target prices, stock market capitalisation, liquidity and view on management's quality.

In seeking to achieve the Sub-Fund's investment objective, the Investment Manager shall invest the net assets of Mori Ottoman Fund (excluding cash and cash equivalents) primarily in equity or equity-related securities of companies located in, or exercising the predominant part of their economic activities in, or which, as holding companies, hold the predominant portion of their participations in companies whose principal operations are conducted in MENA Region and Eastern Europe. Such investments may from time to time include but shall not be limited to securities quoted on a Recognised Exchange as listed in Appendix II of the Prospectus, as well as unlisted ADRs and GDRs. The Sub-Fund may also invest in Emerging European and MENA Region government and corporate debt and debt-related securities.

Equity and equity-related securities include but are not limited to equities, listed depository receipts, convertible securities, reverse convertibles, preferred shares, freely transferable structured notes, warrants and bonds convertible into common or preferred shares as well as shares in real estate investment trusts (REITs) as described in "Instruments and Securities" section of the Prospectus. The secondary market for REITs may be less active than the market for other stocks. Accordingly, REITs may be less liquid investments than a typical stock quoted on a stock exchange. Debt and debt-related securities include but are not limited to corporate debt securities, fixed and floating rate bonds, zero-coupon and discount bonds, debentures and commercial paper. Up to 100% of the Sub-Fund's Net Asset Value may be held in debt and debt-related securities which are below Investment Grade or not rated and if not rated are deemed to be the equivalent of below Investment Grade.

This Sub-Fund may engage in transactions in FDIs both for efficient portfolio management and investment purposes (for the purposes of and using the products described under the heading "Permitted Financial Derivative Instruments").

The Sub-Fund will not invest in open ended collective investment schemes.

The Investment Manager has been given full discretion in the investment and reinvestment of the assets of Mori Ottoman Fund, provided that it complies with the Sub-Fund's investment objective, policies and restrictions in exercising that discretion. Mori Ottoman Fund's asset allocation shall be determined solely by the Investment Manager. Accordingly, the exposure of the Sub-Fund to individual issuers, instruments or markets shall be determined from time to time solely by the Investment Manager.

**An investment in this Sub-Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

## **Profile of Typical Investor**

Investors should have an understanding of investments in equities or funds and be able to accept significant losses, thus the Sub-Fund is deemed only suitable for investors viewing their investment as being over the medium to long term as the Sub-Fund is designed with the investment objective for long-term growth of capital.

## **Renasset Nigeria Fund**

The Sub-Fund seeks long-term capital appreciation through investment primarily in a portfolio of Nigerian Securities.

The Sub-Fund targets a total return greater than the MSCI Nigeria Index by selecting stocks that meet the three criteria of business quality, low risk and reasonable valuation. The stocks are identified by a systematic process that starts with idea generation, followed by in-depth fundamental research, resulting in an action list with approved ideas and target prices from which the fund is constructed.

In seeking to achieve the Sub-Fund's investment objective, the Investment Manager shall invest the net assets of Renasset Nigeria Fund (excluding cash and cash equivalents) primarily in equity or equity-related securities, as further described below, of companies located in, or exercising the predominant part of their economic activities in, or which, as holding companies, hold the predominant portion of their participations in companies whose principal operations are conducted in Nigeria. Such investments may from time to time include but shall not be limited to securities quoted on a Recognised Exchange as listed in Appendix II of the Prospectus, as well as unlisted ADRs and GDRs.

Equity and equity-related securities include but are not limited to equities, listed depository receipts (ADRs and GDRs), preferred shares, warrants and bonds convertible into common or preferred shares.

The Sub-Fund will not invest in open ended collective investment schemes.

The Sub-Fund may use FDI, such as options, futures, swaps and forward currency exchange contracts, for efficient portfolio management and investment purposes, as further described under the heading "Permitted Financial Derivative Instruments". It is expected that FDI may be used primarily at the discretion of the Investment Manager to seek to take or hedge exposure in respect of the Sub-Fund's investments described above, in particular to currency exchange rate risks, indices and commodities however this will not be a normal part of day to day activities. To the extent that the Sub-Fund holds assets, including cash, denominated in currencies other than the Base Currency of the Sub-Fund, the Sub-Fund will have foreign currency exposure. Accordingly, the Investment Manager will exercise its discretion in deciding whether or not to hedge all or some of such currency exposures back into the Base Currency of the Sub-Fund or otherwise alter the currency exposure characteristics of the assets held. Any such decisions will be based, in part, upon the Investment Manager's view of the likely trend of future exchange rates. It is not expected that the Sub-Fund will be leveraged through the use of FDI and in any event the Sub-Fund will not be leveraged in excess of 100% of its Net Asset Value through the use of FDI.

Allocation of the assets of the Sub-Fund shall be determined solely by the Investment Manager. Accordingly, the exposure of the Sub-Fund to individual issuers, instruments or markets shall be determined from time to time solely by Investment Manager. The investment strategy in respect of

the Sub-Fund is to obtain exposure to Nigerian Securities and the strategy is not constrained by any limits in terms of industry, sector or market capitalisation. The Investment Manager uses a bottom-up stock picking style in its selection of securities, which involves selecting securities based on the individual attributes of a company, regardless of sector, industry or macroeconomic factors.

The MSCI Nigeria Index is designed to measure the performance of the large and mid cap segments of the Nigerian market. With 17 constituents, the index covers approximately 85% of the Nigerian equity universe.

**An investment in this Sub-Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. As Nigeria is considered an Emerging Market, investors should refer to the Risk Factors section of this prospectus and in particular to the section entitled "Emerging Markets" for details of the risks relevant to an investment in this Sub-Fund.**

The Renasset Nigeria Fund is no longer available for investment. The Directors intend to formally apply to the Central Bank to withdraw the Renasset Nigeria Fund's approval once annual audited accounts disclosing a zero Net asset Value in respect of the Renasset Nigeria Fund is available.

#### **Profile of Typical Investor**

Investors should have an understanding of investments in equities or funds and be able to accept significant losses, thus the Sub-Fund is deemed only suitable for investors viewing their investment as being over the medium to long term as the Sub-Fund is designed with the investment objective for long-term growth of capital.

#### **Renasset Africa ex S.A. Fund**

The Sub-Fund seeks long-term capital appreciation through investment primarily in a portfolio of African Securities excluding South African Securities.

The Sub-Fund targets a total return greater than the S&P All Africa ex-South Africa Index by selecting stocks that meet the three criteria of business quality, low risk and reasonable valuation. The stocks are identified by a systematic process that starts with idea generation, followed by in-depth fundamental research, resulting in an action list with approved ideas and target prices from which the fund is constructed.

In seeking to achieve the Sub-Fund's investment objective, the Investment Manager shall invest the net assets of the Renasset Africa ex S.A. Fund (excluding cash and cash equivalents) primarily in equity or equity-related securities, as further described below, of companies located in, or exercising the predominant or a significant part of their economic activities in, or which, as holding companies, hold the predominant portion of their participations in companies whose principal operations are conducted in Africa, excluding South Africa. Such investments may from time to time include but shall not be limited to securities quoted on a Recognised Exchange as listed in Appendix II of the Prospectus, as well as unlisted ADRs and GDRs.

Equity and equity-related securities include but are not limited to equities, listed depository receipts (ADRs and GDRs), preferred shares, warrants and bonds convertible into common or preferred shares

The Sub-Fund will not invest in open ended collective investment schemes.

The Sub-Fund may use FDI, such as options, futures, swaps and forward currency exchange contracts, for efficient portfolio management and investment purposes, as further described under the heading "Permitted Financial Derivative Instruments". It is expected that FDI may be used primarily at the discretion of the Investment Manager to seek to take or hedge exposure in respect of the Sub-Fund's investments described above, in particular to currency exchange rate risks, indices and commodities however this will not be a normal part of day to day activities. To the extent that the Sub-Fund holds assets, including cash, denominated in currencies other than the Base Currency of the Sub-Fund, the Sub-Fund will have foreign currency exposure. Accordingly, the Investment Manager will exercise its discretion in deciding whether or not to hedge all or some of such currency exposures back into the Base Currency of the Sub-Fund or otherwise alter the currency exposure characteristics of the assets held. Any such decisions will be based, in part, upon the Investment Manager's view of the likely trend of future exchange rates. It is not expected that the Sub-Fund will be leveraged through the use of FDI and in any event the Sub-Fund will not be leveraged in excess of 100% of its Net Asset Value through the use of FDI.

Allocation of the assets of the Sub-Fund shall be determined solely by the Investment Manager. Accordingly, the exposure of the Sub-Fund to individual issuers, instruments or markets shall be determined from time to time solely by Investment Manager. The investment strategy in respect of the Sub-Fund is to obtain exposure to Africa, excluding South African Securities and the strategy is not constrained by any limits in terms of industry, sector or market capitalisation. The Investment Manager uses a bottom-up stock picking style in its selection of securities, which involves selecting securities based on the individual attributes of a company, regardless of sector, industry or macroeconomic factors.

This S&P Africa ex South Africa Index represents a benchmark for the Sub Saharan African continent excluding South Africa, as well as developed market listed companies that operate purely in or derive a majority of their revenues from the Sub Saharan African continent.

**An investment in this Sub-Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. As Africa is considered an Emerging Market, investors should refer to the Risk Factors section of this prospectus and in particular to the section entitled "Emerging Markets" for details of the risks relevant to an investment in this Sub-Fund.**

#### **Profile of Typical Investor**

Investors should have an understanding of investments in equities or funds and be able to accept significant losses, thus the Sub-Fund is deemed only suitable for investors viewing their investment as being over the medium to long term as the Sub-Fund is designed with the investment objective for long-term growth of capital.

#### ***INVESTMENT AND BORROWING RESTRICTIONS***

The Company is authorised as a UCITS pursuant to the UCITS Regulations. Pursuant to the provisions of the UCITS Regulations and the Central Bank UCITS Regulations the investments of a UCITS must comply with the following:

## **1. Permitted Investments**

Investments of the Company are confined to:

- 1.1 Transferable securities and money market instruments which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State.
- 1.2 Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.
- 1.3 Money market instruments other than those dealt on a regulated market.
- 1.4 Units of UCITS.
- 1.5 Units of non-UCITS.
- 1.6 Deposits with credit institutions.
- 1.7 Financial derivative instruments.

## **2. Investment Restrictions**

- 2.1 Each Sub-Fund may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 1 above.
- 2.2 Each Sub-Fund may invest no more than 10% of net assets in recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.1) within a year. This restriction will not apply in relation to investments by the Sub-Fund in certain US Securities known as Rule 144A Securities provided that: -
  - the securities are issued with an undertaking to register with the US Securities and Exchange Commission within one year of issue; and
  - the securities are not illiquid securities i.e. they may be realised by the Company within seven days at the price, or approximately at the price, at which they are valued by the Company.
- 2.3 Each Sub-Fund may invest no more than 10% of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.
- 2.4 With the prior approval of the Central Bank, the limit of 10% (in 2.3) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-

holders. If a Sub-Fund invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of the Sub-Fund.

- 2.5 The limit of 10% (in 2.3) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.
- 2.6 The transferable securities and money market instruments referred to in 2.4 and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in 2.3.
- 2.7 Each Sub-Fund may not invest more than 20% of net assets in deposits made with the same credit institution.

Deposits with any one credit institution, other than credit institutions authorised in the EEA or credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988 or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand, held as ancillary liquidity, must not exceed 10% of net assets.

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

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

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

- 2.9 Notwithstanding paragraphs 2.3, 2.7 and 2.8 above a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of net assets:
- investments in transferable securities or money market instruments;
  - deposits, and/or
  - counterparty risk exposures arising from OTC derivatives transactions.

- 2.10 The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of net assets.

- 2.11 Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.

- 2.12 Each Sub-Fund may invest up to 100% of net assets in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international body of which one or more Member States are members.



The individual issuers may be drawn from the following list:

OECD governments, excluding those listed above (provided the relevant issues are investment grade)  
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  
Straight-A Funding LLC

A Sub-Fund must hold securities from at least 6 different issuers, with securities from any one issuer not exceeding 30% of net assets.

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

- 3.1 A Sub-Fund may not invest more than 20% of net assets in any one CIS.
- 3.2 Investment in non-UCITS may not, in aggregate, exceed 30% of net assets.
- 3.3 The CIS are prohibited from investing more than 10% of net assets in other open-ended CIS.
- 3.4 When a Sub-Fund invests in the units of other CIS that are managed, directly or by delegation, by the Sub-Fund management company or by any other company with which the Sub-Fund management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription, conversion or redemption fees on account of the Sub-Fund investment in the units of such other CIS.
- 3.5 Where a commission (including a rebated commission) is received by the Sub-Fund

manager/Investment Manager/Investment Adviser by virtue of an investment in the units of another CIS, this commission must be paid into the property of the Sub-Fund.

- 3.6 Save where expressly provided otherwise in a Sub-Fund's investment policy statement, a Sub-Fund may not invest more than 10%, in aggregate, of its net assets in other CIS.

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

- 4.1 Each Sub-Fund may invest up to 20% of net assets in shares and/or debt securities issued by the same body where the investment policy of the 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.
- 4.2 The limit in 4.1 may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.

#### **5 General Provisions**

- 5.1 An investment company, or management company acting in connection with all of the collective investment schemes it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
- 5.2 A 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 collective investment scheme;
  - (iv) 10% of the money market instruments of any single issuing body.

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

- 5.3 5.1 and 5.2 shall not be applicable to:
- (i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;
  - (ii) transferable securities and money market instruments issued or guaranteed by a non-Member State;
  - (iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;
  - (iv) shares held by a 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 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6 and provided that where these limits are exceeded, 5.5 and 5.6 are observed;
  - (v) Shares held by an investment company or investment companies in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country

where the subsidiary is located, in regard to the repurchase of units at unit-holders' request exclusively on their behalf.

- 5.4 A Sub-Fund need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of its assets.
- 5.5 The Central Bank may allow a Sub-Fund to derogate from the provisions of 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 for six months following the date of its authorisation, provided it observes the principle of risk spreading.
- 5.6 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 the Shareholders.
- 5.7 Neither an investment company, nor a management company or a trustee acting on behalf of a unit trust or a management company of a common contractual fund, may carry out uncovered sales of:  
transferable securities;  
money market instruments, (any short selling of money market instruments is prohibited);  
units of CIS; or  
financial derivative instruments, unless they are cash settled.
- 5.8 A Sub-Fund may hold ancillary liquid assets.

## **6 Financial Derivative Instruments**

- 6.1 A Sub-Fund's global exposure relating to FDI must not exceed its total net asset value.
- 6.2 Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank UCITS Regulations/Guidance. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in Regulation 71(1) of the UCITS Regulations.)
- 6.3 UCITS may invest in FDIs dealt in over-the-counter (OTC) provided that the counterparties to over-the-counter transactions (OTCs) are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.
- 6.4 Investment in FDI are subject to the conditions and limits laid down by the Central Bank.

## **7. Restrictions on Borrowing and Lending**

- (a) A Sub-Fund may borrow up to 10% of its assets provided such borrowing is on a temporary basis. The Sub-Fund may charge its assets as security for such borrowings.
- (b) A Sub-Fund may acquire foreign currency by means of a "back-to-back" loan agreement.

Foreign currency obtained in this manner is not classed as borrowings for the purposes of the borrowing restrictions set out at (a) above provided that the offsetting deposit equals or exceeds the value of the foreign currency loan outstanding.

Where the offsetting deposit is not denominated in the Base Currency of the relevant Sub-Fund, changes in the exchange rate between the Base Currency and the currency of the offsetting deposit may lead to a depreciation of the value of the offsetting deposit as expressed in the Base Currency.

However, where foreign currency borrowings exceed the value of the back-to-back deposit, any excess is regarded as borrowing for the purpose of (a) above.

- (c) A Sub-Fund may not, save as set out in (a) above, mortgage, hypothecate or in any manner transfer as security for indebtedness, any securities owned or held by the Sub-Fund. The purchase or sale of securities on a when-issued or delayed-delivery basis, and margin paid with respect to the writing of options or the purchase or sale of forwards or futures or other derivatives contracts, is not deemed to be a pledge of the assets.
- (d) Without prejudice to the powers of a Sub-Fund to invest in transferable securities, a Sub-Fund may not lend or act as guarantor on behalf of third parties.

It is intended that the Company shall have the power in accordance with the requirements of the Central Bank to avail itself of any change in the investment and borrowing restrictions laid down in the UCITS Regulations which would permit investment by the Company in securities, derivative instruments or in any other forms of investment in which investment is at the date of this Prospectus restricted or prohibited under the UCITS Regulations.

## **RISK FACTORS**

### **General**

The risks described herein should not be considered to be an exhaustive list of the risks which potential investors should consider before investing in a Sub-Fund. Potential investors should be aware that an investment in a Sub-Fund may be exposed to other risks of an exceptional nature from time to time. Investment in the Company carries with it a degree of risk. Different risks may apply to different Sub-Funds. Potential investors should review this Prospectus carefully and in its entirety and consult with their professional and financial advisers before making an application for Shares. Potential investors are advised that the value of Shares and the income from them may go down as well as up and, accordingly, an investor may not get back the full amount invested and an investment should only be made by persons who can sustain a loss on their investment. Past performance of the Company or any Sub-Fund should not be relied upon as an indicator of future performance. The difference at any one time between the sale price (to which may be added a sales charge or commission) and the redemption price of Shares (from which may be deducted a redemption fee) means an investment should be viewed as medium to long term. The attention of potential investors is drawn to the taxation risks associated with investing in the Company. Please refer to the Section of the Prospectus entitled "Taxation". The securities and instruments in which the Company invests are subject to normal market fluctuations and other risks inherent in investing in such investments and there can be no assurance that any appreciation in value will occur. There can be no guarantee that the investment objective of a Sub-Fund will actually be achieved.

This does not purport to be an exhaustive list of the risk factors relating to investment in the Sub-Funds and investors' attention is drawn to the description of the instruments set out in the section entitled "Investment Objectives and Policies".

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

The value of a Sub-Fund's assets may be affected by uncertainties such as international political developments, changes in government policies, changes in taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investment may be made. Furthermore, the legal infrastructure and accounting, auditing and reporting standards in certain countries in which investment may be made may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets. Some of the Sub-Funds may invest in markets where the trading, settlement and custodial systems are not fully developed. Accordingly, the assets of the a Sub-Fund which are traded in such markets may be entrusted to sub-custodians in such markets which do not meet the delegation criteria of the Depositary where such a delegation is required due to the legal constraints in the law of the third country and may be exposed to risk in such circumstances.

### **Market Risk**

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

## **Liquidity Risk**

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

## **Redemption Risk**

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

## **Currency Risk**

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

Funds may from time to time utilise techniques and instruments to seek to protect (hedge) currency exchange transactions either on a spot basis or by buying currency exchange forward contracts. Neither spot transactions nor forward currency exchange contracts eliminate fluctuations in the prices of a Sub-Fund's securities or in foreign exchange rates, or prevent loss if the prices of these securities should decline.

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

## **Share Currency Designation Risk**

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

currency. The Company's Investment Manager may try but is not obliged to mitigate this risk by using financial instruments such as those described under the heading "Currency Risk", provided that such instruments shall in no case exceed 100% of the Net Asset Value attributable to the relevant Class of Shares of the Sub-Fund. Investors should be aware that this strategy may substantially limit Shareholders of the relevant Class from benefiting if the designated currency falls against the Base Currency and/or the currency/currencies in which the assets of the Sub-Fund are denominated. In such circumstances Shareholders of the relevant Class of Shares of the Sub-Fund may be exposed to fluctuations in the Net Asset Value per Share reflecting the gains/losses on and the costs of the relevant financial instruments. Financial instruments used to implement such strategies shall be assets/liabilities of the Sub-Fund as a whole. However, the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Class of Shares of the Sub-Fund.

### **Custody and Settlement Risk**

As a Sub-Fund may invest in 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 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 in regards to corporate actions, (iv) registration process that impacts the availability of the securities, (v) lack of appropriate legal/fiscal infrastructure advices, and (vi) lack of compensation/risk fund 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.

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

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

### **Umbrella Cash Subscription and Redemption Account**

Subscription monies received in respect of a Sub-Fund in advance of the issue of Shares will be held in the umbrella cash subscriptions and redemptions account ("Umbrella Cash Subscriptions and Redemptions Account") in the name of the Company and will be treated as an asset of the relevant Sub-Fund. Investors will be unsecured creditors of the relevant Sub-Fund with respect to the amount subscribed and held by the Company until Shares are issued on the Dealing Day. As such, investors will not benefit from any appreciation in the Net Asset Value of the relevant Sub-Fund or any other Shareholder rights (including dividend entitlement) until such time as Shares are issued on the relevant Dealing Day. In the event of an insolvency of the Sub-Fund or the Company, there is no guarantee that the Sub-Fund or Company will have sufficient funds to pay unsecured creditors in full.

Payment of repurchase proceeds and dividends in respect of a particular Sub-Fund is subject to receipt by the Administrator of original subscription documents and compliance with all anti-money laundering procedures. Notwithstanding this, redeeming Shareholders will cease to be Shareholders, with regard to the redeemed Shares, and will be unsecured creditors of the particular Sub-Fund, from the relevant Dealing Day. Pending redemptions and distributions, including blocked redemptions or distributions, will, pending payment to the relevant Shareholder, be held in the Umbrella Cash Subscriptions and Redemptions Account in the name of the Company. Redeeming Shareholders and Shareholders entitled to such distributions will be unsecured creditors of the relevant Sub-Fund, and

will not benefit from any appreciation in the Net Asset Value of the Sub-Fund or any other Shareholder rights (including further dividend entitlement), with respect to the redemption or distribution amount held in the Umbrella Cash Subscriptions and Redemptions Account. In the event of an insolvency of the relevant Sub-Fund or the Company, there is no guarantee that the Sub-Fund or the Company will have sufficient funds to pay unsecured creditors in full. Redeeming Shareholders and Shareholders entitled to distributions should ensure that any outstanding documentation and information is provided to the Administrator promptly. Failure to do so is at such Shareholder's own risk.

### **Money Market Risk**

An investment in a Sub-Fund which is exposed to money market type instruments is neither insured nor guaranteed by the any government, government agencies or instrumentalities or any bank guarantee fund. Shares of such Sub-Funds are not deposits or obligations of, or guaranteed or endorsed by, any bank. An investment in such Sub-Funds involves certain investment risks, including the possible loss of principal.

### **Credit Risks**

There can be no assurance that issuers of the securities or other instruments in which a Sub-Fund invests will not be subject to credit difficulties leading to the loss of some or all of the sums invested in such securities or instruments. A Sub-Fund will also be exposed to a credit risk in relation to the counterparties with whom it trades and may bear the risk of settlement default.

### **Changes in Interest Rates**

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

### **Securities Lending Risk**

As with any extensions of credit, there are risks of delay and recovery. Should the borrower of securities fail financially or default in any of its obligations under any securities lending transaction, the collateral provided in connection with such transaction will be called upon. The value of the collateral will be maintained to exceed the value of the securities transferred. However in the event of a sudden market movement there is a risk that the value of the collateral may fall below the value of the securities transferred. In addition, as a Sub-Fund may invest cash collateral received in the investments, a Sub-Fund investing collateral will be exposed to the risks associated with such investments, such as failure or default of the issuer of the relevant security. For securities lending made with connected persons of the Depositary, it must be made on arm's length commercial terms and the Depositary's written consent is required. Investors should refer to the section entitled "Sub-Fund Transactions and Conflicts of Interest" below for further details.

### **Collateral Risk**

Cash received as collateral may be invested in other eligible securities, including shares of a short term money market fund in accordance with the requirements of the Central Bank. Investing this cash subjects that investment, as well as any securities loaned, to market appreciation or depreciation and the risks associated with such investments, such as failure or default of the issuer of the relevant security.



## **Valuation Risk**

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

## **Investment Manager Risk**

The Directors may seek the advice of the Investment Manager with respect to the valuation of certain investments and Shareholders should be aware of an inherent conflict of interest between the involvement of the Investment Manager in recommending the valuation price of a Sub-Fund's investment and the Investment Manager's other duties and responsibilities in relation to the Sub-Funds.

## **Amortised Cost Method**

Certain Sub-Funds may value some or all of their investments at amortised cost. Investors' attention is drawn to the Section of the Prospectus entitled “Calculation of the NAV” for further information.

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

## **Tax Risk**

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

## **Subscription Default Risk**

Each Sub-Fund will bear the risk of subscription default. In order to maximise the generation of additional capital or income, the Investment Manager may purchase securities or utilise FDIs on the basis that settlement monies will be received on the relevant settlement date. In the event that such settlement monies are not received by the Sub-Fund on or by the relevant settlement date, the Sub-Fund may have to sell such purchased securities or close out its position, which could result in a loss to the Sub-Fund notwithstanding that a subscriber who defaults in settling a subscription payment may be liable to the Sub-Fund for any such loss.

## **Expenses Associated with Investment in the Sub-Funds**

Details of the fees and expenses payable out of the assets of the Sub-Funds and in respect of investments in the Sub-Funds are set out in the section entitled "Fees and Expenses." In addition, Shareholders should note certain costs such as transaction costs associated with the acquisition of investments by a Sub-Fund following receipt and acceptance of subscription orders or with the disposal of investments by a Sub-Fund required to be made in order to satisfy redemption requests are borne by the Sub-Fund as whole and not by the particular investors subscribing for Shares or redeeming Shares in the relevant Sub-Fund.

## **Segregated Liability between Sub-Funds**

While the provisions of the Companies Act 2014 provide for segregated liability between Sub-Funds, these provisions have yet to be tested in foreign courts, in particular, in satisfying local creditors claims.

## **Performance Fee Risk**

Where performance fees are payable by a Sub-Fund they will be based on net realised and net unrealised gains and losses as at the end of each Calculation Period (as more fully described in the Fees and Expenses section in this Prospectus). As a result, performance fees may be paid on unrealised gains which may subsequently never be realised.

## **Trading Model Risks**

A Sub-Fund may use a proprietary mathematical process to implement its respective investment objectives. This process does not guarantee any particular results. Additionally, the rebalancing techniques used by the Investment Manager of such a Sub-Fund may result in a higher portfolio turnover rate and related expenses compared to traditional "buy and hold" or index fund strategies. A higher portfolio turnover rate increases the likelihood of higher gains or losses for investors.

