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

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

### **UTI INDIAN FIXED INCOME FUND PLC**

(An open-ended investment company with variable capital incorporated with limited liability in Ireland under the Companies Act, 2014 with registration number 516063 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.

## **P R O S P E C T U S**

**Promoter and Investment Manager  
UTI International (Singapore) Private Limited**

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The date of this Prospectus is 13<sup>th</sup> October, 2023

## **IMPORTANT INFORMATION**

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

### **The Prospectus**

This Prospectus describes UTI Indian Fixed Income Fund plc as an open-ended investment company with variable capital incorporated in Ireland and authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations. The share capital of the Fund may be divided into different classes with one or more classes of Shares representing the Fund.

Distribution of this document is not authorised after the publication of the first annual or half yearly report and accounts of the Fund unless it is accompanied by a copy of the most recent of such reports. Such reports will form part of this Prospectus. The latest annual and half yearly reports of the Fund shall be supplied to subscribers free of charge on request and will be available to the public as described in the section below entitled "Reports and Accounts".

### **The Promoter**

The Promoter of the Fund is UTI International (Singapore) Private Limited. The Promoter was incorporated in Singapore on 15 November 2006 and is regulated by the Monetary Authority of Singapore in the conduct of financial services and investment management activities.

### **Central Bank Authorisation**

The Fund is both authorised and supervised by the Central Bank. **Authorisation of the Fund by the Central Bank shall not constitute a warranty as to the performance of the Fund and the Central Bank shall not be liable for the performance or default of the Fund. The authorisation of the Fund is not an endorsement or guarantee of the Fund by the Central Bank and the Central Bank is not responsible for the contents of this Prospectus.**

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

### **Risk Factors**

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.** Investors should read and consider the section entitled "Risk Factors" before investing in the Fund.

### **Euronext Listing**

The Fund may seek to list one or more Classes of Shares on the Official List and to trading on the Regulated Market of Euronext.

Neither the admission of the Shares to the Official List and to trading on the Regulated Market of Euronext shall constitute a warranty or representation by Euronext as to the competence of the service providers to or any other party connected with the Fund, the adequacy of information contained in the Prospectus or the suitability of the Fund for investment purposes.

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

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

The Directors may restrict the ownership of Shares by any person, firm or corporation where such ownership would be in breach of any regulatory or legal requirement or may affect the tax status of the Fund. Any restrictions applicable to a particular Class shall be specified in this Prospectus. Any person who is holding Shares in contravention of the restrictions set out above or, by virtue of his holding, is in breach of the laws and regulations of any competent jurisdiction or whose holding could, in the opinion of the Directors, cause the Fund to incur any liability to taxation or to suffer any pecuniary disadvantage which any or all of them might not otherwise have incurred or sustained or otherwise in circumstances which the Directors believe might be prejudicial to the interests of the Shareholders, shall indemnify the Fund, the Investment Manager and Distributor, the Depository, the Administrator and Shareholders for any loss suffered by it or them as a result of such person or persons acquiring or holding Shares in the Fund.

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

### ***United States of America***

The Shares have not been nor will they be registered under the U.S. Securities Act of 1933, as amended (the "1933 Act"), or registered or qualified under the securities laws of any of the states of the United States. The Shares may not be offered, sold or delivered directly or indirectly in the United States or to or for the account or benefit of any "U.S. Person" (as defined in Regulation S under the 1933 Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the 1933 Act and any applicable state securities laws.

The Fund will not be registered under the U.S. Investment Fund Act of 1940, as amended (the "1940 Act") pursuant to Section 3(c)(1) of the 1940 Act. Accordingly, the Fund will limit the number of beneficial owners of its shares that are "U.S. Persons" as defined in Regulation S under the 1933 Act to not more than 100, as determined in accordance with the 1940 Act and the regulations thereunder.

The Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission

or any state securities commission, nor has any such regulatory authority passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Prospectus. Any representation to the contrary is unlawful.