## **Frequent Trading**

Certain Sub-Funds may buy and sell investments relatively often, which involves higher brokerage commissions and other expenses.

## **Equity Markets Risk**

Investments in equity securities offer the potential for substantial capital appreciation. However, such investments also involve risks, including issuer, industry, market and general economic related risks. Although the Company will attempt to reduce these risks by utilising various techniques described herein, adverse developments or perceived adverse developments in one or more of these areas could cause a substantial decline in the value of equity securities owned by a Sub-Fund.

## **Industry Risk**

Stocks within a certain industry group may share common characteristics and react similarly to market developments. For example, many companies with a life science orientation are highly regulated and may be dependent upon certain types of technology. As a result, changes in government funding or

subsidies, new or anticipated legislative changes, or technological advances could affect the value of such companies. The returns of a Sub-Fund investing in a particular industry group, therefore, may be more volatile than those of a less concentrated portfolio. Also, competition among technology companies may result in increasingly aggressive pricing of their products and services, which may affect the profitability of companies in such Sub-Fund's portfolio. In addition, because of the rapid pace of technological development, products or services developed by companies in such Sub-Fund's portfolio may become rapidly obsolete or have relatively short product cycles. Such Sub-Fund's returns, therefore, may also be more volatile than other Sub-Funds that do not invest in similarly related companies.

### **Micro, Small and Mid-Sized Company Shares**

The Sub-Funds may invest in equity securities of micro, small and mid-sized companies. Investment in such securities involves special risks. Among other things, the prices of securities of micro, small and mid-sized companies generally are more volatile than those of larger companies; the securities of smaller companies generally are less liquid; and smaller companies generally are more likely to be adversely affected by poor economic or market conditions. The prices of micro-sized companies generally are even more volatile and their markets are even less liquid relative to both small and larger companies. Investments in securities of companies with smaller market capitalisations are generally considered to offer greater opportunity for appreciation but also may involve greater risks than customarily are associated with more established companies. The securities of smaller companies may be subject to more abrupt fluctuations in market price than larger, more established companies. Smaller companies may have limited product lines, markets or financial resources, or they may be dependent upon a limited management group. In addition to exhibiting greater volatility, smaller company shares may, to a degree, fluctuate independently of larger company shares (i.e., small and/or micro company shares may decline in price as the prices of larger company shares rise or vice versa).

### **Depository Receipts**

The Sub-Funds may purchase sponsored or unsponsored ADRs and GDRs (collectively "Depository Receipts") typically issued by a bank or trust company which evidence ownership of underlying securities issued by a corporation. Generally, Depository Receipts in registered form are designed for use in the U.S. securities market and Depository Receipts in bearer form are designed for use in securities markets outside the United States. Depository Receipts may not necessarily be denominated in the same currency as the underlying securities into which they may be converted. Depository Receipts may be issued pursuant to sponsored or unsponsored programs. In sponsored programs, an issuer has made arrangements to have its securities trade in the form of Depository Receipts. In unsponsored programs, the issuer may not be directly involved in the creation of the program. Although regulatory requirements with respect to sponsored and unsponsored programs are generally similar, in some cases it may be easier to obtain financial information from an issuer that has participated in the creation of a sponsored program. Accordingly, there may be less information available regarding issuers of securities underlying unsponsored programs and there may not be a correlation between such information and the market value of the Depository Receipts.

### **Debt Securities**

The prices of debt securities fluctuate in response to perceptions of the issuer's creditworthiness and also tend to vary inversely with market interest rates. The value of such securities is likely to decline in

times of rising interest rates. Conversely, when rates fall, the value of these investments is likely to rise. The longer the time to maturity the greater are such variations. The Sub-Funds are subject to credit risk (i.e., the risk that an issuer of securities will be unable to pay principal and interest when due, or that the value of a security will suffer because investors believe the issuer is less able to pay). This is broadly gauged by the credit ratings of the securities in which a Sub-Fund invests. However, ratings are only the opinions of the agencies issuing them and are not absolute guarantees as to quality. Not all government securities are backed by the full faith and credit of their national government. Some are backed only by the credit of the issuing agency or instrumentality. Accordingly, there is at least a chance of default on these government securities in which the Sub-Funds may invest, which may subject a Sub-Fund to credit risk. To the extent a Sub-Fund invests in medium or low-rated securities and unrated securities of comparable quality, the Sub-Fund may realise a higher current yield than the yield offered by higher-rated securities, but investment in such securities involves greater volatility of price and risk of loss of income and principal, including the probability of default by or bankruptcy of the issuers of such securities. Low-rated and comparable unrated securities (collectively referred to as "low-rated" securities) likely have quality and protective characteristics that, in the judgment of a rating organisation, are outweighed by large uncertainties or major risk exposures to adverse conditions, and are predominantly speculative with respect to an issuer's capacity to pay interest and repay principal in accordance with the terms of the obligation. Although the prices of low-rated securities are generally less sensitive to interest rate changes than are higher rated securities, the prices of low-rated securities may be more sensitive to adverse economic changes and developments regarding the individual issuer. When economic conditions appear to be deteriorating, medium or low-rated securities may decline in value due to heightened concern over credit quality, regardless of the prevailing interest rates. Investors should carefully consider the relative risks of investing in high yield securities and understand that such securities are not generally meant for short-term investing. Adverse economic developments can disrupt the market for low-rated securities, and severely affect the ability of issuers, especially highly leveraged issuers, to service their debt obligations or to repay their obligations upon maturity, which may lead to a higher incidence of default on such securities. Low-rated securities are especially affected by adverse changes in the industries in which the issuers are engaged and by changes in the financial condition of the issuers. Highly leveraged issuers may also experience financial stress during periods of rising interest rates. In addition, the secondary market for low-rated securities, which is concentrated in relatively few market makers, may not be as liquid as the secondary market for more highly rated securities. As a result, a Sub-Fund could find it more difficult to sell these securities or may be able to sell the securities only at prices lower than if such securities were widely traded. Therefore, prices realised upon the sale of such low-rated securities, under these circumstances, may be less than the prices used in calculating the Sub-Fund's Net Asset Value. Low-rated securities also present risks based on payment expectations. If an issuer calls an obligation for redemption, the Sub-Fund may have to replace the security with a lower yielding security, resulting in a decreased return for investors. If the Sub-Fund experiences unexpected net redemptions, it may be forced to sell its higher-rated securities, resulting in a decline in the overall credit quality of the Sub-Fund's investment portfolio and increasing the exposure of the Sub-Fund to the risks of low-rated securities. Changes in economic conditions or developments regarding individual issuers of medium or low-rated securities are more likely to cause price volatility and weaken the capacity of such securities to make principal and interest payments than is the case for higher grade debt securities. Investment in such lower rated debt securities may limit a Sub-Fund's ability to sell such securities at fair value. Judgment plays a greater role in pricing such securities than in the case of securities having more active markets. Adverse publicity and investor perceptions, whether or not based on fundamental analysis, may also decrease the values and liquidity of lower rated debt securities, especially in a thinly traded market. The ratings issued by rating agencies represent the opinions of those agencies. Such ratings are

relative and subjective, and are not absolute standards of quality. Unrated debt securities are not necessarily of lower quality than rated securities, but they may not be attractive to as many buyers. The rating agencies may change, without prior notice, their ratings on particular debt securities held by a Sub-Fund, and downgrades in ratings are likely to adversely affect the price of the relevant debt securities. Credit risk is more pronounced for investments in fixed-income securities that are rated below Investment Grade or which are of comparable quality. The risk of default may be greater and the market for these securities may be less active, making it more difficult to sell the securities at reasonable prices, and also making valuation of the securities more difficult. The Sub-Funds may incur additional expenses if an issuer defaults and it tries to recover some of the losses in bankruptcy or other similar proceedings.

### **Warrants**

Each of the Sub-Funds may invest over 5% of its Net Asset Value in warrants. As with derivative use, the outcome of the use of warrants, in terms of the risk profile of a Sub-Fund, depends on the underlying investment rationale for the Sub-Fund in question and may lead to a higher volatility in the unit price of that Sub-Fund.

### **Index Linked Securities (Hereafter “Indexed Securities”)**

Indexed securities are securities whose prices are indexed to the prices of securities indices, currencies, or other financial statistics. Indexed securities typically are debt securities or deposits whose value at maturity and/or coupon rate is determined by reference to a specific instrument or statistic. The performance of indexed securities fluctuates (either directly or inversely, depending upon the instrument) with the performance of the index, security or currency. At the same time, indexed securities are subject to the credit risks associated with the issuer of the security, and their value may substantially decline if the issuer’s creditworthiness deteriorates. Recent issuers of indexed securities have included banks, corporations and certain government agencies.

### **Mortgage-Backed Securities**

Mortgage-backed securities provide a monthly payment consisting of interest and principal payments. Additional payments may be made out of unscheduled repayments of principal resulting from the sale of the underlying property, refinancing or foreclosure, net of fees or costs that may be incurred. Prepayments of principal on mortgage-backed securities may tend to increase due to refinancing of mortgages as interest rates decline. Prepayments may be passed through to the registered holder with the regular monthly payments of principal and interest, and have the effect of reducing future payments. In the event of prepayments, the Sub-Funds may experience a loss (if the price at which the respective security was acquired by the Sub-Fund was at a premium over par, which represents the price at which the security will be redeemed upon repayment) or a gain (if the price at which the respective security was acquired by the Sub-Fund was at a discount from par). To the extent that a Sub-Fund purchases mortgage-backed securities at a premium, mortgage foreclosures and prepayments of principal by mortgagors (which may be made at any time without penalty) may result in some loss of the Sub-Fund’s principal investment to the extent of the premium paid. Prepayments may occur with greater frequency in periods of declining mortgage rates because, among other reasons, it may be possible for mortgagors to refinance their outstanding mortgages at lower interest rates. When market interest rates increase, the market values of mortgage-backed securities decline. At the same time, however, mortgage refinancing slows, which lengthens the effective maturities of these securities. As a result, the negative effect of the rate increase on the market value of mortgage-

backed securities is usually more pronounced than it is for other types of fixed-income securities. Mortgage pools created by private organisations generally offer a higher rate of interest than government and government-related pools because there are no direct or indirect guarantees of payments in the former pools. Timely payment of interest and principal in private organisation pools, however, may be supported by various forms of private insurance or guarantees, including individual loan, title, pool and hazard insurance. There can be no assurance that the private insurers can meet their obligations under the policies. The Sub-Funds' yields may be affected by reinvestment of prepayments at higher or lower rates than the original investment. In addition, like those of other debt securities, the values of mortgage-related securities, including government and government-related mortgage pools, generally will fluctuate in response to market interest rates.

### **Stripped Securities**

The yield to maturity on an Interest Only or Principal Only class of stripped mortgage-backed securities is extremely sensitive not only to changes in prevailing interest rates but also to the rate of principal payments (including prepayments) on the underlying assets. A rapid rate of principal prepayments may have a measurably adverse effect on the Sub-Funds' yields to maturity to the extent it invests in Interest Only Bonds. If the assets underlying the Interest Only Bond experience greater than anticipated prepayments of principal, the Sub-Funds may fail to recoup fully their initial investments in these securities. Conversely, Principal Only Bonds tend to increase in value if prepayments are greater than anticipated and decline if prepayments are slower than anticipated. The secondary market for stripped mortgage-backed securities may be more volatile and less liquid than that for other mortgage-backed securities, potentially limiting the Sub-Funds' ability to buy or sell those securities at any particular time.

### **Asset-Backed Securities**

The principal of asset-backed securities may be prepaid at any time. As a result, if such securities were purchased at a premium, a prepayment rate that is faster than expected will reduce yield to maturity, while a prepayment rate that is slower than expected will have the opposite effect. Conversely, if the securities are purchased at a discount, prepayments faster than expected will increase yield to maturity and prepayments slower than expected will decrease it. Accelerated prepayments also reduce the certainty of the yield because the Sub-Funds must reinvest the assets at the then current rates. Accelerated prepayments on securities purchased at a premium also impose a risk of loss of principal because the premium may not have been fully amortised at the time the principal is repaid in full.

### **REIT Risks**

Real Estate Investment Trust (REIT) is a corporation or business trust which owns, manages, and/or leases commercial real estate properties, and/or invests in real estate related securities, such as mortgaged-backed securities or whole loans. REITs are usually exempt at the entity level from corporate income taxation, subject to meeting certain requirements for real estate investment and ownership, real estate income, and dividend levels (e.g., dividend payout requirements for REITs require that 90% of taxable income be paid as a dividend, must invest at least 75% of total assets in real estate assets and derive at least 75% of gross income from rental or management of real estate or interest from mortgage activities, etc). The prices of equity REITs are affected by changes in the value of the underlying property owned by the REITs and changes in capital markets and interest rates. The prices of mortgage REITs are affected by the quality of any credit they extend, the

creditworthiness of the mortgages they hold, as well as by the value of the property that secures the mortgages. While the Sub-Fund will not invest in real property directly, the Sub-Fund may be subject to risks similar to those associated with the direct ownership of real property (in addition to securities market risks) because of its policy of concentrating its investments in the real estate industry. These risks include declines in the value of real property, risks related to general and local economic conditions, dependency on management skill, heavy cash flow dependency, adverse changes in the operations of any property or the financial condition of any tenant, possible lack of availability of mortgage funds, overbuilding, extended vacancies of properties, increased competition, increases in property taxes and operating expenses, changes in zoning laws, losses due to costs resulting from the clean-up of environmental problems, liability to third parties for damages resulting from environmental problems, casualty or condemnation losses, limitations on rents, changes in neighbourhood values and in appeal of properties to tenants and changes in interest rates. In addition to these risks, equity REITs may be affected by changes in the value of the underlying property owned by the trusts, while mortgage REITs may be affected by the quality of any credit they extend. Further, equity REITs and mortgage REITs are dependent upon management skills and generally may not be diversified. Equity REITs and mortgage REITs are also subject to heavy cash flow dependency, defaults by borrowers and self-liquidation. In addition, equity REITs and mortgage REITs could fail to qualify for tax-free pass-through of income under their relevant legislation. Such a failure would result in the U.S. federal income taxation of a disqualified REIT's distributed income at the REIT level. There is also the risk that borrowers under mortgages held by a REIT or lessees of a property that a REIT owns may be unable to meet their obligations to the REIT. In the event of a default by a borrower or lessee, the REIT may experience delays in enforcing its rights as a mortgagee or lessor and may incur substantial costs associated with protecting its investments. In addition to the foregoing risks, certain "special purpose" REITs in which the Sub-Fund may invest may have their assets in specific real property sectors, such as hotel REITs, nursing home REITs or warehouse REITs, and are therefore subject to the risks associated with adverse developments in these sectors. As a result investment in a REIT may not be as liquid as an a typical equity quoted on a Recognised Exchange.

### **Private Equity**

The Sub-Funds may invest a small proportion of their net assets in private equity. Investments with private equity characteristics typically involve uncertainties that cannot be compared to those arising in the case of other types of investments. In many cases, private equity investments involve companies that have been in existence for only a short time and which intend to establish themselves in an existing market or occupy new business areas. The business concept behind these companies is usually based on new, innovative products or processes. Consequently, the process of forecasting the performance of such companies, their business concepts and potential sales, is often fraught with uncertainty.

### **Techniques and Instruments Risk**

The prices of derivative instruments, including futures and options prices, are highly volatile. Price movements of forward contracts, futures contracts and other derivative contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programmes and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly markets in currencies and interest rate related futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because

of, among other things, interest rate fluctuations. The use of techniques and instruments also involves certain special risks, including (1) dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates, (2) imperfect correlation between the hedging instruments and the securities or market sectors being hedged, (3) the fact that skills needed to use these instruments are different from those needed to select the Sub-Fund's securities and (4) the possible absence of a liquid market for any particular instrument at any particular time, and (5) possible impediments to effective portfolio management or the ability to meet redemption requests.

## **Derivatives**

Derivatives, in general, involve special risks and costs and may result in losses to the Sub-Funds. The successful use of derivatives requires sophisticated management, and a Sub-Fund will depend on the ability of the Sub-Fund's Investment Managers to analyse and manage derivatives transactions. The prices of derivatives may move in unexpected ways, especially in abnormal market conditions. In addition, correlation between the particular derivative and an asset or liability of a Sub-Fund may prove not to be what the Sub-Fund's Investment Manager expected. Some derivatives are "leveraged" and therefore may magnify or otherwise increase investment losses to the Sub-Fund. Other risks arise from the potential inability to terminate or sell derivatives positions. A liquid secondary market may not always exist for the Sub-Funds' derivatives positions at any time. In fact, many over-the-counter instruments will not be liquid and may not be able to be "closed out" when desired. Over-the-counter instruments such as swap transactions also involve the risk that the other party will not meet its obligations to the Sub-Funds. The participants in "over-the-counter" markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange based" markets, and there is no clearing corporation which guarantees the payment of required amounts. This exposes the Sub-Funds to risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the relevant Sub-Fund to suffer a loss. There is a possibility that the agreements governing the derivatives may be terminated due, for instance, to supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. There is also a risk if such agreements are not legally enforceable or if the derivative transactions are not documented correctly.

## **Counterparty Risk**

The Sub-Funds will be exposed to a credit risk on the counterparties with which they trade in relation to non-exchange traded contracts such as futures, options, swaps, repurchase transactions and forward exchange rate contracts. Non-exchange traded contracts are not afforded the same protections as may apply to participants trading such contracts on organised exchanges, such as the performance guarantee of an exchange clearing house. Non-exchange traded contracts are agreements specifically tailored to the needs of an individual investor which enable the user to structure precisely the date, market level and amount of a given position. The counterparty for these agreements will be the specific company or firm involved in the transaction rather than a recognised exchange and accordingly the insolvency, bankruptcy or default of a counterparty with which a Sub-Fund trades such contracts could result in substantial losses to a Sub-Fund. Regardless of the measures a Sub-Fund may implement to reduce counterparty credit risk there can be no assurance that a counterparty will not default or that a Sub-Fund will not sustain losses on the transactions as a result.



## **Futures Contracts**

Positions in futures contracts may be closed out only on an exchange that provides a secondary market for such futures. However, there can be no assurance that a liquid secondary market will exist for any particular futures contract at any specific time. Thus, it may not be possible to close a futures position. In the event of adverse price movements, a Sub-Fund would continue to be required to make daily cash payments to maintain its required margin. In such situations, if a Sub-Fund has insufficient cash, it may have to sell portfolio securities to meet daily margin requirements at a time when it may be disadvantageous to do so. In addition, a Sub-Fund may be required to make delivery of the instruments underlying futures contracts it holds. The inability to close options and futures positions also could have an adverse impact on the ability to effectively hedge the Sub-Fund. The risk of loss in trading futures contracts in some strategies can be substantial, due both to the low margin deposits required and the extremely high degree of leverage involved in futures pricing. As a result, a relatively small price movement in a futures contract may result in immediate and substantial loss (as well as gain) to the investor. Thus, a purchase or sale of a futures contract may result in losses in excess of the amount of investment in the contract. The relevant Sub-Fund also incurs the risk that the Investment Manager will incorrectly predict future stock market trends. Utilisation of futures transactions by a Sub-Fund does involve the risk of imperfect or no correlation where the securities underlying the futures contracts have different maturities than a Sub-Fund's securities being hedged. It is also possible that a Sub-Fund could both lose money on futures contracts and also experience a decline in the value of its other securities. There is also a risk of loss by a Sub-Fund of margin deposits in the event of the bankruptcy of a broker with whom a Sub-Fund has an open position in a futures contract or related option. Finally, futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits." Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent a Sub-Fund from liquidating unfavourable positions.

## **Forward Trading**

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

## **Options**

Because option premiums paid or received by a Sub-Fund will be small in relation to the market value of the investment underlying the options, trading in options could cause a Sub-Fund's Net Asset Value to be subject to more frequent and wider fluctuations than would be the case if a Sub-Fund did not utilise options. Upon the exercise of a put option written by a Sub-Fund, it may suffer a loss equal to the difference between the price at which a Sub-Fund is required to purchase the underlying asset and its market value at the time of the option exercise, less the premium received for writing the option. Upon the exercise of a call option written by a Sub-Fund, it may suffer a loss equal to the

excess of the market value of the asset at the time of the option's exercise over the price at which the Sub-Fund is obliged to sell the asset, less the premium received for writing the option. No assurance can be given that a Sub-Fund will be able to effect closing transactions at a time when it wishes to do so. If a Sub-Fund cannot enter into a closing transaction, it may be required to hold assets that it might otherwise have sold, in which case it would continue to be at market risk on such assets and could have higher transaction costs, including brokerage commissions. In addition, options that are not exchange traded will subject a Sub-Fund to risks relating to its counterparty, such as the counterparty's bankruptcy, insolvency, or refusal to honour its contractual obligations.

## **Swaps**

Payments under a swap contract may be made at the conclusion of the contract or periodically during its term. If there is a default by the counterparty to a swap contract, a Sub-Fund will be limited to contractual remedies pursuant to the agreements related to the transaction. There is no assurance that swap contract counterparties will be able to meet their obligations pursuant to swap contracts or that, in the event of default, the Sub-Fund will succeed in pursuing contractual remedies. The Sub-Fund thus assumes the risk that it may be delayed in or prevented from obtaining payments owed to it pursuant to swap contracts. In addition, because swap contracts are individually negotiated and ordinarily non-transferable, there also may be circumstances in which it would be impossible for a Sub-Fund to close out its obligations under the swap contract. Under such circumstances, a Sub-Fund might be able to negotiate another swap contract with a different counterparty to offset the risk associated with the first swap contract. Unless a Sub-Fund is able to negotiate such an offsetting swap contract, however, it could be subject to continued adverse developments, even after the Investment Manager has determined that it would be prudent to close out or offset the first swap contract. The use of swaps involves investment techniques and risks different from and potentially greater than those associated with ordinary portfolio securities transactions. If the Investment Manager is incorrect in its expectations of market values or interest rates, the investment performance of a Sub-Fund would be less favourable than it would have been if this portfolio management technique were not used.

## **Repurchase and Reverse Repurchase**

In the event of the insolvency, bankruptcy or default of the seller under a repurchase agreement, the Company may experience both delays in liquidating the underlying securities and losses, including the possible decline in the value of securities, during the period while it seeks to enforce its rights thereto, possible sub-normal level of income and lack of access to income during the period and expenses in enforcing its rights.

## **Credit Default Swaps Risk**

A credit default swap allows the transfer of default risk. This allows a Sub-Fund to effectively buy insurance on a reference obligation it holds (hedging the investment), or buy protection on a reference obligation it does not physically own in the expectation that the credit will decline in quality. One party, the protection buyer, makes a stream of payments to the seller of the protection, and a payment is due to the buyer if there is a credit event (a decline in credit quality, which will be predefined in the agreement between the parties). If the credit event does not occur the buyer pays all the required premiums and the swap terminates on maturity with no further payments. The risk of the buyer is therefore limited to the value of the premiums paid. In addition, if there is a credit event and the Sub-Fund does not hold the underlying reference obligation, there may be a market risk as the Sub-Fund

may need time to obtain the reference obligation and deliver it to the counterparty. Furthermore, if the counterparty becomes insolvent, the Sub-Fund may not recover the full amount due to it from the counterparty. The market for credit default swaps may sometimes be more illiquid than the bond markets. The Company will mitigate this risk by monitoring in an appropriate manner the use of this type of transaction.

***In addition to the risks referred to above, potential investors should consider the following underlined risks with regards Emerging Markets before investing in a Sub-Fund which is allowed to invest in Emerging Markets***

### **Emerging Markets and CIS Region Risks - General**

Certain Sub-Funds may invest in equity securities of companies in emerging markets. Such securities may involve a high degree of risk and may be considered speculative. Risks include (i) greater risk of expropriation, confiscatory taxation, nationalisation, and social, political and economic instability; (ii) the small current size of the markets for securities of emerging markets issuers and the currently low or non-existent volume of trading, resulting in lack of liquidity and in price volatility, (iii) certain national policies which may restrict a Sub-Fund's investment opportunities including restrictions on investing in issuers or industries deemed sensitive to relevant national interests; and (iv) the absence of developed legal structures governing private or foreign investment and private property.

A Sub-Fund may invest in transferable securities in developing countries with new or developing capital markets. These countries may have relatively unstable governments, economics based on only a few industries and securities markets that trade a limited number of securities and which are subject to a lesser degree of supervision and regulation by the competent authorities. Securities of issuers located in these countries tend to have volatile prices and offer the potential for substantial loss as well as gain. Furthermore, the available information about issuers located in these countries might be limited. In addition, these securities may be less liquid than investments in more established markets as a result of the inadequate trading volume or restrictions on trading imposed by the governments of such countries.

### **Registration Risk**

In some emerging market countries evidence of legal title to shares is maintained in "book-entry" form. In order to be recognised as the registered owner of the shares of a company, a purchaser or purchaser's representative must physically travel to a registrar and open an account with the registrar (which, in certain cases, requires the payment of an account opening fee). Thereafter, each time that the purchaser purchases additional shares of the company, the purchaser's representative must present to the registrar powers of attorney from the purchaser and the seller of such shares, along with evidence of such purchase, at which time the registrar will debit such purchased shares from the seller's account maintained on the register and credit such purchased shares to the purchaser's account to be maintained to the register.

The role of the registrar in such custodial and registration processes is crucial. Registrars may not be subject to effective government supervision and it is possible for a Sub-Fund to lose its registration through fraud, negligence or mere oversight on the part of the registrar. Furthermore, while companies in certain emerging market countries may be required to maintain independent registrars that meet certain statutory criteria, in practice, there can be no guarantee that this regulation has been strictly enforced. Because of this possible lack of independence, management of companies in such

emerging market countries can potentially exert significant influence over the shareholding in such companies. If the company register were to be destroyed or mutilated, the Sub-Fund's holding of the relevant shares of the company could be substantially impaired, or in certain cases, deleted. Registrars often do not maintain insurance against such occurrences, nor are they likely to have assets sufficient to compensate the Sub-Fund as a result thereof. While the registrar and the company may be legally obliged to remedy such loss, there is no guarantee that either of them would do so, nor is there any guarantee that the Sub-Fund would be able to successfully bring a claim against them as a result of such loss. Furthermore, the registrar or the relevant company could wilfully refuse to recognise the Sub-Fund as the registered holder of shares previously purchased by the Sub-Fund due to the destruction of the company's register.

### **Suitability Standards**

Because of the risks involved, investment in the Company is only suitable for sophisticated investors who are able to bear the loss of a substantial portion or even all of the money they invest in the Company, who understand the high degree of risk involved, believe that the investment is suitable based upon their investment objectives and financial needs and have no need for liquidity of investment. Investors are therefore advised to seek independent professional advice on the implications of investing in the Company.

### **General**

Investors should recognise that investing in securities of Emerging Markets countries involves significant risks and special considerations, including those set forth below, which are not typically associated with investing in developed markets. They are additional to the normal risks inherent in any such investment and include political, economic, legal, currency, inflation and taxation risks. There is also risk of loss due to lack of adequate systems for transferring, pricing, accounting for and safekeeping or record keeping of securities. Additionally, risks arise from corruption and organised crime and from lack of developed securities markets in certain Emerging Markets countries. The specific nature of such risks may vary according to the securities purchased and the country in which investments are made.

### **Political and Economic Factors**

Economic and/or political instability in Emerging Markets countries could lead to legal, fiscal and regulatory changes or the reversal of legal / fiscal / regulatory / market reforms. Assets could be compulsorily re-acquired without adequate compensation. A country's external debt position could lead to sudden imposition of taxes or exchange controls. High interest can mean that businesses have difficulty in obtaining working capital. Local management may be inexperienced in operating companies in free market conditions. A country may be heavily dependent on its commodity and natural resource exports and is therefore vulnerable to weaknesses in world prices for these products.

In recent years many Emerging Markets countries have undergone substantial political change, economic reform and social transformation. However, the terms on which this has occurred or whether it shall continue are still not entirely clear nor assured. Social or political unrest as a result of political and /or economic developments cannot be discounted. All of these factors may adversely affect the overall investment climate and, in particular, investment opportunities for the Company. The consequences, however, are profound, and investors should take into account the unpredictability of their eventual outcome.

### **Market Characteristics**

Investing in securities in Emerging Markets involves certain considerations not usually associated with investing in securities in more developed capital markets. The securities markets in Emerging Markets tend to be substantially smaller, less liquid and significantly more volatile than securities markets in developed countries. Consequently, the Company's investment portfolio may experience greater price volatility and significantly lower liquidity than a portfolio invested in public and private debt and other fixed income obligations of more developed countries.

In addition to their small size, illiquidity and volatility, Emerging Markets tend to be less developed than other securities markets, to the extent that they are newer than developed markets and there is little historical data. Furthermore, a significant proportion of securities transactions in a number of Emerging Markets countries are privately negotiated outside of stock exchanges and OTC markets as well as cleared through local exchanges.

There may also be less state regulation and supervision of the securities markets and less reliable information available to brokers and investors than is the case in more developed markets. Consequently, there is less investor protection. Disclosure, accounting and regulatory standards are in most respects less comprehensive and stringent than in developed markets. In addition, brokerage commissions and other transaction costs and related taxes on securities transactions in these countries are generally higher than those in more developed markets.

### **Inflation/Deflation Risk**

Inflation is the risk that a Sub-Fund's assets or income from a Sub-Fund's investments may be worth less in the future as inflation decreases the value of money. As inflation increases, the real value of a Sub-Fund's portfolio could decline. Deflation risk is the risk that prices throughout the economy may decline over time. Deflation may have an adverse effect on the creditworthiness of issuers and may make issuer default more likely, which may result in a decline in the value of a Sub-Fund's portfolio.

### **Credit Risk**

The ability of the Company to make distributions, in the form of dividends or otherwise, and maintain Net Asset Value will be dependent upon the ability and willingness of those whose obligations the Company acquires to make payment on such obligations as they become due. In the event that any such obligor were to default on the obligations of the Company's portfolio, not only could distributions from the Company be diminished or suspended but its ability to sell, and potentially realise "distressed" or "salvage" value on such obligations could be impaired.

With regards to Russia, due to certain restrictions on the ability of non-Russian entities to acquire, with freely transferable funds, certain Rouble-denominated securities, the Company may enter into certain arrangements with one or more financial institutions, pursuant to which the Company would acquire such financial institution's synthetic instruments, which bear interest by reference to such Rouble-denominated securities. Under these circumstances, the Company will bear not only the risk of default by the Russian Government but also will be exposed to counterparty risk.

### **Illiquid Securities**

Certain of the investments in Emerging Markets are traded on OTC markets and, despite the large number of stock exchanges, there may not be an organised public market for such securities. This may increase the difficulty of valuing the Company's investments and, until a market develops, certain of the Company's investments may generally be illiquid. No established secondary markets may exist for certain of the debt securities in which the Company will invest. Reduced secondary market liquidity may have an adverse effect on market price and the Company's ability to dispose of particular instruments to meet its liquidity requirements or in response to specific events such as a deterioration in the creditworthiness of any particular issue. Inadequate secondary market liquidity for securities also makes it more difficult for the Company to obtain quotations for purposes of valuing its portfolio and calculating its Net Asset Value. Market quotations may only be available from a limited number of sources, which may include the Investment Manager and related parties, and may not represent firm bids for actual sales.

### **Custodial Risk**

Under the UCITS Regulations the assets of the Company must be entrusted to the Depositary for safekeeping. The Depositary may appoint directly or indirectly sub-custodians in local markets for the purposes of the safekeeping of assets in those markets.

The Depositary's liability shall not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping. 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 Depositary has delegated to its global sub-custodian, The Northern Trust Company, London branch, responsibility for the safekeeping of the Company'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 Appendix IV hereto. The Depositary does not make any representation or warranty as to, or any guarantee of any sub-custodian.

### **Depositary Risk**

Within Emerging Markets, the Company may invest in certain assets, which are held only by a central depository for the relevant assets (the "Central Depositary", which term shall not include the participants in any such central depository) as described below.

### **Settlement and Clearing Risk**

Because of the recent formation of securities markets in some Emerging Markets, as well as the underdeveloped state of the banking and telecommunications systems, settlement, clearing and registration of securities transactions are subject to significant risks not normally associated with investments in more developed markets. Demand for custodial services comes from foreign investors and, as a result, a number of initiatives are under way to support the development of the securities markets in the region, however, no assurance can be given that such initiatives will be implemented. Moreover, since the local postal and banking systems may not meet the same

standards as those of developed countries, no guarantee can be given that all entitlements attaching to securities acquired by the Company can be realised. There is the risk that payments of interest or other distributions by bank wire or by check sent through the mail could be delayed or lost. In addition, there is the risk of loss in connection with the insolvency of an issuer's bank, particularly because these institutions may not be guaranteed by the local government.

### **Default Risk**

Insofar as the Company will invest in debt securities in Emerging Markets, it is likely to do so in unrated or low-rated instruments. Such securities may involve greater risks of loss of income and principal than rated or higher-rated securities, are speculative in nature and are commonly known as "high yield" securities. The unrated debt securities in which the Company may invest will generally involve risks equivalent to those of low-rated debt securities. Low-rated securities generally involve greater price volatility and risk of default in payment of principal and income. In addition, the markets in which unrated and low-rated debt securities are traded are more limited than those in which higher-rated securities are traded. Adverse publicity and investors' perceptions, whether or not based on fundamental analysis, may decrease the values and liquidity of unrated or low-rated debt securities, especially in a thinly-traded market. Analysis of the creditworthiness of issuers of low-rated debt securities may be more complex than for issuers of higher-rated securities, and the ability of the Company to achieve its investment objective may, to the extent of investment in unrated or low-rated debt securities, be more dependent upon such creditworthiness analysis than would be the case if the Company were investing in higher-rated securities. Credit reports issued by rating agencies in Emerging Markets may not be as reliable as those issued by rating agencies in developed markets.

Low-rated debt securities and comparable unrated debt securities may be more susceptible to real or perceived adverse economic and competitive industry conditions than investment grade securities. The prices of low-rated and unrated debt securities have been found to be less sensitive to interest rate changes than higher-rated investments, but more sensitive to adverse economic downturns or individual corporate developments.

The repatriation of investment income, capital or the proceeds of sale of securities from certain of the countries is controlled under regulations, including in some cases the need for certain advance government notification or authority. In addition, if deterioration occurs in a country's balance of payments, the country could impose temporary restrictions on foreign capital remittances. The Company could be adversely affected by delays in, or a refusal to grant, any required governmental approval for repatriation, as well by the application to it of other restrictions on investment.

### **Foreign Currency and Exchange Rates**

Certain of the Company's assets will be invested in securities denominated in currencies of Emerging Markets countries, which may not be freely convertible into certain other currencies. The value of the assets of the Company and its income, as measured in Euros, may suffer significant declines due to currency depreciation, disruptions in currency markets or delays and difficulties in currency conversions or be otherwise adversely affected by exchange control regulations or by changes in the method of controlling exchange rates or limiting exchange rate movements.

Currency devaluations may occur without warning and are beyond the control of the Company or the Investment Manager. There will be instances in which currency exposure is not hedged and in such instances currency risks will be absorbed by the Shareholders. To the extent any such instruments

are available on terms acceptable to the Company, the Company may attempt, however, to mitigate the risks associated with currency fluctuations at times by entering into forward, futures or options contracts to purchase or sell currencies of Emerging Markets countries. At present, markets in Emerging Markets for futures contracts, forward contracts, options and other similar instruments for hedging against foreign currency fluctuations are at an early and formative stage or otherwise non-existent, although such instruments may be developed in the future. As a result, the Company may not be able to utilise hedging techniques to a significant extent. The Company may, however, enter into currency hedging transactions in the future should appropriate instruments be developed. Such transactions may require authorisation from the relevant local body.

### **Investment and Repatriation Restrictions**

The laws and regulations of the countries of Emerging Markets countries which affect foreign investment business continue to evolve and may do so in an unpredictable manner. Laws and regulations, particularly those involving taxation, foreign investment, trade, currency regulation and currency controls are relatively new and may change quickly. Although commercial laws are in place, they are often unclear or contradictory and subject to varying interpretation and may at any time be amended, modified, repealed or replaced in a manner adverse to the interests of the Company.

Foreign investment in certain debt and other fixed income obligations of companies and government bodies in Emerging Markets countries are restricted or controlled to varying degrees and these controls may at times prevent the Company from making particular investments. For example, if the Company were to invest directly in certain forms of Russian debt there would be restrictions on its ability to repatriate principal and interest payments on such debt. While the Company intends to obtain assurance as to its ability to transfer such payments abroad, any such assurance may subsequently be modified or abrogated.

Investments in Emerging Markets countries of may also require the procurement of a substantial number of regulatory consents, certificates and approvals, including licences for the Company and its subsidiaries, if any, and clearance certificates from tax authorities. The inability obtain a particular licence, consent or approval could adversely affect the Company's operations and in extreme circumstances could lead to the Board convening a Shareholders meeting for the purpose of winding-up a particular Sub-Fund.

### **Possible Business Failures**

The insolvency or other business failure of any one or more of the Company's investments could have an adverse effect on the Company's performance and ability to achieve its objectives. The potential lack of generally available financing alternatives for companies in Emerging Markets increases the risk of business failure.

### **Taxation**

Tax law and practice in Emerging Markets is not as clearly established as that of the Western nations. It is possible therefore that the current interpretation of the law or understanding of practice may change or, indeed, that the law in any of these countries may be changed with retrospective effect. Accordingly, it is possible that the Company could become subject to taxation in these countries that is not anticipated at the date of this document or when investments are made, valued or disposed of. In a number of countries the domestic tax burden is high and the discretion of local authorities to



create new forms of taxation has resulted in a proliferation of taxes, in some cases imposed or interpreted retrospectively. Penalties on the late payment of tax (even when it is imposed retrospectively) can be substantial.

A number of countries in Emerging Markets have undeveloped tax systems and in most cases do not have tax enforcement officials with organised training or substantial experience. In certain cases, there is no central taxing authority, no uniform, predictable or publicly available interpretation of laws and regulations and no organised appeals process.

Although the Company will take reasonable steps to mitigate its tax liabilities, it should be noted that the current attraction of schemes, such as the use of wholly-owned subsidiaries, to make investments to take advantage of relevant tax treaties could change. Investors should appreciate that one of the risks inherent in investing in the Company is the unpredictability of the tax treatment to which it will be subjected in the countries in which it invests.

### **Hedging Transactions and Use of Derivative Instruments**

The Company may seek to protect the value of some or all of its portfolio holdings against currency risks by engaging in hedging transactions within the conditions and limits set down by the Central Bank. The Company is authorised to engage in certain transactions for the purposes of efficient portfolio management involving the use of derivative instruments, including forward currency exchange contracts and currency futures contracts and options on such futures contracts, as well as to purchase put or call options on foreign currencies. In order to hedge against adverse market movements, the Company is also permitted to purchase put and call options on securities, write covered call options on stocks and enter into securities index futures contracts and related options. The Company is also authorised to hedge against interest rate fluctuations affecting portfolio securities by entering into interest rate futures contracts and options thereon and to enter into repurchase agreements.

Currently, there is generally no market in which the Company may engage in many of these hedging transactions or, except as provided herein, make use of derivative instruments. Therefore, there can be no assurance that instruments suitable for hedging currency or interest rate risks will be available at the time when the Company wishes to use them.

### **Privatisation**

To the extent the Company invests in debt and equity securities of banks and companies in Emerging Markets, there may be special risks related to privatisation. The purchase of securities of privatised companies involves special risks, such as the loss of government support and protection, sudden subjection to market competition and changes in management. The Company will seek to assess the ability of recently privatised companies to service debt commitments in the light of historical trends. However, there can be no assurance that accurate data to support such assessment will be available.

### **Difficulties in Protecting and Enforcing Rights**

Although revisions have been made to the commercial laws of many Emerging Markets countries in recent years. In particular Russia and the former Soviet Union states, the judiciary and civil law procedures may not have been modernised by any material extent. As a result, not only do local courts lack experience in commercial dispute resolution, but many of the procedural remedies for

enforcement and protection of legal rights typically found in developed market jurisdictions may not, as yet, be available. There may be difficulties and uncertainty in the Company's ability to protect and enforce its rights against state and private entities. Furthermore, difficulties are likely to be encountered enforcing judgments of foreign courts within the Emerging Markets or of their respective courts in foreign jurisdictions due to the limited number of countries which have signed treaties for mutual recognition of court judgments.

Rights apparently granted to the Company by legislation may be subject to retroactive change or undermined by conflicting legislation, the failure to comply with the proper procedure for passing such legislation or by changes or uncertainties in the relative priority of legislation passed by different legislative bodies. Legislation in Emerging Markets countries is in various stages of development and is subject to frequent amendment.

### **Corruption and Organised Crime**

The economic systems and governments in certain Emerging Markets countries may suffer from pervasive corruption, a state of affairs that to a large extent has been carried over from previous regimes. The social and economic difficulties resulting from the problems of corruption and organised crime may adversely affect the value of the Company's investments or the ability of the Company to protect its assets against theft or fraud.

### **Banking Systems**

In addition to varying degrees of under-development, many of the banking systems in Emerging Markets are subject to, among others, two main risks; firstly, the insolvency of a bank due to concentrated debtor risk and, second, the effect of inefficiency and fraud in bank transfers and custody.

### **Investment in Russia and Ukraine**

Equity investments in Russia and Ukraine are currently subject to certain heightened risks with regard to the ownership and custody of securities. This results from the fact, that no physical share certificates are issued and ownership of securities is evidenced by entries in the books of a company or its registrar (which is neither an agent nor responsible to the Depository). No certificates representing shareholdings in Russian and Ukrainian companies will be held by the Depository or any of its local correspondents or in an effective central depository system. As a result of this system and the lack of effective state regulation and enforcement, the Company could lose its registration and ownership of Russian and Ukrainian equity securities through fraud, negligence or even mere oversight.

Equity investments in Russia are settled through the National Settlement Depository (NSD). In accordance with agreements concluded between NSD and the Bank of Russia, NSD acts as a settlement centre for the organised securities market. Like local custodians, NSD still has to register the equity positions with the registrar in its nominee name. Where there have been investigations about a specific Investor, the whole nominee position in a depository may be frozen for a few months until the investigation is complete. As a result, there is a risk that an investor could be restricted from trading because of another account holder. In case a registrar is suspended, investors settling through registrars cannot trade, but settlement between two depository accounts can take place. Currently, local legislation does not sufficiently protect finality of title that would be required of a local depository.

NSD keeps omnibus accounts at registrars. Any discrepancies between a registrar and the NSD records may impact corporate entitlements and potentially settlement activity of underlying clients.

***The above should not be considered to be an exhaustive list of the risks which potential investors should consider before investing in any of the Sub-Funds. Potential investors should be aware that an investment in a Sub-Fund may be exposed to other risks of an exceptional nature from time to time.***

## **THE SHARES**

### **General**

Shares may be issued on any Dealing Day. Shares issued in a Sub-Fund or Class will be in registered form and denominated in the Base Currency specified in this Prospectus for the relevant Sub-Fund or a currency attributable to the particular Class. Shares will have no par value and will first be issued on the first Dealing Day after expiry of the initial offer period specified in this Prospectus at the initial price as specified in this Prospectus. Thereafter Shares shall be issued at the Net Asset Value per Share. Title to Shares will be evidenced by the entering of the investor's name on the Company's register of Shareholders and no certificates will be issued. Amendments to a Shareholder's registration details and payment instructions will only be made following receipt of original written instructions from the relevant Shareholder.

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

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

While Shares will generally not be issued or transferred to any US Person, the Directors may authorise the purchase by or transfer to a US Person in their discretion. The Directors will seek reasonable assurances that such purchase or transfer does not violate United States securities laws, e.g., require the Shares to be registered under the 1933 Act or the Company or any Sub-Fund to be registered under the United States Investment Company Act of 1940 or result in adverse tax consequences to the Company or the non-US Shareholders. Each investor who is a US Person will be required to provide such representations, warranties or documentation as may be required to ensure that these requirements are met prior to the issue of Shares.

None of the Company, the Investment Manager, the Administrator or the Depositary or any of their respective directors, officers, employees or agents will be responsible or liable for the authenticity of instructions from Shareholders reasonably believed to be genuine and shall not be liable for any losses, costs or expenses arising out of or in conjunction with any unauthorised or fraudulent instructions.

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

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

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

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

There can be no assurances that abusive trading practices can be mitigated or eliminated. For example nominee accounts in which purchases and sales of Shares by multiple investors may be aggregated for dealing with the Sub-Fund on a net basis, conceal the identity of underlying investors in a Sub-Fund which makes it more difficult for the Directors and their delegates to identify abusive trading practices.

### **Issue of Shares**

Applicants for Shares will be required to certify that they are not US Persons precluded from purchasing, acquiring or holding Shares. For further details regarding the position of Irish resident investors, please refer to the "Taxation" section of this Prospectus.

### **Dealing Day**

The Dealing Day for each Sub-Fund shall be each Business Day of the calendar year.

### **Available Share Classes**

Each Share Class, where available, may be offered in the Base Currency of the Sub-Fund, or may be denominated in another currency as shown in the table below. Share Classes which are not denominated in Base Currency of the relevant Sub-Fund are Unhedged Currency Share Classes.

In the case of an Unhedged Currency Share Class denominated in a currency other than the Base Currency of a Sub-Fund, a currency conversion will take place on subscriptions, redemptions, switches and distributions at prevailing exchange rates of the relevant Base Currency for the currency of the relevant Share Class. The value of the Share expressed in the Share Class currency will be subject to exchange rate risk in relation to the Base Currency.

Shares may be issued in each of the Sub-Funds and Share Classes thereof set out in the table below. At the date of this Prospectus, the Minimum Subscription Amount, Minimum Additional Subscription Amount and Minimum Holding are:

Sub-Fund	Base Currency	Share Class	Denominated Currency	Minimum Holding*	Minimum Subscription Amount*	Minimum Additional Subscription Amount*
<b>Mori Eastern European Fund</b>	Euro	Class A	EUR	10,000	10,000	1000
		Class B	EUR	10,000	10,000	1000
		Class AA GBP	GBP	10,000	10,000	1000
		Class C EUR	EUR	1,000,000	1,000,000	100,000
		Class C GBP	GBP	1,000,000	1,000,000	100,000
		Class M EUR	EUR	1,000,000	1,000,000	100,000
<b>Mori Ottoman Fund</b>	Euro	Class A	EUR	10,000	10,000	1000
		Class AA GBP	GBP	10,000	10,000	1000
		Class C USD	USD	1,000,000	1,000,000	100,000
		Class C EUR	EUR	1,000,000	1,000,000	100,000
		Class C GBP	GBP	1,000,000	1,000,000	100,000
<b>Renasset Nigeria Fund</b>	USD	Class C	USD	1,000,000	1,000,000	100,000
<b>Renasset Africa ex S.A. Fund</b>	USD	Class A	USD	10,000	10,000	1000
		Class C	USD	1,000,000	1,000,000	100,000

\* All amounts are set out in the denominated currency of the relevant Share Class unless another currency is set out before the amount in the table.

The Directors (upon written confirmation to the Administrator) reserve the right to differentiate between Shareholders and to waive or reduce the Minimum Holding, Minimum Subscription Amount,

and Minimum Additional Subscription Amount for any such Shareholders or to refuse an application for any such Shares in their absolute discretion.

Class C and Class M Shares are available only to institutional investors and other categories of investors as defined by the Directors of the Company from time to time.

Additional Classes of Shares may be created in accordance with the requirements of the Central Bank.

### **Mori Eastern European Fund**

#### ***Initial Offer Period & Initial Issue Price***

The Initial Offer Period for Shares in the Class M EUR Share Class will commence at 9.00a.m. (Irish time) on 3 August 2016 and end at 5.00 p.m. (Irish time) on 3 February 2017 or such shorter or longer period as the Directors may decide and notify to the Central Bank. During the Initial Offer Period, Shares in the Class M EUR Share Class will be issued at an Initial Issue Price of EUR 100.

After the Initial Offer Period, Shares in the the Class M EUR Share Class will be continuously open for subscriptions at the prevailing Subscription Price per Share of the Share Class on the relevant Dealing Day in accordance with the provisions set out under "Further Issues" below.

Shares in Class B, Class AA GBP, Class C EUR and Class C GBP are available at the prevailing Subscription Price per Share of the Share Class on the relevant Dealing Day in accordance with the provisions set out under "Further Issues" below.

Shares in Class A are no longer available to new investors in the Share Class unless otherwise determined at the discretion of the Directors.

### **Mori Ottoman Fund**

Shares in Class A, Class AA GBP, Class C USD, Class C GBP and Class C EUR are available at the prevailing at the prevailing Subscription Price per Share of the Share Class on the relevant Dealing Day in accordance with the provisions set out under "Further Issues" below.

### **Renasset Africa ex S.A. Fund**

#### ***Initial Offer Period & Initial Issue Price***

The Initial Offer Period for Shares in the Class A Share Class will commence at 9.00a.m. (Irish time) on 24 June 2016 and end at 5.00 p.m. (Irish time) on 23 December 2016 or such shorter or longer period as the Directors may decide and notify to the Central Bank. During the Initial Offer Period, Shares in each Share Class will be issued at an Initial Issue Price of USD 10.

After the Initial Offer Period, Shares in the Class A Share Class will be continuously open for subscriptions at the prevailing Subscription Price per Share of the Share Class on the relevant Dealing Day in accordance with the provisions set out under "Further Issues" below.

Shares in the Class C Share Class will be continuously open for subscriptions at the at the prevailing Subscription Price per Share of the Share Class on the relevant Dealing Day in accordance with the provisions set out under "Further Issues" below.

### **Further Issues**

Investors should complete an Application Form and send it, once completed, to the Company, C/o the Administrator either by fax at +353 1 531 8575 or by mail and if by fax the original, where required, should be delivered to the Administrator subsequently at the following address:-

Mori Umbrella Fund plc  
c/o Northern Trust International Fund Administration Services (Ireland) Limited  
George's Court  
54-62 Townsend Street  
Dublin 2  
Ireland

Attention: Transfer Agency  
Tel +353 1 434 5181  
Fax +353 1 531 8575

Up to date Information may be requested from the Administrator (details above) or the applicable country information agent.

Subsequent subscription requests may be sent to the Administrator by fax or other electronic forms of communication agreed in advance with the Administrator provided that all documentation required in connection with anti-money laundering requirements have been provided and anti-money laundering checks have been completed. An original need not follow by post in respect of such applications for the additional issue of Shares. Any changes to a Shareholder's registration details, payment details or payment instructions will only be made on receipt of an original instruction, where required. No redemption payment may be made to a Shareholder until the original Application Form, where required has been received (including any documentation required in connection with anti-money laundering requirements) and the anti-money laundering procedures have been completed. No third party payment will be accepted.

Shareholders may subscribe for Shares on and with effect from any Dealing Day at the Subscription Price per Share on the relevant Dealing Day.

In calculating the Subscription Price the Directors may adjust or instruct their delegate, the Administrator, to adjust the Net Asset Value per Share to reflect the value of the Company's investments as calculated in the manner set out in "Calculation of Net Asset Value" below assuming its investments were valued using the official offer price on the relevant market at the relevant time. The Directors only intend to use this discretion to preserve the value of the share holdings of continuing Shareholders in the event of substantial or recurring net subscriptions of Shares.

### **Dealing Deadlines for Subscription Requests**



Applications for Shares must be received by the Dealing Deadline which is 10:00 (Irish time) on the relevant Dealing Day in order for Shares to be allotted on that Dealing Day.

If any application is received after the Dealing Deadline for a Dealing Day, the Administrator will deal with the application on the following Dealing Day. Failure to deliver the original Application Form, where required together with any other documentation required may cause delay to the processing of any subscription or repurchase request in the future.

At the Directors' sole discretion with the agreement of the Administrator, applications may be accepted for the relevant Dealing Day provided they are received before calculation of the Net Asset Value of the Sub-Fund has commenced.

### **Payment for Shares and Settlement**

Payment in respect of the issue of Shares must be made within a period not exceeding the timelines set out below by electronic bank transfer net of all bank charges (i.e. at the investor's expense) in cleared funds in the Base Currency of the relevant Sub-Fund.