The Directors do not intend to permit Shares of any Class of the Fund acquired by investors subject to the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and by other benefit plan investors, as defined in ERISA, to equal or exceed 25% of the value of any such Class (determined in accordance with ERISA). Accordingly, each prospective applicant for Shares will be required to represent and warrant as to whether and to what extent he is a "benefit plan investor" for the purposes of ERISA.

For additional information on investments by U.S. Persons, including certain U.S. securities law, U.S. federal tax, and ERISA and other benefit plan considerations, please see Appendix IV of the Prospectus.

### ***Ireland***

The Fund is an open-ended investment company with variable capital incorporated with limited liability in Ireland under the Companies Act, 2014 with registration number 516063 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). The Fund is both authorised and supervised by the Central Bank. The authorisation of the Fund is not an endorsement or guarantee of the Fund by the Central Bank and the Central Bank is not responsible for the contents of the Prospectus of the Fund.

### ***Hong Kong***

The distribution of this document/ the prospectus / Key Investor Information Document ("KIID") or any marketing material ("this material") of the Fund, may only be made in Hong Kong in circumstances that do not constitute an issue, invitation or offer to the public under the Hong Kong Securities and Futures Ordinance ("Securities and Futures Ordinance"). This material is confidential to you. The Fund has not been authorised by the Securities and Futures Commission in Hong Kong pursuant to Section 104 of the Securities and Futures Ordinance nor has the offering memorandum been registered by the Registrar of Companies in Hong Kong pursuant to the Hong Kong Companies Ordinance ("Companies Ordinance"). Accordingly, unless permitted by the Securities and Futures Ordinance no person may issue or have in its possession for issue in Hong Kong this material or any other invitation, advertisement or document relating to the participating shares interests in the Fund to anyone other than (1) professional investors within the meaning of the Securities and Futures Ordinance and any rules made there under, (2) persons and in circumstances which do not constitute an invitation or offer to the public within the meaning of the Securities and Futures Ordinance or the Companies Ordinance, or (3) otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the Securities and Futures Ordinance and the Companies Ordinance.

### ***United Kingdom***

The Fund has been recognised by the FCA pursuant to section 264 of the FSMA. The facilities agent is UTI International Limited (the “Facilities Agent”) with registered office at 120 New Cavendish Street, London W1W 6XX, United Kingdom. Copies of the legal documents can be obtained in English, free of charge, from the Facilities Agent at 120 New Cavendish Street, London W1W 6XX, United Kingdom. The FCA has not approved and takes no responsibility for the contents of the Prospectus or the UK Country Supplement or for any document referred to in them, nor for the financial soundness of the Fund or for the correctness of any statements made or expressed in the Prospectus or the UK Country Supplement or any document referred to in them.

### ***Germany***

The Bundesanstalt für Finanzdienstleistungsaufsicht (Federal Agency for Financial Services Supervision) has been notified pursuant to Sec. 132 Investmentgesetz (Investment Act) of the intention to publicly distribute Shares of the Fund in the Federal Republic of Germany. The legal documents can be obtained in German, free of charge, from the information agent. The Information Agent in Germany is ODDO BHF Aktiengesellschaft , Bockenheimer Landstrasse 10, 60323 Frankfurt am Main.

### ***Bahrain***

This offer is a private placement. It is not subject to the regulations of the Central Bank of Bahrain that apply to public offerings of securities and the extensive disclosure requirements and other protections that these regulations contain. This document is therefore intended only for “accredited investors” as defined in the glossary to the Central Bank of Bahrain Rulebook. The financial instruments offered by way of private placement may only be offered in minimum subscriptions of \$100,000 (or equivalent in other currencies).

The Central Bank of Bahrain and the Bahrain Stock Exchange assume no responsibility for the accuracy and completeness of the statements and information contained in this document and expressly disclaim any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the contents of this document.