Share Class	Settlement Date
EUR/ USD denominated Share Classes	10:00 (Irish time) on the third Business Day following the relevant Dealing Day (T+3).
GBP denominated Share Classes	10:00 (Irish time) on the fourth Business Day following the relevant Dealing Day (T+4).

Settlement may be effected through the common clearing system of Clearstream and Euroclear. Shares are normally issued once settlement in cleared funds is received.

If, on the Settlement Date, banks are not open for business in the country of the currency of settlement, then the Settlement Date will be the next Business Day on which those banks are open in the country of the currency of settlement. If payment in full has not been received by the Settlement Date, or in the event of non-clearance of funds, any allotment of Shares made in respect of such application may, at the discretion of the Directors, be cancelled, or, alternatively, the Directors may treat the application as an application for such number of Shares as may be purchased with such payment on the Dealing Day next following receipt of payment in full or of cleared funds. In such cases the Company may charge the applicant or his/her financial intermediary for any resulting bank charges or market losses incurred by the relevant Sub-Fund.

Failure to make good settlement by the Settlement Date may result in the Company bringing an action against the defaulting investor or his/her financial intermediary or deducting any costs or losses incurred by the Company against any existing holding of the Shareholder in the Company. In all cases, any confirmation of transaction and any money returnable to the Shareholder will be held by the Company without payment of interest pending receipt of the remittance.

In the event of a delay in the settlement of subscription proceeds, the Company may temporarily borrow an amount up to the value of the delayed subscription on or after the relevant settlement date. Any such borrowing will be subject to the restrictions on borrowing set forth above. Once the required subscription monies have been received, the Company will use this to repay the borrowings. The Company reserves the right to charge the relevant Shareholder for any interest or other costs incurred

by the Company as a result of any borrowing arising from such delay or failure to settle subscription monies on time.

The Company has established a subscriptions and redemptions account at umbrella level in the name of the Company, the Umbrella Cash Subscription and Redemption Account, and has not established such accounts at Sub-Fund level. All subscriptions, redemptions and dividends or cash distributions payable to or from the relevant Sub-Fund will be channelled and managed through the Umbrella Cash Subscriptions and Redemptions Account. Subscription monies will become the property of the Sub-Fund upon receipt and accordingly investors will be treated as a general creditor of the Sub-Fund during the period between receipt of subscription monies and the Dealing Day on which such Shares are issued.

### **Different settlement procedures may apply if applications for Shares are made through Distributors**

Contract notes will normally be issued within 48 hours of dealing and when dealing through Euroclear & Clearstream completion notices confirming ownership and entry on the register will normally be issued within 5 Business Days of acceptance of the application by the Administrator. Share certificates will not be issued.

Settlement for applications should be made by telegraphic transfer to the relevant bank accounts or any duly appointed paying agent. Please see the relevant Application Form for details.

The Shares will be represented on issue by entry in the register or by the Global Share Certificate (issued when dealing done through Euroclear/Clearstream) which will be exchangeable for definitive Shares in registered form in the limited circumstances set out in the Global Share Certificate, as summarised above. So long as Shares are represented by the Global Share Certificate, transfers of Shares may be made between account holders on the books of Euroclear and Clearstream.

The Shares have been accepted for clearance through Euroclear and Clearstream.

The Global Share Certificate representing the Shares of each Sub-Fund which are to be cleared through Clearstream will be deposited on the Closing Date with a common depository for Euroclear and Clearstream. The Global Share Certificate will be exchangeable for definitive Shares in registered form (by entry onto the Company's register) in the limited circumstances set out therein which include the closure for business of the relevant clearance system for a continuous period of 14 days (other than by reason of holidays statutory or otherwise), the permanent cessation of business by such clearing system and the suffering of a material disadvantage by the Company as a result of changes in the law or regulations (taxation or otherwise) of Ireland, Belgium, Germany, Luxembourg or Switzerland which would not be suffered were the Shares in definitive form.

### **Subscriptions in Kind**

The Board of Directors may from time to time accept subscriptions for Shares against contribution in kind of securities or other assets which could be acquired by the relevant Sub-Fund pursuant to its investment policy and restrictions. Any subscription in kind will be in accordance with the Articles.

Should the Company not receive good title on the assets contributed this may result in the Company bringing an action against the defaulting Shareholder or his/her financial intermediary or deducting

any costs or losses incurred by the Company or the Depository or the Administrator against any existing holding of the applicant in the Company.

### **Fractions**

Subscription monies representing less than the subscription price for a Share will not be returned to the investor but will be retained by the Company in order to defray administration costs.

Any application may be rejected in the absolute discretion of the Directors or the Administrator. Where rejected, subscription monies received by the Company will be returned to the account from which the monies were initially paid without interest.

Investors should include the registered name of the Shareholder and their agent's name (if applicable) in a message sent with their electronic transfer.

### **Form of Shareholding**

Shares will be issued in registered form on each Dealing Day on receipt and acceptance by the Administrator of a completed Application Form and subscription monies on behalf of the Company. Confirmation of ownership of Shares will be sent to Shareholders within 48 hours of the relevant Dealing Day. Title to Shares will be evidenced by the entering of the investor's name on the Company's register of Shareholders. No certificates will be issued.

### **Money Laundering**

As part of the Company's responsibility for the prevention of money laundering, the Company, the Administrator or a paying agent may require a detailed verification of an investor's identity, any beneficial owner underlying the account, and the source of the investor's subscription payment.

In the event that a Shareholder requires payment of redemption proceeds to an account other than that specified in the Application Form, the Shareholder must provide an original request in writing.

The Company, the Administrator and any duly appointed paying agent reserve the right to request such information as they deem necessary to verify such information. In the event of delay or failure by the subscriber or Shareholder to produce any information required for verification purposes, the Board of Directors and/or Administrator or the Company may refuse to accept a subscription or may under the instructions of the Board of Directors (where applicable), compulsorily redeem such Shareholder's Shares and/or payment of redemption proceeds may be delayed and none of the Company, the Directors, the Administrator or any duly appointed paying agent shall be liable to the subscriber or Shareholder where an application for Shares is not processed or Shares are compulsorily redeemed in such circumstances. The Board of Directors, by written notice to any Shareholder, may suspend the payment of redemption proceeds payable to such Shareholder if it reasonably deems it necessary to do so to comply with anti-money laundering regulations applicable to the Company, the Administrator, any duly appointed paying agent or any other of the service providers to the Company.

The Administrator may disclose information regarding investors, which may constitute personal data under data protection legislation, to such parties (e.g., affiliates, attorneys, auditors, administrators or regulators) in connection with the operation of the Company to facilitate the transfer of the Shares, including, but not limited to, in connection with anti-money laundering and similar laws. The Administrator or other service providers may also release information if directed to do so by the

investors in the Shares, if compelled to do so by law or in connection with any government or self-regulatory organisation request or investigation related to anti-money laundering or any other laws or regulations. In connection with the establishment of anti-money laundering procedures, the Company may implement additional restrictions on the transfer of Shares.

### **Data Protection Notice**

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

- a) To manage and administer the investor's holding in the Company and any related accounts on an on-going basis;
- b) For any other specific purposes where the investor has given specific consent;
- c) To carry out statistical analysis and market research;
- d) To comply with legal and regulatory obligations applicable to the investor and the Company;
- e) For disclosure or transfer whether in Ireland or countries outside Ireland including without limitation the United States of America, which may not have the same data protection laws as Ireland, to third parties including financial advisers, regulatory bodies, auditors, technology providers or to the Company and its delegates and its or their duly appointed agents and any of their respective related, associated or affiliated companies for the purposes specified above.
- f) For disclosure to the U.S. Inland Revenue Service to meet the Company's obligations under FATCA as further disclosed in the section entitled "Tax Considerations" below; and
- g) For other legitimate business interests of the Company.

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

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

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

The Administrator may and will hold all or part of the data provided in accordance with applicable laws even after the investor has fully redeemed from the company.

## Repurchase of Shares

Shareholders may repurchase their Shares on and with effect from any Dealing Day at the Repurchase Price per Share on the relevant Dealing Day. It is not the current intention of the Directors to impose a repurchase charge.

A Shareholder wishing to repurchase Shares must serve a request for repurchase on the Company C/o the Administrator, either by mail or by fax to the following contact details:

Attention: Transfer Agency  
Mori Umbrella Fund plc  
c/o Northern Trust International Fund Administration Services (Ireland) Limited  
George's Court  
54-62 Townsend Street  
Dublin 2  
Ireland

Tel                   +353 1 434 5181  
Fax                   +353 1 531 8575

The request for repurchase of shares can either be made by using the Company's Transfer/Redemption Form or by simple letter/fax.

Requests for the repurchase of Shares may also be made to the Administrator by any other form of electronic communication agreed in advance with the Administrator and the Company provided that all documentation required in connection with anti-money laundering requirements have been provided to the Administrator and all anti-money laundering checks have been completed. Any changes to a Shareholder's registration details, payment details or payment instructions will only be made on receipt of an original instruction. No third party payment will be processed by the Administrator.

All such requests should contain as a minimum: the Shareholder/s personal account number; the complete name/s of the Shareholder/s and full address; the Sub-Fund name; the currency of redemption proceeds; the number of Shares to be redeemed or the amount of proceeds to be received.

In the case of a transfer, the above details must be submitted and in addition: the name and full address of the recipient/s and details of the transferee/s agent/broker for money laundering verification. Further details are set out under "Form and Transfer of Shares" below.

In accordance with Money Laundering Regulations repurchase proceeds will only be paid where completed documents (including satisfactory documentation in connection with the anti-money laundering procedures) are in place for original subscriptions. Where a request for repurchase is faxed the repurchase proceeds will be paid into the account on record.

A Shareholder holding Shares through either of Euroclear or Clearstream should instruct Euroclear or Clearstream, accordingly.

## **Dealing Deadlines for Repurchase Requests**

Requests for repurchase of Shares which are received by 10:00 (Irish time) on the relevant Dealing Day will be dealt with on that Dealing Day.

Any requests for repurchase received after the relevant Dealing Deadline will be dealt with on the next Dealing Day, provided that, on an exceptional basis at the Directors' sole discretion with the agreement of the Administrator, requests for repurchase received after the relevant Dealing Deadline may be accepted for the relevant Dealing Day, provided that the calculation of the Net Asset Value has not yet been commenced.

Such requests will be dealt with at the Repurchase Price for the relevant Sub-Fund calculated as at the Valuation Point on the relevant Valuation Day.

In the event of a Shareholder requesting a repurchase which would, if carried out, leave the Shareholder holding Shares having a Net Asset Value per Share less than the Minimum Holding, the Directors may, if they think fit, repurchase the whole of the Shareholder's holding.

If the number of Shares in a Sub-Fund falling to be repurchased on any Dealing Day is equal to one-tenth or more of the total number of Shares in issue or deemed to be in issue in that Sub-Fund on such Dealing Day, then the Directors may in their absolute discretion refuse to repurchase any Shares in excess of one-tenth of the total number of Shares in that Sub-Fund in issue or deemed to be in issue as aforesaid and, if they so refuse, the requests for repurchase on such Dealing Day shall be reduced rateably and the Shares to which each request relates which are not repurchased by reason of such refusal shall be treated as if a request for repurchase had been made in respect of each subsequent Dealing Day until all the Shares to which the original request related have been repurchased.

If the number of Shares falling to be repurchased on any Dealing Day is equal to one tenth or more of the total number of Shares in issue on that Dealing Day, then the Company may, at the discretion of the Directors and with the consent of the relevant Shareholders, satisfy any application for repurchase of Shares by the transfer to those Shareholders of assets of the Company in specie to which the following provisions shall apply. Subject as hereinafter provided, the Company shall transfer to each Shareholder either (a) that proportion of the assets of the Company which is then equivalent in value to the shareholding of the Shareholders then requesting the repurchase of their Shares but adjusted as the Directors may determine to reflect the liabilities of the Company or (b) at the request of the Shareholder the Company shall sell any asset or assets proposed to be distributed in specie and distribute to such Shareholder the cash proceeds less the costs of such sale which shall be borne by the relevant Shareholder PROVIDED ALWAYS that the nature of the assets and the type of assets to be transferred to each Shareholder shall be determined by the Directors on such basis as the Directors in their sole discretion shall deem equitable and not prejudicial to the interests of the remaining Shareholders holding Shares, and for the foregoing purposes the value of assets shall be determined on the same basis as used in calculating the Repurchase Price of the Shares being so repurchased and shall be subject to the approval of the Depositary.

In calculating the Repurchase Price the Directors may adjust or instruct their delegate, the Administrator, to adjust the Net Asset Value per Share to reflect the value of the Company's investments as calculated in the manner set out in "Calculation of Net Asset Value" below assuming its investments were valued using the official bid price on the relevant market at the relevant time.

The Directors only intend to use this discretion to preserve the value of the share holdings of continuing Shareholders in the event of substantial or recurring net repurchase of Shares.

The right of any Shareholder to require the repurchase of Shares will be temporarily suspended during any period when the calculation of the Net Asset Value per Share of the relevant Sub-Fund is suspended by the Company in the circumstances set out under "Calculation of Net Asset Value". Requests for repurchase will be irrevocable, unless otherwise approved in writing by the Company, except in the event of a suspension of repurchases.

All of the aforementioned payments and transfers will be made subject to any withholding tax or other deductions which may apply.

### **Payment of Repurchase Proceeds**

Payment of repurchase proceeds will be made by telegraphic transfer in the denominated currency of a Share Class, which will be dispatched at the risk and expense of the Shareholder on the Settlement Date, subject to all required documentation having been received by the Administrator. Alternatively, settlement of repurchase proceeds may be cleared through Euroclear or Clearstream, in which case, the repurchase proceeds will be paid to the Euroclear or Clearstream participant against receipt of the Shares.

<b>Sub-Fund/ Share Class</b>	<b>Settlement Date</b>
GBP denominated Share Class	Fourth Business Day following the relevant date on which the repurchase is effected (T+4)
All other Share Classes	Third Business Day following the relevant date on which the repurchase is effected (T+3)

Shareholders are advised to specify settlement instructions when submitting their request for repurchase and the onus is on the Shareholder to provide accurate bank account details for the purposes of telegraphic transfers. The costs of any administrative expenses will be borne by the Shareholder. Contract notes should be dispatched in respect of all repurchases of Shares within 2 Business Days.

The Company has established a subscriptions and redemptions account at umbrella level in the name of the Company, the Umbrella Cash Subscription and Redemption Account, and has not established such accounts at a Sub-Fund level. All subscriptions, redemptions and dividends or cash distributions payable to or from a Sub-Fund will be channelled and managed through the Umbrella Cash Subscriptions and Redemptions Account.

Any failure to supply the Company or the Administrator with any documentation requested by them for anti-money laundering or anti-fraud purposes, as described above, may result in a delay in the settlement of redemption proceeds. In such circumstances, the Administrator will process any redemption request received by a Shareholder, however the proceeds of that redemption shall remain an asset of the Sub-Fund and the Shareholder will rank as a general creditor of the Company until such time as the Administrator is satisfied that its anti-money-laundering and anti-fraud procedures have been fully complied with, following which redemption proceeds will be released.

### **Compulsory Repurchase of Shares**

At any time the Company may by giving not less than four nor more than twelve weeks' notice (expiring on a Dealing Day) to all Shareholders in the Company or in any Sub-Fund, repurchase at the Repurchase Price on such Dealing Day, all (but not some) of the Shares in the Company or in the relevant Sub-Fund not previously repurchased.

If it shall come to the notice of the Directors or if the Directors shall have reason to believe that any Shares are owned directly or beneficially by:-

- (a) any person in breach of any law or requirement of any country or governmental authority or by virtue of which such person is not qualified to hold such Shares and as a result the Company incurs liability to taxation or suffers a pecuniary disadvantage which the Company might not otherwise have incurred or suffered; or
- (b) any person who is, or any person who has acquired such Shares on behalf of or for the benefit of a U.S. Person (except in accordance with an applicable exemption from the registration requirements of the 1933 Act); or
- (c) any person, whose holding would cause or be likely to cause the Company to be required to register as an "investment company" under the United States Investment Company Act of 1940 or to register any class of its securities under the 1933 Act or similar statute; or
- (d) any person or persons in circumstances (whether directly or indirectly affecting such person or persons and whether taken alone or in conjunction with any other person or persons connected or not, or any other circumstances appearing to the Directors to be relevant) which in the opinion of the Directors might result in the Company or any Shareholder or any Class or Sub-Fund incurring any regulatory, pecuniary, legal, taxation or material administrative disadvantages which the Company or any Shareholder or any Class or Sub-Fund might not otherwise have incurred or suffered; or
- (e) any person who does not supply any information or declarations required by the Directors within seven days of a request to do so; or
- (f) any person who, otherwise than as a result of depreciation in the value of his holding, holds less than the Minimum Holding,

the Directors shall be entitled to give notice (in such form as the Directors deem appropriate) to such person requiring him to transfer such Shares to a person who is qualified to own the same or to request in writing the repurchase of such Shares.

If any person upon whom such notice is served as aforesaid does not within 30 days after such notice has been served transfer such Shares or request in writing the Company to repurchase the Shares he shall be deemed forthwith upon the expiration of the said 30 days to have so requested the repurchase of all his Shares which are the subject of such notice.

### **Conversion of Shares**

Subject to the following conditions, Shareholders have the right on any Dealing Day on giving no less than two Business Days prior written notice to the Administrator to convert some or all of their Shares in any Share Class in any Sub-Fund (the **Original Class**) to Shares in another Share Class of the



same Sub-Fund or any other Sub-Fund (the **New Class**) free of charge. Conversion requests are subject to such requests being in respect of such number or value of Shares at least equal to the Minimum Holding/Minimum Additional Subscription Amount for the New Class, which requirement may be waived at the Director's sole discretion.

Conversion requests duly made cannot be withdrawn without the consent of the Directors, except in any circumstances in which the relevant Shareholder would be entitled to withdraw a repurchase request for those Shares.

Requests for conversion should be received by the Administrator or the Distributors by 10:00 (Irish time) two Business Days prior to the relevant Dealing Day on which the conversion is to take effect. Settlement for conversions will be in line with the settlement periods for Subscriptions and Repurchases.

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

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

where

S is the number of Shares of New Class to be issued.

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

RP is the Repurchase Price per Share of the Original Class calculated as at the relevant Valuation Day following receipt of the conversion request.

ER is the currency conversion factor (if any) determined by the Directors on the relevant Dealing Day as representing the effective rate of exchange applicable to the transfer of assets between the Original and New Classes of Shares after adjusting such rate as may be necessary to reflect the effective costs of making such re-investment.

SP is the Subscription Price per Share of the New Class calculated as at the next Valuation Day of the New Class following receipt of the conversion request.

Shares will be issued in whole numbers and any fractional Share which would otherwise arise will be rounded down with the relevant subscription monies being retained for the benefit of the Company.

### **Form and Transfer of Shares**

The Shares are represented on issue by entry in the Register or by the Global Share Certificate which will be deposited on the Closing Date with a common depositary for Euroclear and Clearstream. The Global Share Certificate will be exchangeable for definitive Shares in registered form in limited circumstances, as set out in the Global Share Certificate.

Registered Shares may be transferred by instrument in writing. The instrument of transfer must be accompanied by a certificate from the transferee that it is not acquiring such Shares on behalf of or for the benefit of a US Person. In the case of the death of one of joint Shareholders, the survivor or

survivors will be the only person or persons recognised by the Administrator as having any title to or interest in the Shares registered in the names of such joint Shareholders. The Directors may decline to register a transfer if they are aware or reasonably believe the transfer would result in the beneficial ownership of Shares by a person in contravention of any restrictions on ownership imposed by the Directors or might result in legal, regulatory, pecuniary, taxation or material administrative disadvantage to the relevant Sub-Fund or Shareholders generally.

Shares will not be issued until such time as the Administrator has received and is satisfied with all the information and documentation required to verify the identity of the applicant. This may result in shares being issued on a Dealing Day subsequent to the Dealing Day on which an applicant initially wished to have shares issued to him.

It is further acknowledged that the Administrator shall be held harmless by the applicant against any loss arising as a result of a failure to process the subscription if such information as has been requested by the Administrator has not been provided by the applicant.

The Articles provide that the Company may issue Shares at their Net Asset Value in exchange for securities which a Sub-Fund may acquire in accordance with its investment objectives and may hold or sell, dispose of or otherwise convert such securities into cash. No Shares shall be issued until ownership of the securities has been transferred to the Company for the account of the relevant Sub-Fund. The value of the securities shall be determined by the Administrator on the relevant Dealing Day in accordance with the methodology outlined in the section entitled "Calculation of Net Asset Value".

#### **Calculation of Net Asset Value**

The Articles provide for the Directors to calculate the Net Asset Value of each Sub-Fund or, if there are different Classes within a Sub-Fund, each Class and the Net Asset Value per Share of each Sub-Fund or Class as at the Valuation Point on each Valuation Day. The Directors have delegated the calculation of the Net Asset Value of each Sub-Fund and the Net Asset Value per Share of each Sub-Fund to the Administrator.

The Administrator will calculate the Net Asset Value of a Sub-Fund and the Net Asset Value per Share or Class of each Sub-Fund at the Valuation Point on each Valuation Day. The Net Asset Value of a Sub-Fund is calculated by deducting the Sub-Fund's liabilities (after adjusting for any inter company balances) from the value of the Sub-Fund's assets as at the Valuation Point on the Valuation Day. The Net Asset Value attributable to a Class shall be determined as at the Valuation Point on each Valuation Day for the relevant Dealing Day by calculating that portion of the Net Asset Value of the relevant Sub-Fund attributable to the relevant Class subject to adjustment to take account of assets and/or liabilities attributable to the Class. The Net Asset Value per Share or attributable to the Class is calculated as at the Valuation Point on each Valuation Day by dividing the Net Asset Value of the Sub-Fund by the number of Shares in that Sub-Fund or Class in issue on the relevant Valuation Day and rounding the result to two decimal places.

The method of calculating the value of the assets of each Sub-Fund is as follows:-

- (a) Assets listed and regularly traded on a Recognised Exchange and for which market quotations are readily available or traded on over-the-counter markets shall be valued at the last available traded price on the relevant securities exchange in the market for such

investment as at the Valuation Point on the relevant Valuation Day provided that the value of any investment listed on a Recognised Exchange but acquired or traded at a premium or at a discount outside or off the relevant stock exchange or on an over-the-counter market may be valued taking into account the level of premium or discount as at the date of valuation of the investment and the Depositary must ensure the adoption of such procedure is justifiable in the context of the establishing a probable realisation value.

The Directors may adjust or may instruct the Directors' delegate to adjust the value of any such assets if, in relation to currency, marketability and such other considerations as they deem relevant, they consider that such adjustment is required to reflect the fair value thereof with the approval of the Depositary.

If for specific assets the latest available prices do not in the opinion of the Directors reflect their fair value, the value shall be calculated with care and in good faith by the Directors or their delegate, approved for such purpose by the Depositary with a view to establishing the probable realisation value for such assets as at the Valuation Point on the relevant Valuation Day.

In the event of substantial or recurring net subscriptions, the Directors may, or may instruct the Directors' delegate, to adjust the Net Asset Value to reflect the value of the Company's assets using the lowest market dealing offer price in order to preserve the value of the shareholding of continuing Shareholders. In the event of substantial or recurring net redemptions, the Directors may, or may instruct the Directors' delegate, to adjust the Net Asset Value per Share to reflect the value of the Company's assets using the highest market dealing bid price in order to preserve the value of the shareholding of continuing Shareholders. Where any such adjustment is made, it shall be applied consistently with respect to the assets of the Sub-Fund and no additional anti-dilution levy will be included in the Subscription Price or deducted from the subscription monies received or deducted from the Repurchase Price or repurchase proceeds to preserve the value of the underlying assets of a Sub-Fund on the relevant Dealing Day. Valuation policies will be applied on a consistent basis throughout the life of the Company.

- (b) in all cases other than (a) above and (j) below the competent person responsible for valuing the assets, which for the Company is the Directors or their delegate (being competent people), acting in good faith and in accordance with the procedures described below, shall be approved for that purpose by the Depositary;
- (c) in the event that any of the assets on the relevant Valuation Day are not listed or dealt on any Recognised Exchange or are normally listed or dealt in on a Recognised Exchange but in respect of which no price is currently available, such assets shall be valued by the Directors or their delegate (being competent people) with care and in good faith at the probable realisation value. Such probable realisation value may be determined by using a bid quotation from a broker. Alternatively, the Directors or their delegate may use such probable realisation value as a competent professional appointed by the Directors or their delegate and approved by the Depositary for such purposes, may recommend. Due to the nature of such unquoted assets and the difficulty in obtaining a valuation from other sources, such competent professionals may be related to the Investment Manager;

- (d) where assets are quoted, listed or traded on or under the rules of more than one Recognised Exchange, the Directors shall, in their absolute discretion, select the Recognised Exchange, which in their opinion, constitutes the main market for such investment or the market which they determine provides the fairest criteria in a value for the security.
- (e) cash and other liquid assets will be valued at their face value with interest accrued, where applicable, as at the Valuation Point on the relevant Valuation Day;
- (f) units or shares in collective investment schemes (other than those valued pursuant to paragraph (a) above will be valued at the latest available net asset value of the relevant collective investment scheme;
- (g) the assets of the Company and/or of any Sub-Fund may be valued at their amortised cost provided such assets comply with the Central Bank's requirements for the use of such valuation methodology. Where an amortised cost valuation method is utilised, an Investment is valued at its cost of acquisition adjusted for amortisation of premium or accretions of discount rather than at current market value. The amortised cost valuation method may only be used for Sub-Funds in accordance with the Central Bank's requirements;
- (h) in the case of a Sub-Fund which is a short term money market fund accordance with the Central Bank UCITS Regulations (**short term money market fund**), the Directors or their delegates may value any Investment through the use of amortised cost. The amortised cost method of valuation may only be used in relation to Sub-Funds which comply with the Central Bank's requirements for short term money market funds and where a review of the amortised cost valuation vis-à-vis market valuation will be carried out in accordance with the Central Bank's guidelines;
- (i) any value expressed otherwise than in the denominated currency of the relevant Sub-Fund and any borrowing in a currency other than the denominated currency of the relevant Sub-Fund shall be converted into the denominated currency of the relevant Sub-Fund at the rate (whether official or otherwise) which the Directors or their delegate after deem appropriate in the circumstances;
- (j) derivative instruments dealt in on a market will be valued at the settlement price for such instruments on such market. If the settlement price is not available, the value shall be the probable realisation value estimated with care and in good faith by (i) the Directors or (ii) a competent person firm or corporation selected by the Directors and approved for the purpose by the Depositary. Derivative contracts including without limitation swap contracts which are not dealt in on a market, will be valued on the basis of a quotation from the counterparty daily, provided that the valuation is approved or verified weekly by an independent party appointed by the Company and approved for the purpose by the Depositary. Alternative valuations may also be utilised by the Company in respect of such derivative contracts in accordance with the requirements of the Central Bank and as may be further disclosed in the Articles.

Alternatively, the value of any over-the-counter derivative contract may be the quotation from an independent pricing vendor or that calculated by the Sub-Fund itself and shall be valued daily. Where an alternative valuation is used by the Sub-Fund, the Sub-Fund will follow international best practice and adhere to specific principles on such valuation by bodies such as IOSCO and AIMA. Any such alternative valuation must be provided by a competent person

appointed by the Directors and approved for the purpose by the Depositary, or a valuation by any other means provided that such value is approved by the Depositary. Any such alternative valuation must be reconciled to the counterparty valuation on a monthly basis. Where significant differences arise they must be promptly investigated and explained.

- (k) forward foreign exchange contracts shall be valued in the same manner as derivatives contracts which are not traded in a regulated market or by reference to the price as at the Valuation Point on the relevant Valuation Day at which a new forward contract of the same size and maturity could be undertaken;
- (l) where the value of any investment is not ascertainable as described above, the value shall be the probable realisation value estimated by the Directors with care and in good faith or by a competent person approved for the purpose by the Depositary.

In the event of it being impossible or incorrect to carry out a valuation of a specific asset in accordance with the valuation rules set out in paragraphs (a) to (l) above, or if such valuation is not representative of the asset's fair market value, the Directors or their delegate are entitled to use other generally recognised valuation methods in order to reach a proper valuation of that specific asset, provided that any alternative method of valuation is approved by the Depositary.

In calculating the Net Asset Value of a Sub-Fund or Class, appropriate provisions will be made to account for the charges and fees charged to the Sub-Fund as well as accrued income on the Sub-Fund's investments.

In calculating the Net Asset Value, neither the Directors nor the Administrator shall be liable for any loss suffered by the Company or any Shareholder by reason of any error in the calculation of the Subscription or Repurchase Prices resulting from any inaccuracy in the information provided by any pricing service. Similarly, where the Administrator is directed by the Company to use particular pricing services, brokers, market makers or other intermediaries, the Administrator shall not be liable for any loss suffered by the Company or any Shareholder by reason of any error in the calculation of the Subscription or Repurchase Prices resulting from any inaccuracy in the information provided by such pricing services, brokers, market makers or other intermediaries not appointed or selected by the Administrator. However, the Company acknowledges that in certain circumstances it may not be possible or practicable for the Administrator to verify such information and, in such circumstances, the Administrator shall not be liable for any loss suffered by the Company or any Shareholder by reason of any error in the calculation of the Subscription or Repurchase Prices resulting from any inaccuracy in the information provided by any such person. The Company acknowledges that the Administrator has not been retained to act as its external valuer or independent valuation agent.

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

The Directors may, with the consent of the Depositary, at any time and from time to time temporarily suspend the calculation of the Net Asset Value of a particular Sub-Fund and the issue, repurchase and conversion of Shares in any of the following instances:-

- (a) during any period (other than ordinary holiday or customary weekend closings) when any market or Recognised Exchange is closed and which is the main market or Recognised Exchange for a significant part of investments of the relevant Sub-Fund, or in which trading thereon is restricted or suspended;

- (b) during any period when an emergency exists as a result of which disposal by the Company of investments which constitute a substantial portion of the assets of the relevant class is not practically feasible; or it is not possible to transfer monies involved in the acquisition or disposition of investments at normal rates of exchange; or it is not practically feasible for the Directors or their delegate fairly to determine the value of any assets of the relevant Sub-Fund;
- (c) during any breakdown in the means of communication normally employed in determining the price of any of the investments of the relevant Sub-Fund or of current prices on any market or Recognised Exchange;
- (d) when for any reason the prices of any investments of the relevant class cannot be reasonably, promptly or accurately ascertained; or
- (e) during any period when remittance of monies which will or may be involved in the realisation of or in the payment for any of the investments of the relevant class cannot, in the opinion of the Directors, be carried out at normal rates of exchange;
- (f) upon mutual agreement between the Company and the Depositary for the purpose of winding up the Company or terminating any Sub-Fund; or
- (g) if any other reason makes it impossible or impracticable to determine the value of a substantial portion of the investments of the Company or any Sub-Fund.

Notice of any such suspension and notice of the termination of any such suspension shall be given immediately to the Central Bank and to The Irish Stock Exchange and shall be notified to Shareholders if in the opinion of the Directors it is likely to exceed fourteen (14) days and will be notified to applicants for Shares or to Shareholders requesting the repurchase of Shares at the time of application or filing of the written request for such repurchase. Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

## **MANAGEMENT AND ADMINISTRATION OF THE COMPANY**

### **Directors**

The Directors of the Company are as follows:

#### *Hugh Ward*

Hugh Ward is senior partner of Hugh J. Ward & Co., a firm of solicitors in Dublin since 1997. From 1993 to 1997 he was Vice President and Trustee Manager with Chase Manhattan Bank (Ireland) plc ("Chase"), with responsibility for overseeing the custody and trustee services provided by Chase to investment funds located in Ireland, the UK and the US. Mr. Ward qualified as a solicitor in 1986. Mr Ward is an Irish national.

#### *Andrew Edwards*

Andrew Edwards served as Head of Operations at Renaissance Asset Managers from 2010 until 2013. He led an operations team covering all UCITS, closed ended funds and segregated accounts globally. Mr. Edwards joined Renaissance Asset Managers in 2010. Prior to that, he worked at BlackRock from 1997 to 2010 where he held a number of positions, most recently Head of Portfolio Manager Assistants EMEA Equities. Prior to this, he worked at Nikko Bank plc, Credit Suisse and HSBC on the foreign exchange dealing desks.

#### *John Walley*

John Walley is a member of the Institute of Bankers in Ireland, Corporate Governance Ireland and the Institute of Auditors in Ireland. He currently acts as a consultant within the hedge fund industry and since the mid 90's as a non-executive director of investment companies domiciled in Dublin, Luxembourg, Guernsey, Cayman Islands, Bermuda and the Cook Islands. These investment companies marketed to institutional and retail clients include UCITS, complex fund of funds structures investing in a range of strategies and structured products.

Until June 2008, Mr Walley was Chief Executive of Olympia Capital Ireland Ltd, a global fund administration company, a position he held since 1998 when the company was formed. Previously, he was Group Managing Director of Investors Trust Holdings (Ireland) Limited, also a global fund administration company. Prior to that, he established Chemical Bank's first presence in Ireland and was its Managing Director from 1993 to 1996. He joined Chase Manhattan Bank in Ireland in 1982 working in various senior management capacities, including head of global custody and service products.

#### *Annett Hermida*

Annett Hermida is Compliance Officer, MLRO and Project Manager at Griffin Capital Management Limited, a private company registered in Gibraltar providing financial services. She has been with the company for 14 years and during this time held a variety of other positions including Chief Commercial Officer and HR Manager. Prior to joining the company she worked for a number of years in the private banking sector in Gibraltar. Mrs Hermida holds a degree in languages from Leipzig University and obtained further qualifications in the banking as well as the trust and company administration sector. Mrs Hermida holds dual nationality German and British.

### *Gareth Stafford*

Gareth Stafford is Compliance Officer, MLRO and Director of TCA Credit Management Limited, a private company registered in England, authorised and regulated by Financial Conduct Authority. He joined the company in 2015. Mr Stafford was Deputy Head of Compliance at Neptune Investment Management in London during 2013/2014 (contract role) and prior to that he spent almost 12 years at Griffin Capital Management (UK) Limited, holding a variety of positions during this time such as Compliance Officer, MLRO, Director and CEO, having joined the firm in 2000. Mr Stafford holds a degree in Management Studies and German from the University of Leeds and also holds the Diploma in Investment Compliance from Chartered Institute for Securities and Investment, London and is a Chartered Member of the Institute. Mr Stafford is a British national.

The address of the Directors is the registered office of the Company. All the Directors of the Company act in a non-executive capacity.

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

Neither the Directors, nor any person closely associated, the existence of which is known to or could with reasonable diligence be ascertained by that Director, whether or not through another party, have any interest in the Shares of the Company, nor have they been granted any options in respect of the Shares of the Company.

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

None of the Directors have ever:

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

The Company secretary is Goodbody Secretarial Limited whose registered office is at IFSC, North Wall Quay, Dublin 1.

### **Investment Manager and Distributors**

Mori Capital Management Limited is the promoter of the Company and has been appointed to act as Investment Manager of the Company pursuant to an Investment Management Agreement, as



amended from time to time, further details of which are set out in Appendix I. Subject to the overall supervision of the Directors and each Sub-Fund's investment objectives, policies and restrictions, the Investment Manager will manage the investment and re-investment of the assets of each Sub-Fund.

The Investment Manager, with the prior approval of the Central Bank, may delegate the investment management functions to sub-investment managers or advisers and may from time to time seek the advice of or recommendation of any adviser, analyst, consultant or other suitably qualified person to assist it in the performance of its duties. Details of any sub-investment manager or advisers will be set out in this Prospectus and/or details thereof will be provided to the Shareholders on request and disclosed in the periodic reports where such advisors do not have discretionary powers over the assets of any Sub-Fund and are not appointed by or paid out of the assets of any Sub-Fund.

Mori Capital Management Limited has also been appointed to act as Distributor of Mori Eastern European Fund and Mori Otoman Fund and will promote the distribution and marketing of the Shares of these Sub-Funds.

In its capacity of Distributor, Mori Capital Management Limited shall not be held liable for any actions, proceedings, damages, claims, costs, demands and expenses including legal and professional expenses brought against or suffered or incurred by the Distributor in the performance of its duties other than due to the negligence, fraud, bad faith or wilful default of the Distributor in the performance of its obligations.

Mori Capital Management Limited is licensed and authorised by the Malta Financial Services Authority.

Drakens Capital (Pty) Ltd has been appointed to act as Distributor of Renasset Africa ex S.A. Fund and will promote the distribution and marketing of the Shares of this Sub-Fund.

In its capacity of Distributor, Drakens Capital (Pty) Limited shall not be held liable for any actions, proceedings, damages, claims, costs, demands and expenses including legal and professional expenses brought against or suffered or incurred by the Distributor in the performance of its duties other than due to the negligence, fraud, bad faith or wilful default of the Distributor in the performance of its obligations.

#### **Investment Adviser to Mori Capital Management Limited**

Pursuant to an Investment Advisory Agreement dated 29 December 2015 between Mori Capital Management Limited and Drakens Capital (Pty) Ltd, Mori Capital Management Limited has appointed Drakens Capital (Pty) Ltd to provide various ongoing investment advice to it in respect of the Renasset Africa ex S.A. Fund and Renasset Nigeria Fund. Drakens Capital (Pty) Ltd is licensed and authorised by the South Africa Financial Services Board.

#### **Administrator and Registrar**

The Company has appointed Northern Trust International Fund Administration Services (Ireland) Limited to act as its Administrator, registrar and transfer agent, pursuant to the administration agreement between the Company and the Administrator (the "Administration Agreement").

The Administrator is a private limited liability company incorporated in Ireland on 15 June 1990 under

registration number 160579. The Administrator's registered office is at George's Court, 54-62 Townsend Street, Dublin 2, Ireland. The Administrator's main business activity is the provision of administrative services to collective investment schemes and other portfolios.

The Administrator has been appointed to process subscriptions, redemptions, compute the Net Asset Value and the Net Asset Value per Share, maintain books and records, disburse payments and any other matters usually performed for the administration of a company, including the calculation of the Performance Fee. The Administrator will keep the accounts of the Company in accordance with relevant accounting standards. The Administrator will also maintain the register of shareholders.

The Administrator is a service provider to the Company and will not have any responsibility or authority to make investment decisions, nor render investment advice, with respect to the assets of the Company. The Administrator has no responsibility for monitoring compliance by the Company or the Investment Manager with any investment policies or restrictions to which they are subject. The Administrator is responsible and liable only for the administration services that it provides to the Company pursuant to the Administration Agreement. The Administrator accepts no responsibility or liability for any losses suffered by the Company as a result of any breach of such policies or restrictions by the Company or the Investment Manager. The Administrator is not involved directly or indirectly with the business affairs, organisation, sponsorship or management of the Company and is not responsible for the preparation of this document other than the preparation of the above description and accepts no responsibility or liability for any information contained in this document except disclosures relating to it.

## **Depositary**

The Company has appointed Northern Trust Fiduciary Services (Ireland) Limited to act as the depositary to the Company. 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 2015, the Northern Trust Group's assets under custody totalled in excess of US\$6.2 trillion.

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 Company'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 Appendix IV hereto.

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. Up-to-date information in respect of the following will be made available to investors on request:

- (a) the identity of the Depositary;
- (b) a description of the Depositary's duties;
- (c) a description of any conflicts of interest which may arise; and
- (d) a description of any safekeeping functions delegated by the Depositary and the list of delegates and sub-delegates and any conflicts of interest that may arise from such a delegation.

### **Paying Agents/Correspondent Banks**

The Company may, in accordance with the requirements of the Central Bank, appoint paying agents or correspondent banks in one or more countries. Where a paying agent or correspondent bank is appointed in a particular country it will maintain facilities whereby Shareholders who are resident in the relevant country can obtain payment of dividends and redemption proceeds, examine and receive copies of the Articles and periodic reports and notices of the Company and make complaints if and when appropriate which shall be forwarded to the Company's registered office for consideration.

Local laws/regulations in EEA Member States may require the appointment of paying agents/representatives/distributors/correspondent banks and maintenance of accounts by such agents through which subscription and redemption monies or dividends may be paid. Shareholders who choose or are obliged under local regulations to pay or receive subscription or redemption monies or dividends via an intermediate entity rather than directly to the Depositary (e.g. a paying agent in a local jurisdiction) bear a credit risk against that intermediate entity with respect to (a) subscription monies prior to the transmission of such monies to the Depositary for the account of the Company or the relevant Sub-Fund and (b) redemption monies payable by such intermediate entity to the relevant Shareholder.

Details of the paying agents or correspondent banks appointed will be contained in country supplements to this Prospectus which are distributed solely in the countries to which they relate. The country supplements will be updated upon the appointment or termination of appointment of paying agents or correspondent banks.

### **Conflicts of Interest**

The Investment Manager, the Investment Adviser, the Administrator, the Depositary and their respective affiliates, officers and shareholders, employees and agents (collectively the "Parties") are or may be involved in other financial, investment and professional activities which may on occasion cause conflict of interest with the management of the Company. These include the management of other funds, purchases and sales of securities, investment and management counselling, brokerage services and serving as directors, officers, advisers or agents of other funds or other companies, including companies in which the Company may invest. The Parties will use reasonable endeavours to ensure that the performance of their respective duties will not be impaired by any such involvement that they might have.

In particular, it is envisaged that the Investment Manager or the Investment Adviser may be involved in advising or managing other investment funds which may have similar or overlapping investment objectives to or with the Company. Each of the parties will respectively ensure that the performance of their respective duties will not be impaired by any such involvement that they may have and that any conflicts which may arise will be resolved fairly.

The Directors shall ensure that any conflict of interest involving any such party shall be resolved fairly and in the interests of Shareholders.

When allocating investment opportunities, the Investment Manager or the Investment Adviser will ensure that all such investments will be allocated in a fair and equitable manner.

There is no prohibition on dealings in the assets of the Company by the Administrator, the Depositary, the Investment Manager, the Investment Adviser or entities related to the Administrator, to the Depositary, to the Investment Manager or to the Investment Adviser provided the transaction is carried out as if effected on normal commercial terms negotiated at arm's length, is in the best interests of Shareholders and

- (a) a person approved by the Depositary as independent and competent certifies the price at which the transaction is effected is fair; or
- (b) the execution of the transaction is on best terms on an organised investment exchanges under their rules; or
- (c) where (a) and (b) above are not practical, the transaction is executed on terms which the Depositary (or in a transaction involving the Depositary, the Directors are) is satisfied conform to normal commercial terms negotiated at arm's length and is in the best interests of Shareholders.

The Depositary may act as the depositary of other open-ended investment companies and as trustee or custodian of other collective investment schemes. The Depositary has delegated custody services and asset verification services to The Northern Trust Company, London Branch. The Northern Trust Company has sub-delegated custody services and asset verification services to sub-custodians in certain eligible markets in which the Company may invest.

It is therefore possible that the Depositary and/or its delegates and sub-delegates may in the course of its or their business be involved in other financial and professional activities which may on occasion have potential conflicts of interest with the Company or a particular Sub-Fund or other funds for which the Depositary acts as the depositary, trustee or custodian. The Depositary will, however, have regard in such event to its obligations under the Depositary Agreement and the UCITS Regulations and, in particular, will use reasonable endeavours to ensure that the performance of its duties will not be impaired by any such involvement it may have and that any conflicts which may arise will be resolved fairly and in the best interests of Shareholders collectively so far as practicable, having regard to its obligations to other clients

### **Soft Commissions**

The Investment Manager or Investment Adviser may effect transactions by or through the agency of another person with whom the Investment Manager or Investment Adviser and any entity related to

the Investment Manager or Investment Adviser have arrangements under which that party will from time to time provide or procure the Investment Manager or Investment Adviser or any party related to the Investment Manager or Investment Adviser goods, services or other benefits such as research and advisory services, computer hardware associated with specialised software for research and performance measures etc., the nature of which is such that their provision must benefit the Company as a whole and may contribute to an improvement in the performance of the Company and of the Investment Manager or Investment Adviser or any entity related to the Investment Manager or Investment Adviser in providing services to the Company and for which no direct payment is made but instead the Investment Manager or Investment Adviser and any entity related to the Investment Manager or Investment Adviser undertake to place business with that party. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employees' salaries or direct money payments. Any such arrangements shall provide for best execution. Best execution means the best price available in the market, exclusive of any charges but taking account of any other exceptional circumstances such as counterparty risk, order size or client instructions.

### **Accounts and Information**

The Company will prepare its financial statements in accordance with the generally accepted accounting standards in the Republic of Ireland and Irish statutes comprising the International Financial Reporting Standards ("IFRS"). Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those published by the Institute of Chartered Accountants in Ireland and issued by the Accounting Standards Board. The Directors have determined that it is in the Company's and Shareholder's best interests to amortise the Company's preliminary and organisational expenses over ten years. Such a policy is not in accordance with IFRS and may result in a qualification of the Auditor's opinion of the Company's financial statements.

The Company's financial year-end is 30 September in each year. Annual reports and audited accounts of the Company will be sent to Shareholders and the Irish Stock Exchange within four months from the end of the period to which they relate. Unaudited half yearly reports will also be sent to Shareholders and the Irish Stock Exchange within two months of the end of the six-month period ending on 31 March in each year.

## **FEES AND EXPENSES**

Each Sub-Fund will pay the fees and expenses of the Depositary and the Investment Manager as described below. The Company shall pay an administration fee (the "Administration Fee") to Mori Capital Management Limited of up to 0.5% per annum of the Net Asset Value of the Company. The level of Administration Fees may vary at the Directors' discretion, across Sub-Funds and Classes the investor buys. Administration Fees accrue daily, are based on the Net Asset Value of the relevant Class and are paid monthly. Administration Fees comprise without limitation the fees of the Administrator and all operation costs and expenses incurred by Mori Capital Management Limited in respect of the provision of administration services. In addition, taxes payable by the Company such as subscription taxes, withholding taxes, legal expenses, operating expenses (as provided below) and certain investor relations expenses remain payable by the Company. The Administration Fees shall not exceed 0.5% per annum. In the event that one or more additional Sub-Funds are established and approved by the Central Bank, the Administration Fee may be increased in respect of such additional Sub-Funds.

In addition, each Sub-Fund will pay a proportion of the fees payable to the Directors and will also pay certain other costs and expenses incurred in its operation as set out below.

### **Operating Expenses and Fees**

The Company will pay all its operating expenses and the fees hereinafter described as being payable by the Company. Expenses paid by the Company throughout the duration of the Company in addition to the fees and expenses payable to the Administrator/ the Administration Fee (as outlined below), the Depositary (including those of any sub-custodian), the Investment Manager, any paying agent, distributor or correspondent bank/paying agent include but are not limited to brokerage and banking commissions and charges, transaction charges, legal and other professional advisory fees, company secretarial fees, Companies Registration Office filings and statutory fees, auditing fees, translation and accounting expenses, interest on borrowings, taxes and governmental expenses applicable to the Company or any subsidiary company, costs of preparation, translation, printing and distribution of reports and notices, all marketing material and advertisements and periodic update of the Prospectus, stock exchange listing fees, all expenses in connection with registration, listing and distribution of the Company and Shares issued or to be issued, all expenses in connection with obtaining and maintaining a credit rating for any Sub-Funds or Classes or Shares, expenses of Shareholders meetings, Directors' insurance premia, expenses of the publication and distribution of the Net Asset Value, clerical costs of issue or redemption of shares, postage, telephone, facsimile and telex expenses and any other expenses in each case together with any applicable value added tax. Any such expenses may be deferred and amortised by the Company, in accordance with standard accounting practice, at the discretion of the Directors. An estimated accrual for operating expenses of the Company will be provided for in the calculation of the Net Asset Value of each Sub-Fund. All recurring expenses and fees will be charged against current income or against realised and unrealised capital gains, or, where there is not sufficient income or capital gains to cover the fees and expenses of the Company, against the capital or assets of the Company in such manner and over such period as the Directors may from time to time decide.

### **Administrator**

Mori Capital Management Limited shall pay the Administrator for services to be provided in relation to administration, accounting and middle office services in respect of the Sub-Funds to which it acts as investment manager. The Administrator shall be paid directly by the Company for services to be

provided in relation to shareholder services and transfer agency. The Administration Fee, which includes fees payable to the Administrator in respect of the existing Sub-Funds of the Company, will not exceed 0.5% per annum.

The Administrator further shall be entitled to be repaid all of its reasonable out-of-pocket expenses out of the assets of the Sub-Fund properly incurred by it in the performance of its duties and responsibilities under the Administration Agreement which shall include the cost of obtaining independent security market quotes, forms, envelopes, postage and courier expenses, travel expenses and other expenses incurred at the direction of the Company, payable upon prior approval by the Company or its delegate.

### **Depositary**

The Company shall pay to the Depositary for services to be provided in relation to trustee services payable on a monthly basis, an annual fee of up to 0.0225% of the Net Asset Value of each Sub-Fund, subject to a minimum monthly fee of €1,500 per Sub-Fund. Such fees shall be accrued daily as of each Valuation Day together with any VAT, if applicable and will be charged to the Sub-Funds on a pro-rata basis.

The Depositary shall also be entitled to be repaid out of the assets of the Sub-Funds all of its reasonable out-of-pocket expenses and transaction charges properly incurred by it in the performance of its duties and responsibilities under the Depositary Agreement which shall include wire and transfer charges, maintenance fee on derivatives, courier costs and filing fees, payable upon prior approval by the Company or its delegate.

Additionally, the Depositary will charge to the Sub-Funds all safekeeping charges incurred by its sub-custodians and transaction fees, including stamp duties, scrip charges, registration fees and special taxes plus the usual ad hoc administration costs, all of which shall be at normal commercial rates.

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

The Company shall pay to the relevant Investment Manager for services to be provided in relation to discretionary investment management services, at rate(s) disclosed below. Such fees shall be accrued as of each Valuation Day and shall be payable monthly in arrears together with any VAT, if applicable.

<b>Sub-Fund</b>	<b>Share Class</b>	<b>Annual Investment Management Fee (% average net assets attributable to the Share Class)</b>
<b>Mori Eastern European Fund</b>	A	1.65%
	B	1.75%
	Each AA Class	2%
	C USD	1.25%
	C EUR	1.25%
	C GBP	1.25%

	M EUR	1.25%
<b>Mori Ottoman Fund</b>	Class A	1.75%
	Each AA Class	2%
	C USD	1.25%
	C EUR	1.25%
	C GBP	1.25%
<b>Renasset Nigeria Fund</b>	C	2%
<b>Renasset Africa ex S.A. Fund</b>	A	2%
	C	1.25%

The Investment Manager will be responsible for the fees and expenses of the Investment Adviser, any advisers, or agents appointed by it. The Investment Manager and any of its delegates and affiliates is entitled to retain for its absolute use and benefit any profit, commission, remuneration and other benefits which any of them may make or receive by reason of any transaction with or for a Sub-Fund.

The Investment Manager is entitled to be reimbursed any expenses incurred by it on behalf of a Sub-Fund. Such expenses shall include, but shall not be limited to, expenses for legal, auditing and consulting services incurred and the out-of-pocket expenses incurred by the Investment Manager carrying out its day-to-day duties under the relevant Investment Management Agreement.

After deduction of such other relevant amounts as may be payable under any securities lending agreement, all proceeds collected on investment of cash collateral or any fee income arising out of any securities lending programme shall be allocated between the relevant Sub-Fund, the Investment Manager and any securities lending agent in such proportions (plus VAT, if any) as may be agreed in writing from time to time. Any such fees paid to an Investment Manager shall be at normal commercial rates and disclosed in the annual reports of the Company.

The Investment Manager may waive or reduce the investment management fees payable at its entire discretion. The investment management fees described above may be altered by agreement in writing between the relevant Investment Manager and the Company.

If the determination of the NAV per Share is suspended on any Calculation Date the calculation of the investment management fees on that date will be based upon the next available determination of the NAV per Share and the amount of any investment management fees accrued will be adjusted accordingly.

### **Performance Fee**

In addition, the relevant Investment Manager will also be paid from the Sub-Funds a performance fee accrued as of each Valuation Day and payable as of each Calculation Day (defined below). There is no performance fee payable in respect of the AA Share Classes, C Share Classes or M Share Classes. Each Investment Manager may waive or reduce the performance fees payable at its entire discretion. The performance fees described below may be altered by agreement in writing between the relevant Investment Manager and the Company.