This offer does not constitute an offer of securities issued in the Kingdom of Bahrain as described in article (81) of the Central Bank of Bahrain and financial institutions law of 2006 (decree law no. 64 of 2006). This prospectus and related offering documents have not been registered as a prospectus with the Central Bank of Bahrain. Accordingly, no shares may be offered, sold or made the subject of an invitation for subscription or purchase nor with this prospectus or any other related document or material be used in connection with any offer, sale or invitation to subscribed or purchase the shares, whether directly or indirectly, to persons in the Kingdom of Bahrain other than accredited investors.

### ***Oman***

This document is strictly private and confidential and is being distributed in the Sultanate of Oman to a limited number of sophisticated investors, and may not be reproduced or used for any other purpose,

nor provided to any person other than the original recipient. The Shares may not be offered or sold directly or indirectly to the public in the Sultanate of Oman.

The Capital Market Authority (“CMA”) and the Central Bank of Oman (“CBO”) take no responsibility for the accuracy of the statements and information contained in this Prospectus or for the performance of the Fund, nor shall the CMA or CBO have any liability to any person for damage or loss resulting from reliance on any statement or information contained herein.

### ***Qatar***

This document is provided on an exclusive basis to the specifically intended recipient thereof, upon that person’s request and initiative, and for the recipient’s personal use only.

Nothing in this document constitutes, is intended to constitute, shall be treated as constituting or shall be deemed to constitute, any offer or sale of securities in the State of Qatar or in the Qatar financial centre or the inward marketing of an investment fund or an attempt to do business, as a bank, an investment company or otherwise in the State of Qatar or in the Qatar financial centre.

This document and the underlying instruments have not been approved, registered or licensed by the Qatar central bank, the Qatar financial centres regulatory authority, the Qatar financial markets authority or any other regulator in the state of Qatar. This document and any related documents have not been reviewed or approved by the Qatar financial centre’s regulatory authority or the Qatar central bank. Recourse against the Fund, and those involved with it, may be limited or difficult and may have to be pursued in a jurisdiction outside Qatar and the Qatar financial centre. Any distribution of this prospectus by the recipient to third parties in Qatar or the Qatar financial centre beyond the terms hereof is not authorised and shall be at the liability of such recipient.

### ***Saudi Arabia***

This document may not be distributed in the Kingdom except to such persons as are permitted under the Offers of Securities Regulations issued by the Capital Market Authority.

The Capital Market Authority does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document you should consult an authorised financial adviser.

### ***Switzerland***

The Fund is authorised for public distribution in and from Switzerland by the Swiss Financial Market Supervisory Authority (“FINMA”). Investors from Switzerland should read the Consolidated Prospectus for use solely in Switzerland. The representative and paying agent in Switzerland is RBC Investor Services Bank S.A., Eschsur-Alzette, Zurich Branch, Badenerstrasse 567, P.O. Box 101, CH-8066

Zurich (the “Representative”). Information about this Fund is available free of charge from the Representative.

### ***Australia***

The Fund is not licensed to provide financial product advice, within the meaning of the Corporations Act 2001 (Cth) in Australia. This Prospectus does not constitute an offer or sale, or invitation for subscription or purchase, of the Shares in the Fund to “retail clients” (as defined in Section 761G of the Corporations Act and applicable regulations) in Australia or to the public in Australia or any member of the public in Australia, except in the case where an offer or sale, or invitation for subscription or purchase is made by “wholesale investors” as defined in the Corporations Act 2001 (Cth) and where this document is not a prospectus or product disclosure statement under the Corporations Act 2001 (Cth).

### ***Brunei***

The Shares of the Fund have not been registered with the Autoriti Monetary Brunei Darussalam (the “Authority”). This Prospectus has neither been reviewed nor verified by the Authority. This Prospectus is addressed to a specific and selected class of investors only who are either an accredited investor, an expert investor or an institutional investor as defined in the securities market order, 2013 at their request so that they may consider an investment and subscription in the fund interests. This Prospectus is not issued to the public or any class or section of the public in Brunei. This Prospectus and the Shares in the Fund have not been delivered to, registered with, licensed or approved, by the Authority or by any other government agency in Brunei.