The performance fees will be calculated by the Administrator and verified by the Depositary and the Investment Manager. The amount of performance fees earned by the Investment Manager in respect of any period will be retained regardless of the subsequent performance of the Sub-Fund. If the determination of the NAV per Share is suspended on any Calculation Date the calculation of the



performance fees on that date will be based upon the next available determination of the NAV per Share and the amount of any performance fees accrued will be adjusted accordingly.

***Where a Performance Fee is payable out of the assets of a Sub-Fund it shall be calculated upon the increase in the Net Asset Value per Share calculated at the Calculation Day. Included in that calculation shall be net realised and unrealised capital gains plus net realised and unrealised capital losses as at the end of the relevant period. As a result, Performance Fees may be paid on unrealised gains which may subsequently never be realised.***

Mori Eastern European Fund

The Investment Manager will be paid from Mori Eastern European Fund a performance fee of (i) 15 percent in respect of Class A Shares of the amount (if any) by which the NAV per Share is on the relevant Calculation Day greater than the higher of (1) the highest NAV per Share on any preceding Calculation Day or (2) the Benchmark NAV (defined below), such excess being multiplied by the weighted average number of Shares in issue during the relevant Calculation Period or, in the case of (b) below, the number of Shares being redeemed or (ii) 20 percent in respect of Class B Shares of the amount (if any) by which the percentage return of the NAV per Share in the period from the preceding Calculation Day (or the Closing Date where applicable) to the relevant Calculation Day exceeds the percentage return of the MSCI EM Europe 10/40 Index Total Return (EUR) (MN40MUE Index) in the period from the preceding Calculation Day (or the Closing Date where applicable) to the relevant Calculation Day, such excess being multiplied by the NAV per Share at the end of the Calculation Period and multiplied by the weighted average number of Shares in issue during any Calculation Period or, in the case of (b) below, the number of shares being redeemed. With effect from 23 June 2016, any underperformance of the MSCI EM Europe 10/40 Index Total Return (EUR) by the Class B Shares in the preceding period from the last Calculation Day must be clawed back (cleared) before a performance fee becomes due in subsequent periods. The weighted average number of Shares in issue during any Calculation Period shall be calculated based upon the number of Shares in issue on each Valuation Day during the Calculation Period, taking account of the period of time for which such shares were in issue during the Period. In calculating the performance fee, account will be taken of performance fees paid on redemption. Due to the use of averaging in calculating the performance fee, the economic effect of performance fees on a per Share basis may substantially differ from the rate of 15% or 20% as applicable as described above. An appropriate provision for the amount of Performance Fee which is likely to be payable on the next Calculation Day based on the performance of the Sub-Fund to date will be included in the NAV per Share on each Valuation Day.

"Calculation Day" for the purposes means:

- (a) the last Valuation Day in each calendar quarter for Class A Shares and the last Valuation Day in each financial year ending 30 September for Class B Shares;
- (b) in respect of Shares which are redeemed, the Valuation Day immediately prior to the Dealing Day on which such Shares are redeemed;
- (c) the date of termination of the Investment Management Agreement; or
- (d) such other date on which the Company or the Sub-Fund may be liquidated or cease trading.

"Calculation Period" for these purposes means the period commencing on the preceding Calculation Day and ending on and including the Valuation Day in question and the first Calculation Period shall be from the Closing Date to the first Valuation Day.

"Benchmark NAV" for these purposes shall be calculated by applying the EUR 3 month LIBOR rate (EE0003M) on a quarterly basis to either the NAV per Share as at the beginning of the Calculation Period (where a performance fee based on this NAV was payable) or to the previously calculated Benchmark NAV at the beginning of the Calculation Period (where no performance fee was payable at the previous quarter end).

The relevant EUR 3 month LIBOR rate will be calculated as at the Calculation Day or date of initial issue, if earlier and will apply for the following Calculation Period.

For the purpose of calculating the performance fee, the NAV per Share will be calculated after deducting investment management fee described above but without accounting for the performance fee then payable by the Company. The Performance Fee may be adjusted in the event of any change in the manner in which the MSCI EM Europe 10/40 Index Total Return (EUR) is calculated or published and any rebasing of the MSCI EM Europe 10/40 Index Total Return (EUR). For Classes which are denominated in a currency other than that of the MSCI EM Europe 10/40 Index Total Return (EUR), the MSCI EM Europe 10/40 Index Total Return (EUR) shall be re-denominated in the currency of the Class or as the Directors may otherwise think fit.

#### Mori Ottoman Fund

The Investment Manager shall be paid from Mori Ottoman Fund a performance fee payable as of each Calculation Day (defined below) of 15 per cent. In respect of the Class A Shares of the amount (if any) by which the NAV per Share is on the relevant Calculation Day greater than the highest NAV per Share on any preceding Calculation Day (or greater than EUR 100.00 in the case of the first Calculation Day) multiplied by the weighted average number of Shares in issue during the relevant Calculation Period or, in the case of (b) below, the number of Shares being redeemed. The weighted average number of Shares in issue during any Calculation Period shall be calculated based upon the number of Shares in issue on each Valuation Day during the Calculation Period, taking account of the period of time for which such shares were in issue during the Period. In calculating the performance fee, account will be taken of performance fees paid on redemption, which will be deducted from redemption proceeds. Due to the use of averaging in calculating the performance fee, the economic effect of performance fees on a per Share basis may substantially differ from the rate of 15% as described above. An appropriate provision for the amount of Performance Fee which is likely to be payable on the next Calculation Day based on the performance of the Sub-Fund to date will be included in the NAV per Share on each Valuation Day.

"Calculation Day" for these purposes means:

- (a) the last Valuation Day in each calendar quarter;
- (b) in respect of Shares which are redeemed, the Valuation Day immediately prior to the Dealing Day on which such Shares are redeemed;
- (c) the date of termination of the Investment Management Agreement; or

- (d) such other date on which the Company or the Sub-Fund may be liquidated or cease trading.

"Calculation Period" for these purposes means the period commencing on the last Calculation Day of the preceding financial year and ending on and including the Valuation Day in question and the first Calculation Period shall be from the Closing Date to the first Valuation Day.

For the purpose of calculating the performance fee, the NAV per Share will be calculated after deducting investment management fee described above but without accounting for the performance fee then payable by the Company.

There is no performance fee chargeable in respect of Renasset Nigeria Fund and Renasset Africa ex S.A. Fund.

#### **Investment Adviser's Fees**

The Investment Manager shall pay out of its own fee any fees of the Investment Adviser and any other investment adviser appointed by it.

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

The Sub-Funds are single priced and may suffer a reduction in value as a result of the transaction costs incurred in the purchase and sale of its underlying investments and the spread between the buying and selling prices of such investments caused by subscriptions, switches and/or redemptions in and out of a Sub-Fund. This is known as "dilution". In order to counter this and to protect Shareholders' interests, the Company may apply swing pricing or dilution adjustment as part of its valuation policy. This will mean that in certain circumstances the Company reserves the right to make adjustments in the calculations of the Net Asset Values per Share or to make a dilution adjustment where a Sub-Fund experiences a net cash movement which exceeds a threshold, set by the Directors from time to time, of the previous Dealing Day's Net Asset Value to cover dealing costs and to preserve the value of the underlying assets of a Sub-Fund.

#### **Subscription Fee**

The Company may charge a subscription fee in respect of a Share Class at the rates set out in the table below, which shall be paid to the distributors appointed by or on behalf of the Company. Such distributors may reduce or waive the subscription fee and may differentiate between investors as to the amount of, any such subscription fee.

<b>Share Class</b>	<b>Subscription Fee</b>
Class A Shares	Up to 5% of the Net Asset Value per Share
Class AA Shares	Up to 5% of the Net Asset Value per Share
Class B Shares	Up to 5% of the Net Asset Value per Share
Class C Shares	Up to 3% of the Net Asset Value per Share
Class M Shares	Up to 3% of the Net Asset Value per Share

#### **Distributors Fee**

Each Distributor may be paid the subscription fees outlined above, where applicable, for its sole use and benefit.

### **Redemption Fee**

The Directors may at their sole discretion charge a redemption fee of up to 3% in respect of Shares in Mori Eastern European Fund, Mori Ottoman Fund, Renasset Nigeria Fund and Renasset Africa ex S.A. Fund. However, it is not the current intention to charge a redemption fee in respect any Share Class or Fund.

### **Conversion Fee**

The Directors do not currently intend to charge any conversion fee and will give one month's written notice to Shareholders of any intention to charge such a fee.

### **Directors' Fees**

The Company shall pay the Directors such annual remuneration for acting as Directors of the Company as the Directors may from time to time agree, provided however that the annual remuneration of the Directors shall not, in the aggregate, exceed €125,000. Such fees shall be payable semi-annually in arrears and shall be apportioned amongst the Sub-Funds in proportion to the Net Asset Value of each Sub-Fund. No other remuneration will be payable by the Company to the Directors except for the out-of-pocket expenses reasonably incurred by them.

### **Paying Agents/Correspondent Banks Fees**

The Company shall pay the fees and expenses of any paying agent/correspondent bank appointed to provide services, which shall be at normal commercial rates. Each Sub-Fund will bear its proportion of the fees and expenses of paying agents/correspondent banks so appointed.

### **Remuneration Policy**

The Directors have put in place a remuneration policy (the **Remuneration Policy**) which is designed to ensure that any relevant conflicts of interest can be managed appropriately at all times, taking into consideration the need to align risks in terms of risk management and exposure to risk and for the policies to be in line with the business strategy, objectives and interests of the Company. Details of the Remuneration Policy can be found at [www.mori-capital.com](http://www.mori-capital.com) and a paper copy of the policy will be made available free of charge upon request.

The Directors consider the Remuneration Policy to be consistent with and promote sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profile of the Company or the Sub-Funds. The Remuneration Policy applies to those categories of staff (including senior management) whose professional activities have a material impact on the risk profile of the Company or the Sub-Funds. In this regard, none of the Directors will have a performance based variable component to their remuneration.

### **Allocation of Fees**

All fees, duties and charges will be charged to the relevant Sub-Fund and within such Sub-Fund to the Classes in respect of which they were incurred. Fees, duties and charges which are unattributable will be allocated to all Sub-Funds in proportion to the Net Asset Value of all Sub-Funds. Where an expense is not considered by the Directors to be attributable to any one particular Sub-Fund, the expense will normally be allocated to all other Sub-Funds in proportion to the Net Asset Value of such Sub-Funds or otherwise on such basis as the Directors, with the approval of the Depositary, deem fair and equitable. In the case of any fees or expenses of a regular or recurring nature, such as audit fees, the Directors may calculate such fees or expenses on an estimated figure for yearly or other periods in advance and accrue them in equal proportions over any period.

**The Company's preliminary and organisational expenses and the costs and expenses of and incidental to the placing or offer of Shares (including expenses relating to the Company's establishment and the negotiation and preparation of the contracts to which it is a party, the costs of printing the Share certificates and the fees and expenses of its professional advisers), all of which are payable by the Company, were approximately €100,000 (exclusive of VAT). Such expenses were amortised over the first ten Accounting Periods and were initially paid out of Mori Eastern European Fund and represent a deduction for the purposes of calculating the Net Asset Value of Mori Eastern European Fund.**

**The preliminary costs and expenses involved in the establishment of the Renasset Nigeria Fund are expected to amount to €10,000 (plus VAT where applicable) and will be borne by that Sub-Fund and amortised over the first five Accounting Periods following the launch of that Sub-Fund (or such other period as may be determined by the Directors at their discretion).**

**The preliminary costs and expenses involved in the establishment of the Renasset Africa ex S.A. Fund are expected to amount to €10,000 (plus VAT where applicable) and will be borne by that Sub-Fund and amortised over the first five Accounting Periods following the launch of that Sub-Fund (or such other period as may be determined by the Directors at their discretion).**

## **TAXATION**

### **General**

The statements on taxation contained below are by way of a general guide to potential investors and Shareholders only regarding the law and practice in force in the relevant jurisdiction at the date of this document and do not constitute tax or legal advice. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Sub-Fund is made will endure indefinitely.

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

### **Irish Taxation**

Tax on income and capital gains.

### **The Company**

The Company will only be subject to tax on chargeable events in respect of Shareholders who are not Exempted Irish Investors (generally persons who are resident or ordinarily resident in Ireland for tax purposes - see below for further detail).

A chargeable event occurs on:

- (a) payment of any kind to a Shareholder by the Company;
- (b) transfer of Shares; and
- (c) the eighth anniversary of a Shareholder acquiring Shares and every subsequent eighth anniversary.

but does not include any transaction in relation to Shares held in a clearing system recognised by the Irish Revenue Commissioners and certain transfers arising as a result of an amalgamation or reconstruction of fund vehicles and certain transfers between spouses or former spouses.

If a Shareholder is an Exempted Irish Investor at the time a chargeable event arises no Irish tax will be payable on that chargeable event in respect of that Shareholder.

Where tax is payable on a chargeable event, subject to the comment below, it is a liability of the Company which is recoverable by deduction or, in the case of a transfer and the eight year rolling chargeable event by cancellation or appropriation of Shares from the relevant Shareholders. In certain circumstances, and only after notification by the Company to a Shareholder, the tax payable on the eight year rolling chargeable event can at the election of the Company become a liability of the Shareholder rather than the Company. In such circumstances the Shareholder must file an Irish tax return and pay the appropriate tax (at the rate set out below) to the Irish Revenue Commissioners.

Where tax is payable on a chargeable event, subject to the comments below, it is a liability of the Company which is recoverable by deduction or, in the case of a transfer and on the eight year rolling chargeable event by cancellation or appropriation of Shares from the relevant Shareholders. In certain circumstances, and only after notification by the Company to a Shareholder, the tax payable on the eight year rolling chargeable event can at the election of the Company become a liability of the Shareholder rather than the Company. In such circumstances the Shareholder must file an Irish tax return and pay the appropriate tax (at the rate set out below) to the Irish Revenue Commissioners.

In the absence of the appropriate declaration being received by the Company that a Shareholder is not an Irish Person or if the Company has information that would reasonably suggest that a declaration is incorrect, and in the absence of written notice of approval from the Revenue Commissioners to the effect that the requirement to have been provided with such declaration is deemed to have been complied with (or following the withdrawal of, or failure to meet any conditions attaching to such approval), the Company will be obliged to pay tax on the occasion of a chargeable event (even if, in fact, the Shareholder is neither resident nor ordinarily resident in Ireland). Where the chargeable event is an income distribution tax will be deducted at the rate of 41%, or at the rate of 25% where the Shareholder is a company and the appropriate declaration has been made, on the amount of the distribution. Where the chargeable event occurs on any other payment to a Shareholder, not being a company which has made the appropriate declaration, on a transfer of Shares and on the eight year rolling chargeable event, tax will be deducted at the rate of 41% on the increase in value of the shares since their acquisition. Tax will be deducted at the rate of 25% on such transfers where the Shareholder is a company and the appropriate declaration has been made. In respect of the eight year rolling chargeable event, there is a mechanism for obtaining a refund of tax where the Shares are subsequently disposed of for a lesser value.

An anti-avoidance provision increases the 36% rate of tax to 60% (80% where details of the payment/disposal are not correctly included in the individual's tax returns) if, under the terms of an investment in a fund, the investor or certain persons associated with the investor have an ability to influence the selection of the assets of the fund.

Where a Shareholder holds in a nominee capacity a declaration is required from Shareholders that to the best of its knowledge and belief the beneficial owner is an Exempted Irish Investors if a tax liability is not to arise on a chargeable event.

Other than in the circumstances described above the Company will have no liability to Irish taxation on income or chargeable gains.

### **Shareholders**

Shareholders who are Exempted Irish Investors in respect of whom the appropriate declarations have been made will not be subject to tax on any distributions from the Company or any gain arising on repurchase or transfer of their Shares provided the Shares are not held through a branch or agency in Ireland. No tax will be deducted from any payments made by the Sub-Fund to those Shareholders who are Exempted Irish Investors.

Shareholders who are Irish resident or ordinarily resident or who hold their Shares through a branch or agency in Ireland may have a liability under the self assessment system to pay tax or further tax on any distribution or gain arising from their holdings of Shares. In particular where the Company has elected to not deduct tax at the occasion of the eight year rolling chargeable event a Shareholder will

have an obligation to file a self-assessment tax return and pay the appropriate amount of tax to the Irish Revenue Commissioners.

Refunds of tax where a relevant declaration could be made but was not in place at the time of a chargeable event are generally not available except in the case of certain corporate Shareholders within the charge to Irish corporation tax.

### **Stamp Duty**

No Irish stamp duty will be payable on the subscription, transfer or repurchase of Shares provided that no application or repurchase for Shares or transfer of Shares is satisfied by an in specie transfer of any Irish situated property.

### **Capital Acquisitions Tax**

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

### ***Other tax matters***

The income and/or gains of a Sub-Fund from its securities and assets may suffer withholding tax in the countries where such income and/or gains arise. The Company may not be able to benefit from reduced rates of withholding tax in double taxation agreements between Ireland and such countries. If this position changes in the future and the application of a lower rate results in repayment to that Sub-Fund, the Net Asset Value of the relevant Sub-Fund will not be restated and the benefit will be allocated to the existing Shareholders rateably at the time of repayment.

### **Automatic exchange of information**

Irish reporting financial institutions, which may include the Fund have reporting obligations in respect of certain investors under FATCA as implemented pursuant to the Ireland – US intergovernmental agreement and/or the OECD's Common Reporting Standard (see below).

### **Information exchange and the implementation of FATCA in Ireland**

With effect from 1 July 2014 the Company is obliged to report certain information in respect of U.S. investors in the Company to the Irish Revenue Commissioners who will the share that information with the U.S. tax authorities.

The Foreign Account Tax Compliance provisions of the U.S. Hiring Incentives to Restore Employment Act of 2010 ("FATCA") impose a 30% US withholding tax on certain 'withholdable payments' made on or after 1 July 2014 unless the payee enters into and complies with an agreement with the U.S. Internal Revenue Service ("IRS") to collect and provide to the IRS substantial information regarding direct and indirect owners and account holders.



On 21 December 2012 Ireland signed an Intergovernmental Agreement ("IGA") with the United States to Improve International Tax Compliance and to Implement FATCA. Under this agreement Ireland agreed to implement legislation to collect certain information in connection with FATCA and the Irish and U.S. tax authorities have agreed to automatically exchange this information. The IGA provides for the annual automatic exchange of information in relation to accounts and investments held by certain U.S. persons in a broad category of Irish financial institutions and vice versa.

Under the IGA and the Financial Accounts Reporting (United States of America) Regulations 2014 (as amended) implementing the information disclosure obligations, Irish financial institutions such as the Company are required to report certain information with respect to U.S. account holders to the Revenue Commissioners. The Revenue Commissioners will automatically provide that information annually to the IRS. The Company (and/or the Administrator or Investment Manager on behalf of the Fund) must obtain the necessary information from investors required to satisfy the reporting requirements whether under the IGA, the Irish Regulations or any other applicable legislation published in connection with FATCA and such information is being sought as part of the application process for units in the Fund. It should be noted that the Irish Regulations require the collection of information and filing of returns with the Revenue Commissioners regardless as to whether the Fund holds any U.S. assets or has any U.S. investors.

If a Shareholder causes the Fund to suffer a withholding for or on account of FATCA ("FATCA Deduction") or other financial penalty, cost, expense or liability, the Fund may compulsorily redeem any Shares of such Shareholder and/or take any actions required to ensure that such FATCA Deduction or other financial penalty, cost, expense or liability is economically born by such shareholder. While the IGA and the Irish Regulations should serve to reduce the burden of compliance with FATCA, and accordingly the risk of a FATCA withholding on payments to the Fund in respect of its assets, no assurance can be given in this regard. As such, Shareholders should obtain independent tax advice in relation to the potential impact of FATCA before investing.

### **Common Reporting Standard (CRS)**

The Common Reporting Standard ("CRS") framework was first released by the OECD in February 2014. To date, more than 90 jurisdictions have publically committed to implementation, many of which are early adopter countries, including Ireland. On 21 July 2014, the Standard for Automatic Exchange of Financial Account Information in Tax Matters (the "Standard") was published, involving the use of two main elements, the Competent Authority Agreement ("CAA") and the CRS.

The goal of the Standard is to provide for the annual automatic exchange between governments of financial account information reported to them by local Financial Institutions ("FIs") relating to account holders tax resident in other participating countries to assist in the efficient collection of tax. The OECD, in developing the CAA and CRS, have used FATCA concepts and as such the Standard is broadly similar to the FATCA requirements, albeit with numerous alterations. It will result in a significantly higher number of reportable persons due to the increased instances of potentially in-scope accounts and the inclusion of multiple jurisdictions to which accounts must be reported.

Ireland is a signatory jurisdiction to a Multilateral Competent Authority Agreement on the automatic exchange of financial account information in respect of CRS while the Finance Act 2014 and Finance Act 2015 contain measures necessary to implement the CRS internationally and across the European Union, respectively. Regulations, the Returns of Certain Information by Reporting Financial Institutions Regulations 2015 (the "CRS Regulations"), giving effect to the CRS from 1 January 2016

came into operation on 31 December 2015.

Directive 2014/107/EU on Administrative Cooperation in the Field of Taxation ("DAC II") implements CRS in a European context and creates a mandatory obligation for all EU Member States to exchange financial account information in respect of residents in other EU Member States on an annual basis. The Irish Finance Act 2015 contained measures necessary to implement the DAC II. Regulations, the Mandatory Automatic Exchange of Information in the Field of Taxation Regulations 2015 (together with the CRS Regulations, the "Regulations"), giving effect to DAC II from 1 January 2016, came into operation on 31 December 2015.

Under the Regulations reporting financial institutions, are required to collect certain information on accountholders and on certain Controlling Persons in the case of the accountholder(s) being an Entity, as defined for CRS purposes, (e.g. name, address, jurisdiction of residence, TIN, date and place of birth (as appropriate), the account number and the account balance or value at the end of each calendar year) to identify accounts which are reportable to the Irish tax authorities. The Irish tax authorities shall in turn exchange such information with their counterparts in participating jurisdictions. Further information in relation to CRS and DAC II can be found on the Automatic Exchange of Information (AEOI) webpage on [www.revenue.ie](http://www.revenue.ie).

### **Irish residence and ordinary residence for tax purposes**

#### **Residence – Company**

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

- (1) the company or a related company carries on a trade in the State, and either the company is ultimately controlled by persons resident in EU Member States or, in countries with which the Republic of Ireland has a double taxation treaty, or the company or a related company are quoted companies on a recognised Stock Exchange in the EU or in a taxation treaty country

or

- (2) the company is regarded as not resident in the State under a double taxation treaty between the Republic of Ireland and another country.

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

It should be further noted that the text of section 23A of the Taxes Act was replaced in its entirety by section 43 Finance Act 2014. Consequently the abovementioned tax residence rules have been substantially modified as regards Irish incorporated companies. The changes are relatively complex and we would recommend that any Irish incorporated company that considers it is not Irish tax resident seeks professional advice before asserting this in any tax declaration given to the Company.

#### **Residence - Individual**

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

(1) spends 183 days or more in the State in that tax year;

or

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

Presence in a tax year by an individual of not more than 30 days in the State will not be reckoned for the purpose of applying the two year test.

### **Ordinary Residence - Individual**

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

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

An individual who has been ordinarily resident in the State ceases to be ordinarily resident at the end of the third consecutive tax year in which s/he is not resident. Thus, an individual who is resident and ordinarily resident in the State in 2011 and departs from the State in that tax year will remain ordinarily resident up to the end of the tax year in 2014.

### **Russia**

#### **General**

It is intended that the Company and the Investment Manager will conduct their affairs in a manner such that the Company and the Sub-Fund would not be deemed to have created a permanent establishment in Russia. As a result, it is intended that the Company would not be subject to Russian taxes, except for taxes from Russian sourced income subject to reduction under a Double Tax Treaty, if any is in place and applicable.

Nevertheless, no assurances can be given that, due to legislative or regulatory changes (including their interpretation in Russia) or the way in which the activities of the Company and Sub-Fund are conducted, the Company and Sub-Fund will not be deemed to have a permanent establishment in Russia and therefore be subject to tax in Russia as a Russian tax resident.

In general, interest income received from Russian corporate securities by a Russian legal entity as well as by a non-resident, if such investments are attributable to the non-resident's permanent establishment in Russia, are included in the profits tax base and are subject to profits tax at a rate of 24 %.

Interest income from Russian state or municipal bonds is subject to 15% profits tax, except for interest income from municipal bonds issued before 1 January 2007 for a period exceeding 3 years, which is

subject to 9% profits tax. Moreover, profits tax rate of 9% applies with respect to interest income from certain types of mortgage bonds.

Dividend income received by a Russian legal entity from a Russian company are subject to 9% tax, whereas dividends received by a non-resident, if such investments are attributable to the non-resident's permanent establishment in Russia, are subject to 15% tax. Dividend income tax is withheld by the issuer at a source of payment.

There is no separate capital gains tax in Russia. Capital gains on disposal of any type of securities are to be included in the profits tax base and taxed at the rate of 24%.

Information below assumes that neither the Company nor Sub-Fund would be deemed to have created a permanent establishment in Russia.

#### *Dividends and Interest*

Under the provisions of the Tax Code of the Russian Federation, any dividends payable by a Russian resident to the non-resident are prima facie subject to withholding tax at a rate of 15%.

Interest income from Russian securities paid by a Russian tax resident or a permanent establishment of a foreign legal entity in Russia is subject to Russian withholding tax at the rate of 20% (the withholding rate is 15% with respect to interest income from Russian state or municipal bonds and 9% with respect to interest income from municipal bonds issued before 1 January 2007 for a period exceeding 3 years and also with respect to interest income from certain types of mortgage bonds).

Withholding tax rates may be reduced under a relevant Double Tax Treaty, if any is in place and applicable.

#### *Capital Gains*

Any gains derived by the non-Russian resident on disposal of securities other than shares will not be subject to Russian withholding tax.

Any gains derived by the non-Russian resident on disposal of shares in a Russian company will not be subject to Russian withholding tax, provided that no more than 50% of the Russian company's assets consist of immovable property located in Russia.

Any gains derived by the non-resident on disposal of shares in a Russian company where more than 50% of the assets of the company are represented by immovable property in Russia would be subject to Russian withholding tax of either 20% on the proceeds from the sale of such investments or 24% on the proceeds, less expenses deductible for profits tax purposes under the Russian profits tax law. This tax rate could be reduced under a relevant Double Tax Treaty, if any is in place and applicable.

At present, no procedures exist for the withholding tax to be withheld when the transfer is between two non-residents and settlement occurs offshore, even though technically there could be an obligation to withhold Russian tax.

Any gain derived by the non-Russian resident on disposal of shares in a Russian company through a foreign stock exchange would not be subject to Russian withholding tax.

#### *Direct Investment into Russia*

In circumstances in which the Company directly invests in Russian securities, the Company may benefit from the Russia - Ireland Double Tax Treaty, provided that the Company is the beneficial owner of the income, has no permanent establishment in Russia, to which the securities would be attributable and is able to provide a confirmation of its tax residence (tax residence certificate). The confirmation should be issued by the competent Irish authorities, properly stamped and signed and translated into Russian. The confirmation should be obtained on an annual basis. The confirmation should be provided before the income is paid otherwise the company paying income would have to withhold the tax as a tax agent at the general rates envisaged by the Russian Tax Code. If the Double Tax Treaty applies dividends payable to the Company by a Russian tax resident would be subject to withholding tax at a rate of 10 % and interest and capital gains would be exempt from Russian tax.

***Investors should consult their professional advisers on the possible tax or other consequences of buying, holding, transferring, selling or redeeming any of the Shares under the laws of their countries of citizenship, residence or domicile.***

***As with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Company is made will endure indefinitely.***

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

## ***AUTHORISED STATUS***

### **Selling Restrictions: United States of America**

The Shares have not been, nor will they be, registered under the 1933 Act. Neither the Company nor the Investment Manager nor the Investment Adviser will be registered as Investment Managers under the United States Investment Managers Act of 1940 as amended. Accordingly the Shares may not be offered, sold or delivered, directly or indirectly, in the United States or to or for the account of any US Person (as defined below) (except in accordance with an applicable exemption from the registration requirements of the 1933 Act). Except as permitted by the Company, the Shares may not be purchased or held by US Persons at any time and any US Person, without such approval, who is the holder of Shares will not be entitled to the benefits accorded to Shareholders.

Notwithstanding the foregoing, the issue of Shares may be arranged by the offer and sale of Shares to US Persons (in accordance with an applicable exemption from the registration requirements of the 1933 Act) and who, prior to the acceptance of their application for Shares, confirm in writing to the Administrator that they may purchase and hold Shares in accordance with an applicable exemption from the registration requirements of the 1933 Act and agree to indemnify and keep indemnified the Company against any loss or damage which it might incur as a result of such confirmation being incorrect.

For purposes of this Prospectus, the term US Person shall have the meaning prescribed in Regulation S under the 1933 Act, and thus shall include, (i) any natural person resident in the United States; (ii) any partnership or corporation organised or incorporated under the laws of the United States; (iii) any estate of which any executor or administrator is a US Person; (iv) any trust of which any trustee is a US Person; (v) any agency or branch of a foreign entity located in the United States; (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person; (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and (viii) any partnership or corporation if: (A) organised or incorporated under the laws of any foreign jurisdiction; and (B) formed by a US Person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the 1933 Act) who are not natural persons, estates or trusts.

Applicants will be required to certify that they are not US Persons precluded from purchasing, acquiring or holding Shares.

### **Selling Restrictions: Russia**

The Shares may only be purchased by persons in Russia who are qualified investors within the meaning of Russian Securities Market Federal Law.

### **Repurchase of Shares**

The Company may at any time repurchase, or request the transfer of, Shares held by persons who are excluded from purchasing or holding Shares under the Articles. See section entitled "Compulsory Repurchase of Shares".



## **APPENDIX I - GENERAL INFORMATION**

### **1. Incorporation, Registered Office and Share Capital**

- (a) The Company was incorporated in Ireland on 30 March 1998 as an open-ended umbrella type investment company with variable capital and limited liability (registered no. 282792) under the name of Griffin/Partners Umbrella Fund plc. The name was changed to Griffin Umbrella Fund plc on 5 January 2001. The name was changed to Renasset Select Funds plc on 31 August 2012. The name was then changed to Mori Umbrella Fund on 10 June 2016. The registered office of the Company is at 25/28 North Wall Quay, Dublin 1, Ireland.
- (b) The share capital of the Company is as follows:-
- |        |  |
|--------|--|
| Shares | Authorised and issued: 30,000 Management Shares of €1.2697380 each have been issued for the purposes of incorporation. |
| Shares | Authorised: 500,000,000 Participating Shares   |
- (c) No capital of the Company is under option or agreed conditionally or unconditionally to be put under option.
- (d) Shares carry no pre-emption rights.

### **2. Rights of the Shares**

The rights attaching to the Shares will be as follows:-

- (i) *Voting Rights:* On a show of hands every Shareholder who is present in person or by proxy shall have one vote and every Management Shareholder who is present in person or by proxy shall have one vote in respect of all of the Management Shares. On a poll, every Shareholder present in person or by proxy shall be entitled to one vote in respect of each Share held by him and every Management Shareholder present in person or by proxy shall be entitled to one vote in respect of all the Management Shares held by him.
- (ii) *Dividends:* The Shares carry rights to dividends as explained under paragraph 4(f) below. No dividend shall be payable to the holders of Management Shares.
- (iii) *Repurchase:* Shares may be repurchased by Shareholders on any Dealing Day as explained in paragraph 4(c) below.
- (iv) *Winding Up:* If the Directors decide that it is in the best interests of Shareholders to wind up the Company, the Secretary shall forthwith at the Directors' request, convene an extraordinary general meeting of the Company to consider a proposal to appoint a liquidator to wind up the Company. The Liquidator, on appointment, will firstly apply the assets of the Company in satisfaction of creditors' claims as he deems appropriate. The assets of the Company will then be distributed amongst the Shareholders. The assets available for distribution amongst the Shareholders shall be applied as follows:



- (i) firstly those assets attributable to a particular Sub-Fund or Class shall be paid to the holders of Shares in that Sub-Fund or Class;
- (ii) secondly, any balance then remaining and not attributable to Sub-Fund or Class shall be apportioned between the Sub-Fund or Classes pro-rata to the Net Asset Value of each Sub-Fund or Classes immediately prior to any distribution to Shareholders and the amounts so apportioned shall be paid to Shareholders pro-rata the number of Shares in that Sub-Fund or Class held by them; and
- (iii) thirdly in the payment to holders of Management Shares of sums up to the nominal amount paid thereon. In the event that there are insufficient assets as aforesaid to enable such payment in full to be made, no recourse shall be had to any of the other assets of the Company.

Provided that the Company shall be entitled to retain from any payment to any Shareholder any sums necessary to offset any liability to taxation or withholding tax arising as a result of such Shareholder's holding of Shares or its beneficial ownership or disposal of them.

If the Company shall be wound up or dissolved the liquidator(s) may, with the authority of a Special Resolution of the Company, divide among the Shareholders (pro rata to the value of their shareholdings in the Company as determined in accordance with these presents) in specie the whole or any part of the assets of the Company, and whether or not the assets shall consist of property of a single kind provided that the Company shall if any Shareholder so requests sell any asset or assets proposed to be so distributed and distribute to such Shareholder the cash proceeds of such sale less the costs of any such sale which shall be borne by the relevant Shareholder. The liquidator(s) may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of Shareholders as the liquidator(s), with the like authority, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no Shareholder shall be compelled to accept any asset in respect of which there is liability. Further the liquidator(s) may with like authority transfer the whole or part of the assets of the Company to a company or collective investment scheme ("the Transferee Company") on terms that Shareholders in the Company shall receive from the Transferee Company shares in the Transferee Company of equivalent value to their shareholding in the Company and the liquidator(s) shall be entitled with such authority to enter into and arrange for the Transferee Company to give effect to any such transfer.

The rights attached to the Shares may, whether or not the Company or any Sub-Fund is being wound up, be varied with the consent in writing of holders of three-quarters of the issued Shares of the Company or of the relevant Sub-Fund or, with the sanction of a resolution passed at a separate general meeting of the holders of the Shares of the Company or of the relevant Sub-Fund, by a majority of three-quarters of the votes cast at such meeting.

The rights attaching to the Shares shall not be deemed to be varied by any of the following:-

- (i) the creation, allotment or issue of any further Shares ranking pari passu with Shares already in issue:

- (ii) by the liquidation of the Company or of any Sub-Fund and distribution of its assets to its members in accordance with their rights or the vesting of assets in trustees for its members in specie.

The foregoing, with respect to the convening and conduct of meetings shall save as otherwise specified with respect to meetings of Sub-Funds or Classes and, subject to the Companies Act 2014, have effect with respect to separate meetings of each Sub-Fund or Class at which a resolution varying the rights of Shareholders in such Sub-Fund or Class is tabled.

### 3. ***Memorandum of Association***

The Memorandum of Association of the Company provides that the sole object of the Company is the collective investment in either or both transferable securities and other liquid financial assets referred to in Regulation 68 of UCITS Regulations as amended, consolidated or substituted from time to time of capital raised from the public and the Company operates on the principle of risk spreading.

The sole object of the Company is set out in full in clause 3 of the Memorandum of Association which is available for inspection at the Company's registered office.

### 4. ***Articles of Association***

The following section contains a summary of the major provisions of the Articles.

#### (a) *Issue of Shares*

- (i) The Shares will be issued either in registered form or by way of share certificates. The Directors may allot and issue Shares on such terms and in such manner as they may think fit.
- (ii) The price at which the initial allotment of Shares of a Sub-Fund shall be made shall be determined by the Directors. Any subsequent allotment of Shares of a Sub-Fund on any Dealing Day shall be made at the Subscription Price. Any sales charge levied shall be payable to and shall be for the sole benefit and account of the relevant distributor. Any appointed distributors may reserve the right to reduce or waive the sales charge and may distinguish between applicants for Shares accordingly.

#### (b) *Transfer of Shares*

- (i) The transfer of Shares shall be effected in accordance with the provisions of the Articles.
- (ii) All transfers of Shares shall be effected by transfer in writing in any usual or common form and every form of transfer shall state the full name and address of the transferor and transferee.
- (iii) The instrument of transfer of a Share shall be signed by or on behalf of the transferor and need not be signed by the transferee. The transferor shall be

deemed to remain the holder of the Share until the name of the transferee is entered in the Register in respect thereof.

- (iv) A transfer of Shares shall not be registered if in consequence of such transfer, the transferor would hold a number of Shares in value less than the minimum holding as specified in the Prospectus or if the transferee is a US Person or any person listed under "Compulsory Repurchase of Shares".
  - (v) The Directors may decline to register any transfer of Shares unless all applicable taxes and/or stamp duties have been paid in respect of the instrument of transfer and the instrument of transfer is deposited at the registered office of the Company or such other place as the Directors may reasonably require accompanied by the certificate for the Shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and such relevant information as the Directors may reasonably require from the transferee.
  - (vi) If the Directors decline to register a transfer of any Share they shall, within one month after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal.
  - (vii) The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine, PROVIDED ALWAYS that such registration of transfers shall not be suspended for more than thirty days in any year.
  - (viii) All instruments of transfer which shall be registered shall be retained by the Company, but any instrument of transfer which the Directors may decline to register shall (except in the case of fraud) be returned to the person depositing the same.
- (c) *Repurchase of Shares*
- (i) The Company has the power to repurchase its own outstanding fully paid Shares on any Dealing Day for the relevant Sub-Fund in such denominations as the Directors may from time to time decide.
  - (ii) Shares may be repurchased, at the option of the relevant Shareholder, on any Dealing Day for the relevant Sub-Fund. Any such request shall be irrevocable unless otherwise approved in writing by the Company.
  - (iii) Requests for repurchase should be received by the Administrator within the time limits set out in this Prospectus.
  - (iv) In the event of such request, the Company shall repurchase such Shares subject to any suspension of this repurchase obligation. Shares in the capital of the Company which are repurchased by the Company shall be cancelled.

- (v) Such request will be dealt with at the Repurchase Price for the relevant Sub-Fund calculated as at the relevant Valuation Day.
- (vi) Any amount so payable to a Shareholder shall be paid in the denominated currency of the relevant Sub-Fund or Class or such other currency or currencies as the Directors shall have determined as appropriate. Subject to the prior receipt of the correct documentation, the full repurchase proceeds will be dispatched within five Business Days after the Dealing Day on which the repurchase is effected by telegraphic transfer to the bank account designated by the Shareholder.
- (vii) In the event that a repurchase of part only of a Shareholder's holding of Shares leaves the Shareholder holding a number of Shares in value less than the minimum holding as specified in the Prospectus, the Directors shall repurchase the whole of that Shareholder's holding.
- (viii) Subject as provided in paragraph (xi) below, a Shareholder shall not be entitled to withdraw a request for repurchase duly given in accordance with the Articles.
- (ix) If the number of Shares falling to be repurchased on any Dealing Day is equal to one tenth or more of the total number of Shares in issue in that Sub-Fund on that day, then the Directors may in their absolute discretion refuse to repurchase any Shares in excess of one tenth of the total number of Shares in issue in that Sub-Fund as aforesaid and, if they so refuse, the requests for repurchase on such Dealing Day shall be reduced rateably and the Shares to which each request relates which are not repurchased by reason of such refusal shall be treated as if a request for repurchase had been made in respect of each subsequent Dealing Day until all the Shares to which the original request related have been repurchased.
- (x) If the number of Shares falling to be repurchased on any Dealing Day is equal to one tenth or more of the total number of Shares in issue in that Sub-Fund on that Dealing Day, then the Company may, at the discretion of the Directors and with the consent of the relevant Shareholders, satisfy any application for repurchase of Shares by the transfer to those Shareholders of assets of the Company *in specie* to which the following provisions shall apply. Subject as hereinafter provided, the Company shall transfer to each Shareholder either (a) that proportion of the assets of the Company which is then equivalent in value to the shareholding of the Shareholders then requesting the repurchase of their Shares but adjusted as the Directors may determine to reflect the liabilities of the Company or (b) at the request of the Shareholder the Company shall sell any asset or assets proposed to be distributed in specie and distribute to such Shareholder the cash proceeds less the costs of such sale which shall be borne by the relevant Shareholder PROVIDED ALWAYS that the nature of the assets and the type of assets to be transferred to each Shareholder shall be determined by the Directors on such basis as the Directors in their sole discretion shall deem equitable and not prejudicial to the interests of the remaining Shareholders holding Shares

in that Sub-Fund, and for the foregoing purposes the value of assets shall be determined on the same basis as used in calculating the Repurchase Price of the Shares being so repurchased.

- (xi) If the calculation of the Net Asset Value per Share is suspended beyond the day on which it would normally occur by reason of a declaration or notice to that effect by the Directors, the right of the Shareholder to have his Shares repurchased shall be similarly suspended and during the period of suspension he may withdraw the request for repurchase of his Shares (if any). Any withdrawal of a request for repurchase shall be made in writing and shall only be effective if actually received by the Company or its duly authorised agent before termination of the suspension. If the request is not withdrawn, the repurchase of the Shares shall be made on the Dealing Day next following the end of the suspension.
- (xii) At any time the Company may by giving not less than four nor more than twelve weeks' notice (expiring on a Dealing Day) to all Shareholders in the Company or in any Sub-Fund or Class, repurchase at the Repurchase Price on such Dealing Day, all (but not some) of the Shares in the Company or in the relevant Sub-Fund or Class not previously repurchased.
- (xiii) If within a period of three months from the date on which the Depositary notifies the Company of its desire to retire, or from the date on which the appointment of the Depositary is terminated by the Company, or from the date on which the Depositary ceases to be qualified, no new Depositary shall have been appointed, the Secretary at the request of the Directors or of the Depositary, shall serve notice of the Company's intention to repurchase all the Shares of the Company then outstanding and shall seek revocation of the Company's authorisation. The Depositary shall remain the Depositary of the assets of the Company until the Company's authorisation is revoked.
- (xiv) If it shall come to the notice of the Directors or if the Directors shall have reason to believe that any Shares are owned directly or beneficially by:-
  - (aa) any person in breach of any law or requirement of any country or governmental authority or by virtue of which such person is not qualified to hold such Shares and as a result the Company incurs liability to taxation or suffers a pecuniary disadvantage which the Company might not otherwise have incurred or suffered; or
  - (bb) any person who is, or any person who has acquired such Shares on behalf of or for the benefit of a U.S. Person (except in accordance with an applicable exemption from the registration requirements of the 1933 Act); or
  - (cc) any person, whose holding would cause or be likely to cause the Company to be required to register as an "investment company" under the United States Investment Company Act of 1940 or to

register any class of its securities under the 1933 Act or similar statute; or

- (dd) any person or persons in circumstances (whether directly or indirectly affecting such person or persons and whether taken alone or in conjunction with any other person or persons connected or not, or any other circumstances appearing to the Directors to be relevant) which in the opinion of the Directors might result in the Company or any Shareholder or any Class or Sub-Fund incurring any liability to taxation or suffering legal, pecuniary, regulatory or material administrative disadvantages which the Company or any Shareholder or any Class or Sub-Fund might not otherwise have incurred or suffered; or
- (ee) any person who does not supply any information or declarations required by the Directors within seven days of a request to do so; or
- (ff) any person who, otherwise than as a result of depreciation in the value of his holding, holds less than the Minimum Holding,

If any person upon whom such notice is served as aforesaid does not within 30 days after such notice has been served transfer such Shares or request in writing the Company to repurchase the Shares he shall be deemed forthwith upon the expiration of the said 30 days to have so requested the repurchase of all his Shares the subject of such notice.

(d) *Directors*

- (i) The Directors shall be entitled to such remuneration as shall be agreed by the Directors and disclosed in the Prospectus issued by the Company from time to time. Such remuneration shall be deemed to accrue from day to day. The Directors and any alternate Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings or class meetings of the Company or in connection with the business of the Company. The Directors may, in addition, grant special remuneration to any Director who, being called upon, shall perform any special or extra services to or at the request of the Company.
- (ii) A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director on such terms as to tenure of office and otherwise as the Directors may determine.
- (iii) No Director or intending Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be

liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established, but the nature of his interest must be declared by him at the meeting of the Directors at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of that meeting interested in the proposed contract or arrangement, then at the next meeting of the Directors held after he becomes so interested, and in a case where the Director becomes interested in a contract or arrangement after it is made, then at the first meeting of the Directors held after he becomes so interested and the nature of such interest shall be reported to the auditors for consideration in the context of their next annual report. A general notice in writing given to the Directors by any Director to the effect that he is a shareholder of any specified company or firm, and is to be regarded as interested in any contract which may thereafter be made with the company or firm, shall (if such Director shall give the same at a meeting of the Directors or shall take reasonable steps to secure that the same is brought up and read at the next meeting of the Directors after it is given) be deemed a sufficient declaration of interest in relation to any contract made.

- (iv) Save as provided in this paragraph (d), a Director shall not vote in respect of any contract or arrangement or any proposal whatsoever in which he has any material interest otherwise than by virtue of his interests in Shares or debentures or other securities of or otherwise in or through the Company. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.
- (v) A Director shall in the absence of some material interest other than that indicated below, be entitled to vote and be counted in the quorum in respect of any resolution concerning any of the following matters, namely:-
  - (aa) the giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries;
  - (bb) the giving of any security, guarantee or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
  - (cc) any proposal concerning an offer of Shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;
  - (dd) any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or employee or shareholder or otherwise howsoever PROVIDED THAT he is not the holder of or beneficially interested in one per cent or

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

- (ee) any proposal concerning the purchase of any policy of insurance against directors' and officers' liability.
- (vi) The Company may by ordinary resolution suspend or relax the provisions of paragraphs (d)(iv) and (v) inclusive to any extent or ratify any transaction not duly authorised by reason of a contravention thereof.
- (vii) Any Director may act by himself or through his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, provided that nothing contained in the Articles shall authorise a Director or his firm to act as auditor.
- (viii) Any Director may continue to be or become a director, managing director, manager or other officer or shareholder of any company promoted by the Company or in which the Company may be interested or associated in business, and no such Director shall be accountable for any remuneration or other benefits received by him as a director, managing director, manager, or other officer or shareholder of any such other company. The Directors may exercise the voting power conferred by the shares in any other company held or owned by the Company or exercisable by them as directors of such other company, in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or other officers of such company, or voting or providing for the payment of remuneration to the directors, managing directors, managers or other officers of such company).

(e) *Borrowing Powers*

The Directors may exercise all powers of the Company to borrow money, to mortgage or charge its undertaking, property and assets or any part thereof and to issue bonds, notes, debentures, debenture stock and other securities whether outright or as a security for any debts and obligations of the Company provided however that no additional Sub-Funds may be added by the Directors unless the Directors have taken measures to ensure that the liabilities of each Sub-Fund are limited to their respective net assets.

(f) *Dividends*

- (i) The Company may in general meeting declare dividends but no dividend shall exceed the amount recommended by the Directors. The Directors may declare interim dividends at any time and from time to time as they deem appropriate. Interim dividend dates may vary between Sub-Funds. The Directors may in their absolute discretion differentiate between the Shares in



any Sub-Fund and Shares in different Classes within the same Sub-Fund as to the dividends declared on such Shares.

- (ii) Subject to paragraph (f)(i) above, the amount available for distribution in respect of any Accounting Period shall be a sum equal to the aggregate of the income received by the Company in respect of the relevant Sub-Fund in respect of investments (whether in the form of dividends, interest or otherwise) and/or net realised gains (i.e. realised gains net of realised and unrealised losses) or net realised and unrealised gains (i.e. realised and unrealised gains net of realised and unrealised losses) during the Accounting Period, subject to such adjustments as may be appropriate under the following headings:-
- (aa) addition or deduction of a sum by way of adjustment to allow for the effect of sales or purchases, cum or ex-dividend;
  - (bb) addition of a sum representing any interest or dividend or other income accrued but not received by the Company in respect of the relevant Sub-Fund at the end of the Accounting Period and deduction of a sum representing (to the extent that an adjustment by way of addition has been made in respect of any previous Accounting Period) interest or dividends or other income accrued at the end of the previous Accounting Period;
  - (cc) addition of the amount (if any) available for distribution in respect of the last preceding Accounting Period but not distributed in respect thereof;
  - (dd) addition of a sum representing the estimated or actual repayment of tax resulting from any claims in respect of corporation tax relief or double taxation relief or otherwise;
  - (ee) deduction of the amount of any tax or other estimated or actual liability properly payable out of the income of the Company in respect of the relevant Sub-Fund;
  - (ff) deduction of a sum representing participation in income paid upon the cancellation of Shares during the Accounting Period;
  - (gg) deduction of such sum as the Company may think appropriate in respect of expenses of the relevant Sub-Fund including but not limited to the organisational Expenses, duties and charges, fees and expenses due to the Auditors, the Secretary, the legal advisers and other professional advisers of the Company, the Directors, the Depositary, the Administrator, the Investment Manager and any distributor, all expenses of and incidental to any amendments to the Prospectus and Memorandum of Association and these presents for the purpose of securing that the Company conforms to legislation coming into force after the date of incorporation hereof and any other

amendments made pursuant to a resolution of the Company, expenses comprising all costs, charges, professional fees and disbursements bona fide incurred in respect of the computation, claiming or reclaiming of all taxation reliefs and payments, and any interest paid or payable on borrowings to the extent that such sum has not already been, nor will be deducted pursuant to Article 2.00 of these presents PROVIDED ALWAYS that the Company shall not be responsible for any error in any estimates of corporation tax repayments or double taxation relief expected to be obtained or of any sums payable by way of taxation or of income receivable, and if the same shall not prove in all respects correct, the Directors shall ensure that any consequent deficiency or surplus shall be adjusted in the Accounting Period in which a further or final settlement is made of such tax repayment or liability or claim to relief or in the amount of any such estimated income receivable, and no adjustment shall be made to any dividend previously declared.

- (iii) No dividend or other amount payable to any Shareholder shall bear interest against the Company. All unclaimed dividends and other amounts payable by the Company may be invested or otherwise made use of for the benefit of the relevant Sub-Fund until claimed. Payment by the Company of any unclaimed dividend or other amount payable in respect of a Share into a separate account shall not constitute the Company a trustee in respect thereof. Any dividend unclaimed after six years from the date when it first became payable shall be forfeited automatically and shall revert back to the relevant Sub-Fund, without the necessity for any declaration or other action by the Company.

## **5. Directors' Interests**

- (a) The Company shall pay the Directors such annual remuneration for acting as Directors of the Company as the Directors may from time to time agree, provided however that the annual remuneration of the Directors shall not, in the aggregate, exceed EUR 125,000. Such fees shall be payable semi-annually in arrears and shall be apportioned amongst the Sub-Funds in proportion to the Net Asset Value of each Sub-Fund.
- (b) There are no existing or proposed contracts of service between any of the Directors and the Company.
- (c) There are no loans outstanding made by the Company to any Director nor any guarantee given for the benefit of any Director.
- (d) None of the Directors has, or has had, any direct or indirect interest in any transactions which are or were unusual in their nature or conditions or significant to the business of the Company and which have been effected since the date of incorporation of the Company.

## 6. **Regulatory Consents**

All consents, approvals, authorisations or other orders of all regulatory authorities (if any) required by the Company under the laws of Ireland for the issue of the Shares and for the Administrator, the Depositary and the Investment Manager to undertake their respective obligations under the Administration Agreement, the Depositary Agreement, the Investment Management Agreement have been given or applied for.

## 7. **General Meetings**

The Annual General Meeting of the Company will usually be held in Dublin, normally during the month of February or such other date as the Directors may determine. Notice convening the Annual General Meeting in each year at which the audited financial statements of the Company will be presented (together with the Directors' and Auditors' Reports of the Company) will be sent to Shareholders at their registered addresses not less than 21 clear days before the date fixed for the meeting. Other general meetings may be convened from time to time by the Directors in such manner as provided by Irish law.