### ***China***

This Prospectus does not constitute a public offer of the Shares of the Fund in the People’s Republic of China (the “PRC”). For such purposes, PRC does not include Hong Kong, Macau Special Administrative Regions and Taiwan. The Shares are not being offered or sold while in the PRC to or for the benefit of, legal or natural persons while in the PRC. No legal or natural persons of the PRC may be directly or indirectly purchase any of the Shares or any beneficial interests therein without obtaining all prior PRC’s government approvals that are required, whether statutorily or otherwise. Persons who come into possession of this Prospectus are required by the Fund to observe these restrictions.

### ***India***

The Shares of the Fund have not been offered or sold to the public in India and should not be offered or sold in India to the general public. This Prospectus or any other offering document or material relating to the Shares of the Fund, will not be registered as a prospectus as defined under the (Indian) Companies Act, 2013 (Indian Companies Act) or with the Registrar of Companies, the Securities and Exchange Board of India, the Reserve Bank of India or any other statutory or regulatory body of like nature in India and shall not be circulated or distributed directly or indirectly, to the public or any members of the public in India or otherwise generally distributed or circulated in India, in circumstances which would constitute an advertisement, invitation, sale or solicitation of an offer to subscribe for or purchase any securities to the public within the meaning of the Indian Companies Act and other applicable Indian law for the time being in force.

### ***Indonesia***

This Prospectus does not constitute an offer to sell the Shares of the Fund to the public in Indonesia nor a solicitation to buy the Shares in the Fund by the public in Indonesia.

### ***Malaysia***

The Fund is not licensed in Malaysia and has not sought approval from the Malaysian Securities Commission pursuant to section 212 of the Malaysian Capital Markets and Services Act 2007. This Prospectus and any other document or material have neither been lodged nor registered with the Malaysian Securities Commission. Thus the Shares of the Fund are not being and will not be deemed to be issued, made available, offered for subscription or purchase in Malaysia by the public in Malaysia and neither this Prospectus nor any document or material in connection therewith should be distributed, caused to be distributed or circulated within Malaysia to the general public.

### ***New Zealand***

This Prospectus and any other document or material have neither been lodged nor registered for purposes of the Financial Markets Conduct Act 2013 (the "FMCA") and therefore, does not contain all of the information typically included in a product disclosure statement and register entry for a "regulated offer" of financial products under the FMCA. Thus the Shares of the Fund are not being and will not be deemed to be issued, made available, offered for subscription or purchase by the general public in New Zealand, except to persons who are "wholesale investors" within the meaning of Clause 3(2) of Schedule 1 of the FMCA or in other circumstances where there is no contravention of the FMCA.

### ***Philippines***

The Shares of the Fund being offered or sold herein have not been registered with the Securities and Exchange Commission under the Securities Regulation Code of the Philippines (the "Code"). Any future offer or sale of the shares is subject to the registration requirements under 10.1(1) of the Code unless such offer or sale qualifies as an exempt transaction thereunder. By a purchase of a Share in the Fund, the investor will be deemed to acknowledge that the issue of, offer for subscription or purchase of, or invitation to subscribe for or purchase, such Shares was made outside the Philippines.

### ***Singapore***

The Fund has been recognised in Singapore by the Monetary Authority of Singapore (the "MAS") as a recognised collective investment scheme for retail distribution under the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"). A separate Singapore prospectus and product highlight sheet have been lodged and registered with the MAS, and may be obtained from the Singapore representative or accessed at the MAS website at <https://eservices.mas.gov.sg/opera/Public/CIS/CISMaster.aspx>.

The MAS assumes no responsibility for the contents of the Singapore prospectus, and the registration of the Singapore prospectus does not imply that the SFA or any other legal or regulatory requirements have been complied with. The MAS has not, in any way, considered the investment merits of the Fund.

### ***Taiwan***

This Prospectus, any other document or material and the Shares of the Fund are not registered in



Taiwan and may not be circulated, sold, issued or offered to the public in Taiwan. The Fund has not authorised any person or entity in Taiwan to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the Shares in the Fund to the public in Taiwan.

The Shares may only be made available outside Taiwan for purchase by investors residing in Taiwan (either directly or through properly licensed Taiwan financial institutions to the extent permitted under relevant Taiwan laws and regulations) but may not be offered or sold to the public in Taiwan.

### ***Thailand***

The Fund is not licensed in Thailand and has not sought approval from the Securities and Exchange Commission (“SEC”) of Thailand. This Prospectus has neither been reviewed nor verified by the SEC. No offer to the public to purchase the Shares in the Fund will be made in Thailand and this Prospectus is intended to be read by the addressee only and must not be passed to, issued to, or shown to the public generally in Thailand.

### ***UAE***

This document relates to a financial product which is not subject to any form of regulation or approval by the Dubai Financial Services Authority (“DFSA”). The DFSA has no responsibility for reviewing or verifying any prospectus or other documents in connection with this financial product. Accordingly, the DFSA has not approved this document or any other associated documents nor taken any steps to verify the information set out in this document, and has no responsibility for it. The financial product to which this document relates may be illiquid and/or subject to restrictions on its resale. Prospective purchasers should conduct their own due diligence on the financial product . If you do not understand the contents of this document you should consult an authorised financial adviser.

### **For Funds registered with the Securities and Commodities Authority in the United Arab Emirates**

A copy of this Prospectus has been submitted to the Securities and Commodities Authority (the “Authority”) in the United Arab Emirates (“UAE”). The Authority assumes no liability for the accuracy of the information set out in this Prospectus, nor for the failure of any persons engaged by the Fund in performing their duties and responsibilities. The relevant parties whose names are listed in this Prospectus shall assume such liability, each according to their respective roles and duties.

For investors to which the qualified investor exemption applies: A copy of this Prospectus has been submitted to the Authority in the UAE. The Authority assumes no liability for the accuracy of the information set out in this Prospectus, nor for the failure of any persons engaged by the Fund in performing their duties and responsibilities. This Prospectus is only intended for those that fall under the definition of “Qualified Investor” as contained within the Authority’s Board’s Decision No. 9/R.M. of 2016 concerning Mutual Funds Regulations and the Authority’s Board Decision No. 3/R.M of 2017 concerning Promoting and Introducing Regulations, unless the Authority’s Board’s Decision No. 9/R.M. of 2016 concerning Mutual Funds Regulations does not apply, and includes:

- (1) an investor which is able to manage its investments on its own, namely:
  - a) the federal government, local governments, government entities and authorities or companies wholly-owned by any such entities;

- b) international entities and organisations;
  - c) a person licensed to carry out a commercial activity in the UAE, provided that investment is one of the objects of such person; or
  - d) a financially sound natural person who acknowledges that their annual income is not less than AED 1 million, that their net equity, excluding their main place of residence, amounts to AED 5 million, and that they, themselves or with the assistance of a financial advisor, has the necessary know-how and experience to assess the Prospectus and the ensuing benefits and risks associated with the investment; or
- (2) an investor who is represented by an investment manager licensed by the Authority, (each a "Qualified Investor"). The relevant parties whose names are listed in this Prospectus shall assume such liability, each according to their respective roles and duties.

### ***Other jurisdictions***

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

### **Redemption Fee**

**Shareholders may be subject to a redemption fee calculated at up to 0.50% of redemption monies where they redeem shares within twelve months of acquiring those Shares.** Such a redemption fee shall be for the absolute use and benefit of the Fund. Shareholders should view their investment as medium to long term.

### **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, which may be subject to change. Neither the delivery of this Prospectus nor the offer, issue or sale of Shares in the Fund shall under any circumstances constitute a representation that the affairs of the Fund have not changed since the date hereof. This Prospectus will be updated by the Fund to take into account any material changes from time to time and any such amendments will be notified in advance to and cleared by 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, independent financial adviser or other professional adviser.