## 8. **Material Contracts**

The following contracts, details of which are included in the section headed "Management and Administration of the Company", not being contracts entered into in the ordinary course of business, have been entered into by the Company and are, or may be material:

**Administration Agreement:** Pursuant to the Administration Agreement the Administrator was appointed to manage and administer the affairs of the Company, subject to the terms and conditions of the Administration Agreement and subject to the overall supervision of the Company. The Administration Agreement may be terminated by either party on 180 days written notice or forthwith by notice in writing in certain circumstances such as the insolvency of either party or unremedied breach after notice. The Administrator has the power to delegate its duties with the prior approval of the Central Bank. The Agreement provides that the Company shall indemnify the Administrator and its delegates, agents and employees against and hold it harmless from any actions, proceedings, damages, claims, costs, demands and expenses including legal and professional expenses brought against or suffered or incurred by the Administrator in the performance of its duties other than due to the wilful default, fraud or negligence of the Administrator in the performance of its obligations.

**Depositary Agreement:** Pursuant to the Depositary Agreement the Depositary was appointed as depositary of the Company's assets subject to the overall supervision of the Directors. This agreement provides that the appointment of the Depositary will continue unless and until terminated by the Company or the Depositary giving to the other parties not less than 90 days' written notice although in certain circumstances the Agreement may be terminated immediately by the Company or the Depositary provided that the appointment of the Depositary shall continue in force until a replacement Depositary approved by the Central Bank has been appointed and provided further that if, no replacement Depositary shall have been appointed in accordance with Regulation 32 of Central Bank UCITS Regulations and Northern Trust is unwilling or unable to act as such then, a general meeting will be convened at which an ordinary resolution to wind up or otherwise dissolve the Company is proposed and the appointment of Northern Trust may be terminated only upon the revocation of the

authorisation of the Company. This Agreement contains certain indemnities in favour of the Depositary (and each of its officers, employees and delegates) which are restricted to exclude matters arising by reason of the negligent or intentional failure of the Depositary in the performance of its duties.

***Investment Management Agreement:*** Pursuant to an Investment Management Agreement dated 29 December 2015 between the Company and Mori Capital Management Limited, Mori Capital Management Limited will manage and will recommend and provide general advice to the Company in connection with the investment and reinvestment of the assets of each Sub-Fund. Mori Capital Management Limited will be entitled to receive a fee as described in "Management and Administration - Fees and Expenses". The Investment Management Agreement may be terminated by either party on giving not less than six months prior written notice to the other party. The Investment Management Agreement may also be terminated forthwith upon certain breaches or upon the insolvency of a party (or upon the happening of a like event). The Investment Management Agreement provides for the Company to indemnify and hold harmless the Investment Manager against all or any damages, losses, liabilities, actions, proceedings, claims, costs, and expenses (including without limitation, reasonable legal fees and expenses) except where arising from the negligence, fraud, bad faith or wilful default of its obligations thereunder.

#### ***Distribution Agreements***

Pursuant to the Distribution Agreement dated 29 December 2015 between the Company and Mori Capital Management Limited, Mori Capital Management Limited will act as Distributor of the Shares of Mori Eastern European Fund and Mori Ottoman Fund and will promote the distribution and marketing of the Shares in these Sub-Funds. Pursuant to the Distribution Agreement dated 29 December 2015 between the Company and Drakens Capital (Pty) Ltd, Drakens Capital (Pty) Ltd will act as Distributor of the Shares of Renasset Africa ex S.A. Fund and will promote the distribution and marketing of the Shares in this Sub-Fund. The Distributors will be entitled to receive a fee as described in "Management and Administration - Fees and Expenses". The Distribution Agreements may be terminated by either party on giving not less than ninety days prior written notice to the other party. The Distribution Agreements may also be terminated forthwith upon certain breaches or upon the insolvency of a party (or upon the happening of a like event). The Distribution Agreements provide for the Company to indemnify and hold harmless the Distributors from any actions, proceedings, damages, claims, costs, demands and expenses including legal and professional expenses brought against or suffered or incurred by the Distributors in the performance of its duties other than due to the negligence, fraud, bad faith or wilful default of the Distributors in the performance of its obligations.

***Paying Agency and Correspondent Banking Agreements:*** The Company may also enter into one or more distribution, correspondent bank or paying agency agreements pursuant to which it shall appoint one or more distributors, correspondent banks or paying agents to provide distribution, correspondent bank or paying agent facilities for the Company in one or more countries. Any such agreements shall be detailed in the relevant country supplement to this Prospectus.

Any other contracts subsequently entered into by the Company not being contracts entered into in the ordinary course of business which are or may be material shall be detailed in this Prospectus.

## **9. Notices**

- (a) Any notice or other document required to be served upon or sent to a Shareholder shall be deemed to have been duly given if sent by post to or left at his address as appearing on the register of members or by transmitting the same by fax or other means of electronic communication to a fax number, e-mail address or other electronic identification provided to the Company or its delegate or by such other means as the Directors may determine and notify in advance to Shareholders and in the case of joint Shareholders if so done upon or to the first named on the register of members.
- (b) Service of a notice or document on the first named of several joint Shareholders shall be deemed an effective service on himself and the other joint Shareholders.
- (c) Any notice or document sent by post to or left at the registered address of a Shareholder shall notwithstanding that such Shareholder be then dead or bankrupt and whether or not the Company or the Administrator has notice of his death or bankruptcy be deemed to have been duly served or sent and such service shall be deemed a sufficient service on or receipt by all persons interested (whether jointly with or as claiming through or under him) in the Shares concerned.
- (d) Any certificate or notice or other document which is sent by post to or left at the registered address of the Shareholder named therein or dispatched by the Company or the Administrator in accordance with his instructions shall be so sent, left or dispatched at the risk of such Shareholder.
- (e) Any notice in writing or other document in writing required to be served upon or sent to the Company shall be deemed to have been duly given if sent by post to the registered office of the Company or left at the registered office of the Company.

## **10. General**

- (a) The Company is not nor has it been since its incorporation engaged in any legal or arbitration proceedings and no legal or arbitration proceedings are known to the Directors to be pending or threatened by or against the Company.
- (b) The Company does not have, nor has it had since its incorporation, any employees.
- (c) The Company's preliminary and organisational expenses and the costs and expenses of and incidental to the placing or offer of Shares (including expenses relating to the Company's establishment and the negotiation and preparation of the contracts to which it is a party, the costs of printing the Share certificates and the fees and expenses of its professional advisers), all of which are payable by the Company, were approximately €100,000 (exclusive of VAT). Such expenses are being amortised over the first ten Accounting Periods and were initially paid out of Mori Eastern European Fund and represented a deduction for the purposes of calculating the Net Asset Value of Mori Eastern European Fund. In the event that any additional Sub-Funds were opened within twenty four months after the launch of Mori Eastern

European Fund, 7 October, 1998 the amount of such expenses and costs remaining to be amortised as of the date such additional Sub-Fund or Sub-Funds are opened was to be apportioned amongst Mori Eastern European Fund and those additional Sub-Funds in proportion to the Net Asset Value of each Sub-Fund and amortised over the first eight Accounting Periods of the relevant Sub-Fund or Sub-Funds (or such other period as may be determined by the Directors) and represent a deduction for the purposes of calculating the Net Asset Value of the relevant Sub-Fund or Sub-Funds. There were no additional Sub-Funds opened within this 24 month period.

- (d) No commissions, discounts, brokerages or other special terms have been granted or are payable by the Company in connection with the issue or sale of any capital of the Company.
- (e) No Director has any interest, direct or indirect, in the promotion of the Company or in any assets which have been acquired or disposed of by, or leased to, the Company or are proposed to be acquired or, disposed of by, or leased to, the Company, nor is there any contract or arrangement subsisting at the date of this Prospectus in which a Director is materially interested and which is significant in relation to the business of the Company.
- (f) The Directors shall not be required to hold any qualification shares. There is no age limit for the retirement of Directors.
- (g) At the date of this Prospectus, the Company has no loan capital (including term loans) outstanding or created but unissued and no outstanding mortgages, charges or other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptances or acceptance credits, hire purchase or finance lease commitments, guarantees or other contingent liabilities.
- (h) The Company has obtained or applied for all necessary consents, approvals, and authorisations in Ireland in connection with the issue of the Shares. The issue of the Shares was authorised by resolution of the Board of Directors of the Company passed on 13 July 1998.

#### **11. *The Cyprus Subsidiary***

Renasset Trading (Cyprus) Limited was incorporated on 11 October 2012 under the laws of Cyprus as a private limited company. It is wholly owned by the Company and was established for the benefit of Renasset Russian Rouble Bond Fund, which was not launched.

**Renasset Trading (Cyprus) Limited is being wound up. There are no assets or liabilities held by Renasset Trading (Cyprus) Limited.**

#### **12. *Documents Available for Inspection***

Copies of the following documents may be inspected during usual business hours on any Business Day at the registered office of the Company:-

- (a) the Memorandum and Articles of Association of the Company;

- (b) the material contracts referred to in paragraph 8 above; and
- (c) the UCITS Regulations and the Central Bank UCITS Regulations;
- (d) the Irish Companies Act 2014.

Copies of the Articles of the Company may be obtained from the office of the Administrator and free of charge at the offices of any duly appointed paying agent, where copies of the annual reports, the subsequent semi-annual reports (if published thereafter), the Prospectus, the Key Investor Information Documents (“KIID”) and the information on the issue, conversion and repurchase prices of Shares may also be obtained free of charge.

## **APPENDIX II - RECOGNISED EXCHANGES**

The following is a list of regulated stock exchanges and markets in which the assets of each Sub-Fund may be invested from time to time and is set out in accordance with Central Bank' requirements. With the exception of permitted investments in unlisted securities and over the counter derivative instruments, investment by the Company and each Sub-Fund in securities and FDIs will be made only in securities or FDIs which are listed or traded on a stock exchange or market listed below. The Central Bank does not issue a list of approved stock exchanges or markets.

(i) any stock exchange which is:-

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

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

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

Argentina	-	Bolsa de Comercio de Buenos Aires
Argentina	-	Bolsa de Comercio de Cordoba
Argentina	-	Bolsa de Comercio de Rosario
Argentina	-	Santa Fe Stock Exchange
Bahrain	-	Bahrain Stock Exchange
Bangladesh	-	Dhaka Stock Exchange
Bangladesh	-	Chittagong Stock Exchange
Benin	-	Bourse Régionale des Valeurs Mobilières SA
Bermuda	-	Bermuda Stock Exchange
Bosnia & Herzegovina	-	Sarajevo Stock Exchange
Botswana	-	Botswana Stock Exchange
Brazil	-	Bolsa de Valores do Rio de Janeiro
Brazil	-	Bolsa de Valores de Sao Paulo (BM&F Bovespa)
Brazil	-	BOVMESB
Brazil	-	Maringá Mercantile and Futures Exchange
Burkina FASO	-	Burkina FASO Stock Exchange
Chile	-	Bolsa de Comercio de Santiago
Chile	-	Bolsa Electronica de Chile



Chile	-	Valparaíso Stock Exchange
China	-	Shanghai Securities Exchange
China	-	Shenzhen Stock Exchange
Columbia	-	Bolsa de Valores de Colombia
Cote D'Ivoire (Ivory Coast)	-	Bourse Régionale des Valeurs Mobilières SA
Egypt	-	Egyptian Exchange
Ghana	-	Bourse Régionale des Valeurs Mobilières SA
Guinea Bissau	-	Bourse Régionale des Valeurs Mobilières
India	-	Bangalore Stock Exchange
India	-	Delhi Stock Exchange
India	-	The Bombay Stock Exchange Limited
India	-	National Stock Exchange of India
Indonesia	-	Indonesia Stock Exchange
Israel	-	Tel-Aviv Stock Exchange
Jordan	-	Amman Stock Exchange
Kazakhstan	-	Kazakhstan Stock Exchange
Kenya	-	Nairobi Stock Exchange
Kuwait	-	Kuwait Stock Exchange
Lebanon	-	Beirut Stock Exchange
Malaysia	-	Bursa Malaysia
Mali	-	Bourse Régionale des Valeurs Mobilières SA
Mauritius	-	Stock Exchange of Mauritius
Mexico	-	Bolsa Mexicana de Valores
Morocco	-	Casablanca Stock Exchange
Namibia	-	Namibian Stock Exchange
Niger	-	Bourse Régionale des Valeurs Mobilières SA
Nigeria	-	Nigerian Stock Exchange
Nigeria	-	Abuja Securities & Commodities Exchange
Norway	-	Oslo Stock Exchange
Oman	-	Muscat Securities Market
Pakistan	-	Islamabad Stock Exchange
Pakistan	-	Karachi Stock Exchange
Pakistan	-	Lahore Stock Exchange
Palestine	-	Palestine Securities Exchange
Peru	-	Bolsa de Valores de Lima
Philippines	-	Philippine Stock Exchange
Philippines	-	Philippine Dealing Exchange
Qatar	-	Qatar Exchange
Saudi Arabia	-	Saudi Stock Exchange
Saudi Arabia	-	Tadawul
Senegal	-	Bourse Régionale des Valeurs Mobilières SA
Serbia	-	Belgrade Stock Exchange
Singapore	-	Singapore Exchange Limited
South Africa	-	JSE Ltd.

South Korea	-	Korea Exchange Incorporated
Sri Lanka	-	Colombo Stock Exchange
Swaziland	-	Swaziland Stock Exchange
Taiwan	-	Taiwan Stock Exchange Corporation
Tanzania	-	Dar es Salaam Stock Exchange
Thailand	-	Stock Exchange of Thailand
Togo	-	Bourse Régionale des Valeurs Mobilières SA
Tunisia	-	Bourse des Valeurs Mobilières de Tunis
Turkey	-	Istanbul Stock Exchange
Uganda	-	Uganda Securities Exchange
Ukraine	-	Ukrainian Exchange
Ukraine	-	PFTS
United Arab Emirates	-	Abu Dhabi Securities Market
United Arab Emirates	-	Dubai Financial Market
United Arab Emirates	-	NASDAQ Dubai
Venezuela	-	Bolsa de Valores de Caracas
Vietnam	-	Ho Chi Minh Stock Exchange
Vietnam	-	Hanoi Stock Exchange
Zambia	-	Lusaka Stock Exchange
Zambia	-	Agricultural Commodities Exchange of Zambia
Zimbabwe	-	Zimbabwe Stock Exchange

(iii) any of the following markets:

The Moscow Exchange

the market organised by the International Capital Markets Association;

the market conducted by the "listed money market institutions", as described in the FSA publication "The Investment Business Interim Prudential Sourcebook" which replaces the Grey Paper as amended;

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

the over-the-counter market in Japan regulated by the Securities Dealers Association of Japan.

NASDAQ in the United States;

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

the over-the-counter market in the United States regulated by the National Association of Securities Dealers Inc. (also described as the over-the-counter market in the United States conducted by primary and secondary dealers regulated by the Securities and Exchange Commission and by the National Association of Securities Dealers (and by banking

institutions regulated by the US Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);

the French market for Titres de Créances Négotiables (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.

Catalist (SGX) (the second tier of the Singapore Stock Exchange).

(iv) All derivatives exchanges on which permitted FDIs may be listed or traded:

- in a Member State
- in a Member State in the European Economic Area (European Union, Norway, Iceland and Liechtenstein);

in the United States of America, on the

- Chicago Board Options Exchange;
- Chicago Mercantile Exchange;
- New York Mercantile Exchange;
- ICE Futures US;
- NYSE Euronext;

in China, on the Shanghai Futures Exchange;

in Hong Kong, on the

Hong Kong Futures Exchange;  
Hong Kong Exchanges and Clearing LTD;

in India, on the

The National Stock Exchange of India;  
The Bombay Stock Exchange Limited;

in Japan, on the

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

in Korea, on the Korea Exchange Incorporated;

in New Zealand, on the New Zealand Futures and Options Exchange;

in Singapore, on the

- Singapore International Monetary Exchange;
- Singapore Commodity Exchange;
- Singapore Exchange Limited;

in Taiwan, on the Taiwan Futures Exchange;

in Turkey, on the Turkish Derivatives Exchange;

in Russia, on the Moscow Exchange.

For the purposes only of determining the value of the assets of a Sub-Fund, the term "Recognised Exchange" shall be deemed to include, in relation to any futures or options contract utilised by the Sub-Fund for the purposes of efficient portfolio management or to provide protection against exchange rate risk any organised exchange or market on which such futures or options contract is regularly traded.

The intention of a Sub-Fund to invest on Russian Markets will be disclosed in the Prospectus.

### **APPENDIX III - DEFINITION OF US PERSON**

The Company defines "U.S. Person" to include any "U.S. Person" as set forth in Regulation S promulgated under the 1933 Act, as amended and any "United States Person" as defined under Rule 4.7 under the US Commodity Exchange Act.

Regulation S currently provides that:

"U.S. person" means:

- (1) any natural person resident in the United States;
- (2) any partnership or corporation organised or incorporated under the laws of the United States;
- (3) any estate of which any executor or administrator is a U.S. person;
- (4) any trust of which any trustee is a U.S. person;
- (5) any agency or branch of a non-U.S. entity located in the United States;
- (6) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;
- (7) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and
- (8) any partnership or corporation if (i) organised or incorporated under the laws of any non-U.S. jurisdiction and (ii) formed by a U.S. person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the 1933 Act) who are not natural persons, estates or trusts.

"U.S. person" does not include:

- (1) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. person by a dealer or other professional fiduciary organised, incorporated or, if an individual, resident in the United States;
- (2) any estate of which any professional fiduciary acting as executor or administrator is a U.S. person if (i) an executor or administrator of the estate who is not a U.S. person has sole or shared investment discretion with respect to the assets of the estate and (ii) the estate is governed by non-U.S. law;
- (3) any trust of which any professional fiduciary acting as trustee is a U.S. person if a trustee who is not a U.S. person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. person;
- (4) an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country;

- (5) any agency or branch of a U.S. person located outside the United States if (i) the agency or branch operates for valid business reasons and (ii) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; or
- (6) the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations and their agencies, affiliates and pension plans, and any other similar international organisations, their agencies, affiliates and pension plans.

Rule 4.7 of the Commodity Exchange Act Regulations currently provides in relevant parts that the following persons are not considered "United States persons":

- (1) a natural person who is not a resident of the United States;
- (2) a partnership, corporation or other entity, other than an entity organised principally for passive investment, organised under the laws of a foreign jurisdiction and which has its principal places of business in a foreign jurisdiction;
- (3) an estate or trust, the income of which is not subject to tax in the United States;
- (4) an entity organised principally for passive investment such as a pool, investment company or other similar entity; Provided, that units of participation in the entity held by persons who do not qualify as Non-United States persons or otherwise as qualified eligible persons represent in the aggregate less than 10% of the beneficial interest in the entity, and that such entity was not formed principally for the purpose of facilitating investment by persons who do not qualify as Non-United States persons in a pool with respect to which the operator is exempt from certain requirements of Part 4 of the (US Commodity Futures Trading Commission's) Commission's regulations by virtue of its participants being Non-United States persons.
- (5) a pension plan for the employees, officers or principals of an entity organised and with its principal place of business outside of the United States;

An investor who is considered a "non-US person" under Regulation S and a "non-United States person" under Rule 4.7 may nevertheless be generally subject to income tax under US Federal income tax laws. Any such person should consult his or her tax adviser regarding an investment in a Sub-Fund.

"US Taxpayer" means a US citizen or resident alien of the United States (as defined for US federal income tax purposes); any entity treated as a partnership or corporation for US tax purposes that is created or organised in, or under the laws of, the United States or any State thereof; any other partnership that is treated as a US Taxpayer under the US Treasury Department regulations; any estate, the income of which is subject to US income taxation regardless of source; and any trust over whose administration a court within the United States has primary supervision and all substantial decisions of which are under control of one or more US fiduciaries. Persons who have lost their US citizenship and who live outside the United States may nonetheless in some circumstances be treated as US Taxpayers.

An investor may be a "US Taxpayer" but not a "US Person". For example, an individual who is a US citizen residing outside the United States is not a "US Person" but is a "US Taxpayer".

**APPENDIX IV - LIST OF SUB-CUSTODIAL AGENTS APPOINTED BY THE NORTHERN TRUST COMPANY**

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 upon request in writing from the Administrator or 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 board of the Company of any such conflict should it so arise.

<b>Country</b>	<b>Sub-Custodian</b>	<b>Sub-Custodian Delegates</b>
Argentina*	Citibank, N.A.	
Australia	HSBC Bank Australia Limited	
Austria	UniCredit Bank Austria A.G	
Bahrain	HSBC Bank Middle East Limited	
Bangladesh	Standard Chartered Bank	
Belgium	Deutsche Bank AG	
Bermuda	HSBC Bank Bermuda Limited	
Bosnia and Herzegovina - Federation of B & H	Raiffeisen Bank International AG	Raiffeisen Bank Bosnia DD BiH
Bosnia and Herzegovina - Republic of Srpska	Raiffeisen Bank International AG	Raiffeisen Bank Bosnia DD BiH
Botswana	Standard Chartered Bank Botswana Limited	
Brazil	Citibank, N.A.	Citibank Distribuidora de Titulos e Valores Mobiliarios S.A ("DTVM")
Bulgaria	Citibank Europe plc	
Canada	The Northern Trust Company, Canada	
Canada**	Royal Bank of Canada	
Chile	Banco de Chile	
China A	HSBC Bank (China) Company Limited	
China B	HSBC Bank (China) Company Limited	
Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria	
Costa Rica	Banco Nacional de Costa Rica	
Croatia	UniCredit Bank Austria A.G.	Zagrebacka Banka d.d.

<b>Country</b>	<b>Sub-Custodian</b>	<b>Sub-Custodian Delegates</b>
Cyprus	Citibank International Limited	
Czech Republic	UniCredit Bank Czech Republic and Slovakia, a.s.	
Denmark	Nordea Bank Danmark A/S	
Egypt	Citibank, N.A.	
Estonia	Swedbank AS	
Euro CDs	Deutsche Bank AG, London Branch	
Finland	Nordea Bank Finland plc	
France	Deutsche Bank AG	
Germany	Deutsche Bank AG	
Ghana	Standard Chartered Bank Ghana Limited	
Greece	Citibank International Limited	
Hong Kong SAR	The Hongkong and Shanghai Banking Corporation Limited	
Hungary	UniCredit Bank Hungary Zrt	
Iceland*	Landsbankinn hf	
India	Citibank, N.A.	
Indonesia	Standard Chartered Bank	
Ireland	The Northern Trust Company, London	
Israel	Bank Leumi Le-Israel BM	
Italy	Deutsche Bank SpA	
Japan	The Hongkong and Shanghai Banking Corporation Limited	
Jordan	Standard Chartered Bank plc, Jordan Branch	
Kazakhstan	JSC Citibank Kazakhstan	
Kenya	Standard Chartered Bank Kenya Limited	
Kuwait	HSBC Bank Middle East Limited	
Latvia	Swedbank AS	
Lebanon	HSBC Bank Middle East Limited	



<b>Country</b>	<b>Sub-Custodian</b>	<b>Sub-Custodian Delegates</b>
Lithuania	AB SEB Bankas	
Malaysia	HSBC Bank Malaysia Berhad	
Mauritius	The Hongkong and Shanghai Banking Corporation Limited	
Mexico	Banco Nacional de Mexico, S.A.	
Morocco	Societe Generale Marocaine de Banques	
Namibia	Standard Bank Namibia Ltd	
Netherlands	Deutsche Bank AG	
New Zealand	The Hongkong and Shanghai Banking Corporation Limited	
Nigeria	Stanbic IBTC Bank Plc	
Norway	Nordea Bank Norge ASA	
Oman	HSBC Bank Oman SAOG	
Pakistan	Citibank, N.A.	
Palestinian Territories	HSBC Bank Middle East Limited	
Panama	Citibank, N.A., Panama Branch	
Peru	Citibank del Peru S.A.	
Philippines	The Hongkong and Shanghai Banking Corporation Limited	
Poland	Bank Polska Kasa Opieki SA	
Portugal	BNP Parisbas Securities Services	
Qatar	HSBC Bank Middle East Limited	
Romania	Citibank Europe plc	
Russia	AO Citibank	
Saudi Arabia	HSBC Saudi Arabia Limited	
Serbia	UniCredit Bank Austria A.G.	UniCredit Bank Serbia JSC
Singapore	DBS Bank Ltd	
Slovakia	Citibank Europe plc	
Slovenia	UniCredit Banka Slovenija d.d.	
South Africa	The Standard Bank of South Africa Limited	

<b>Country</b>	<b>Sub-Custodian</b>	<b>Sub-Custodian Delegates</b>
South Korea	The Hongkong and Shanghai Banking Corporation Limited	
Spain	Deutsche Bank SAE	
Sri Lanka	Standard Chartered Bank	
Swaziland	Standard Bank Swaziland Limited	
Sweden	Svenska Handelsbanken AB (publ)	
Switzerland	Credit Suisse AG	
Taiwan	Bank of Taiwan	
Tanzania	Standard Chartered Bank (Mauritius) Limited	Standard Chartered Bank Tanzania Ltd
Thailand	Citibank, N.A.	
Tunisia	Banque Internationale Arabe de Tunisie	
Turkey	Deutsche Bank A.S.	
Uganda	Standard Chartered Bank Uganda Limited	
Ukraine	PJSC Citibank	
United Arab Emirates - ADX	HSBC Bank Middle East Limited	
United Arab Emirates - DFM	HSBC Bank Middle East Limited	
United Arab Emirates - NASDAQ Dubai	HSBC Bank Middle East Limited	
United Kingdom	The Northern Trust Company, London	
United States	The Northern Trust Company	
Uruguay	Banco Itau Uruguay S.A.	
Venezuela	Citibank, N.A.	
Vietnam	HSBC Bank (Vietnam) Ltd	
West Africa***	Standard Chartered Bank (Mauritius) Limited	Standard Chartered Bank Cote d'Ivoire SA
Zambia	Standard Chartered Bank Zambia plc	
Zimbabwe	Standard Chartered Bank (Mauritius) Limited	Standard Chartered Bank (Zimbabwe) Ltd

\*Market Suspended

\*\* 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

\*\*\* West Africa, via the regional exchange, Bourse Régionale des Valeurs Mobilières SA (BRVM) located in Abidjan, clients can access the following 8 UEMOA markets: Benin, Burkina Faso, Guinea-Bissau, Côte d'Ivoire, Mali, Niger, Senegal and Togo