### ***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.

### **Dividends**

Shareholders should note that some or all of the dividends of the Fund may be paid from the capital of the Fund. The policy of paying dividends from capital will have the following effects (i) capital will be eroded, (ii) distribution is achieved by forgoing the potential for future capital growth and (iii) the cycle may continue until all capital is depleted. Shareholders should also note that the payment of dividends out of capital may have different tax implications to distributions out of income and therefore tax advice should be sought in this regard.

### **Legal Matters**

Dillon Eustace does not represent and has not represented prospective investors in the course of the organisation of the Fund, the negotiation of its business terms, the offering of the Shares or in respect of its ongoing operations. Prospective investors must recognise that, as they have had no representation in the organisation process, the terms of the Fund relating to themselves and the Shares of the Fund have not been negotiated at arm's length. Dillon Eustace has been selected by the Investment Manager. Dillon Eustace does not undertake to monitor the compliance of the Investment Manager and its or their affiliates with the investment program, valuation procedures and other guidelines set forth herein, nor does it monitor compliance with applicable law.

**DIRECTORY**  
**UTI INDIAN FIXED INCOME FUND PLC**

**Directors**

Praveen Jagwani  
Samantha McConnell  
Simon McDowell

**Promoter, Investment Manager  
and Distributor**

UTI International (Singapore)  
Private Limited  
3 Raffles Place  
#8-02 Bharat Building  
Singapore, 048617

**Registered Office**

33 Sir John Rogerson's Quay  
Dublin 2  
Ireland

**Administrator**

Citibank Europe plc  
1 North Wall Quay  
Dublin 1  
Ireland

**Depository**

Citi Depository Services Ireland  
Designated  
Activity Company  
1 North Wall Quay  
Dublin 1  
Ireland.

**Company Secretary**

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

**Manager**

KBA Consulting Management  
Limited  
5 George's Dock  
IFSC  
Dublin 1  
Ireland

**Irish Legal Advisers**

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

**Investment Advisor**

UTI Asset Management  
Company Ltd  
UTI - Tower, "Gn" Block  
Bandra Kurla Complex  
Mumbai- 400051  
India

**Independent Auditors**

Ernst & Young  
Ernst & Young Building  
Harcourt Centre  
Harcourt Street  
Dublin 2  
Ireland

**India Legal Advisers**

Trilegal  
One Indiabulls Centre  
14th Floor, Tower One  
Elphinstone Road  
Mumbai - 400013  
India

**India Tax Advisers**

PricewaterhouseCoopers  
Private Limited  
PwC House, Plot 18/A  
Gurunanak Road  
Bandra (West)  
Mumbai – 400050  
India

**Irish Tax Advisers**

PricewaterhouseCoopers  
One Spencer Dock  
North Wall Quay  
Dublin 1, Ireland

## TABLE OF CONTENTS

SECTION	PAGE
1. THE FUND.....	23
GENERAL.....	23
PROFILE OF A TYPICAL INVESTOR .....	24
INVESTMENT OBJECTIVE.....	24
INVESTMENT POLICY.....	24
ELIGIBLE ASSETS AND INVESTMENT RESTRICTIONS .....	29
BORROWING POWERS .....	29
ADHERENCE TO INVESTMENT AND BORROWING RESTRICTIONS .....	30
CHANGE TO INVESTMENT AND BORROWING RESTRICTIONS .....	30
EFFICIENT PORTFOLIO MANAGEMENT .....	30
HEDGED CLASSES.....	31
COLLATERAL POLICY .....	33
RISK MANAGEMENT PROCESS.....	33
DIVIDEND POLICY.....	34
PUBLICATION OF NET ASSET VALUE PER SHARE.....	35
RISK FACTORS .....	35
2. MANAGEMENT AND ADMINISTRATION .....	49
DIRECTORS .....	49
INVESTMENT MANAGER .....	53
DISTRIBUTOR.....	57
INVESTMENT COMMITTEE .....	57
INVESTMENT ADVISOR.....	57
THE ADMINISTRATOR.....	58
COMPANY SECRETARY.....	61
PAYING AGENTS/REPRESENTATIVES/SUB-DISTRIBUTORS .....	61
CONFLICTS OF INTEREST .....	62
SOFT COMMISSIONS.....	64
FEE REBATE .....	64
3. FEES AND EXPENSES .....	65
ESTABLISHMENT EXPENSES .....	65
INVESTMENT MANAGER'S FEES .....	65
FOREIGN PORTFOLIO INVESTORS FEE.....	66
INVESTMENT ADVISOR'S FEE .....	66
ADMINISTRATOR'S FEE.....	66
DEPOSITARY'S FEES .....	66
DIRECTORS' FEES.....	67
AUDITORS' FEE .....	67
OTHER OPERATING EXPENSES AND FEES .....	67
SALES CHARGE.....	68
ANTI-DILUTION LEVY/DUTIES AND CHARGES.....	68
REDEMPTION FEE .....	68
ALLOCATION OF FEES AND EXPENSES.....	68
FEE INCREASES .....	69
4. THE SHARES .....	70
GENERAL.....	70
ABUSIVE TRADING PRACTICES/MARKET TIMING.....	71

INITIAL OFFER PERIOD.....	72
MINIMUM INITIAL SUBSCRIPTION, MINIMUM HOLDING AND MINIMUM TRANSACTION SIZE .....	72
DATA PROTECTION.....	76
REDEMPTION OF SHARES .....	78
WITHDRAWAL OF REDEMPTION REQUESTS .....	80
COMPULSORY REDEMPTION OF SHARES/DEDUCTION OF TAX .....	80
TOTAL REDEMPTION OF SHARES .....	81
CONVERSION OF SHARES .....	81
WITHDRAWAL OF CONVERSION REQUESTS.....	82
NET ASSET VALUE AND VALUATION OF ASSETS .....	83
PUBLICATION OF NET ASSET VALUE PER SHARE.....	88
SUSPENSION OF VALUATION OF ASSETS.....	88
5. TAXATION .....	89
GENERAL.....	89
TAXATION OF THE FUND IN IRELAND.....	89
UNITED KINGDOM TAXATION.....	101
6. GENERAL INFORMATION.....	116
1. INCORPORATION, REGISTERED OFFICE AND SHARE CAPITAL.....	116
2. VARIATION OF SHARE RIGHTS AND PRE-EMPTION RIGHTS.....	116
3. VOTING RIGHTS .....	117
4. MEETINGS .....	118
5. REPORTS AND ACCOUNTS.....	118
6. COMMUNICATION AND NOTICES TO SHAREHOLDERS.....	118
7. TRANSFER OF SHARES .....	119
8. DIRECTORS .....	120
9. DIRECTORS' INTERESTS .....	121
10. WINDING UP.....	122
11. INDEMNITIES .....	123
12. GENERAL .....	124
13. MATERIAL CONTRACTS .....	124
14. DOCUMENTS AVAILABLE FOR INSPECTION .....	126
APPENDIX I – PERMITTED INVESTMENTS AND INVESTMENT RESTRICTIONS.....	127
APPENDIX II - RECOGNISED EXCHANGES .....	133
APPENDIX III – FPI REGIME.....	138
APPENDIX IV – UNITED STATES MATTERS .....	141
APPENDIX V – THIRD PARTIES APPOINTED BY THE DEPOSITARY.....	161
APPENDIX VI – SFDR ANNEX.....	161

## DEFINITIONS

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

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

"Accounting Date"	means the 31 <sup>st</sup> of October in each year.
"Accounting Period"	means a period ending on the Accounting Date and commencing, in the case of the first such period on the date of incorporation of the Fund and, in subsequent such periods, on the expiry of the last Accounting Period.
"Act"	means the Companies Act, 2014 and every amendment or re-enactment of the same.
"Administrator"	means Citibank Europe plc.
"Administration Agreement"	means the Amended and Restated Administration Agreement made between the Fund, the Manager and the Administrator dated 29 October, 2021, as may be amended from time to time.
"Application Form"	means any application form to be completed by subscribers for Shares as prescribed by the Fund from time to time.
"Articles of Association"	means the Memorandum and Articles of Association of the Fund.
"Auditors"	means Ernst & Young of Ernst & Young Building, Harcourt Centre, Harcourt Street Dublin 2, Ireland.
"Base Currency"	means US Dollars.
"Beneficial Owner"	means a natural person(s) who ultimately owns or controls the Company through either a direct or indirect ownership of a sufficient percentage of shares or voting rights or ownership interest in the Company (as a whole). Where a natural person holds more than 25% of the shares of the Company or has an ownership interest of more than 25%, then that shall be an indication of direct ownership by that person. Where a corporate or multiple corporates hold more than 25% of the shares or other ownership interest exceeding 25% in the Company and

those holdings are controlled by the same natural person(s) that shall be an indication of indirect ownership.

“Beneficial Ownership Regulations” means the European Union (Anti-Money Laundering: Beneficial Ownership of Corporate Entities) Regulations 2019 as may be amended, consolidated or substituted from time to time.

“Business Day” means any day (except Saturday or Sunday) on which banks & stock exchanges in India and banks in Ireland and Singapore are generally open for business or such other day or days as may be determined by the Directors from time to time and notified in advance to the Shareholders.

“Care” a leading agency in India for covering many rating segments such as banks, sub-sovereigns and IPO gradings.

“Central Bank” means the Central Bank of Ireland and any successor body thereto.

“Central Bank UCITS Regulations” the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Undertakings for Collective Investment in Transferable Securities) Regulations) 2019 or such other amending or replacement regulations issued from time to time by the Central Bank as the competent authority with responsibility for the authorisation and supervision of UCITS and related guidance issued by the Central Bank to UCITS and their service providers.

“Class” means a particular class of Shares issued by the Fund.

“Commission Delegated Regulation” means the Commission Delegated Regulation EU 2016/438 supplementing Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014.

“Company Secretary” means Tudor Trust Limited, or any successor appointed to act as the company secretary of the Fund.

“CRISIL” A global analytical company providing ratings, research and risk, and policy advisory services. CRISIL's majority shareholder is Standard and Poor's (S&P).



"Data Protection Legislation"	means the Data Protection Acts, 1988 to 2018 as may be amended from time to time, and the General Data Protection Regulation (Regulation (EU) 2016/679 of the European Parliament and the Council of 27 April 2016), including any amendments thereto.
"Dealing Day"	means the first, and any, Business Day and/or such other day or days as may be determined by the Directors, in consultation with the Manager, from time to time and notified in advance to the Shareholders, provided that there shall be at least one Dealing Day every fortnight. "Dealing Day" shall be construed accordingly.
"Dealing Deadline"	means 10 a.m (Irish time) on each Business Day or such other time as the Directors, in consultation with the Manager, may determine and notify to Shareholders, provided always that the Dealing Deadline precedes the Valuation Point.
"Depositary"	means Citi Depositary Services Ireland Designated Activity Company.
"Depositary Agreement"	means the Amended and Restated Depositary Agreement made between the Fund and the Depositary dated 29 October, 2021 as may be amended from time to time.
"Directors"	means the directors of the Fund or any duly authorised committee or delegate thereof.
"Distribution Agreement"	means the Amended and Restated Distribution Agreement dated 29 October, 2021 made between the Fund, the Manager and the Distributor, as amended from time to time.
"Distributor"	means UTI International (Singapore) Private Limited.
"Eligible Assets"	means those investments which are eligible for investment by a UCITS as detailed in the UCITS Regulations.
"ESG"	means environmental, social and governance.
"ESMA"	the European Securities and Markets Authority.

"Euro" or "€" or "EUR"	means the lawful currency of the participating member states of the European Union which have adopted the single currency in accordance with the EC Treaty of Rome dated 25th March 1957 (as amended).
"Euronext"	means Euronext Dublin (formerly the Irish Stock Exchange).
"Exempt Irish Investor"	see definition in "Taxation" section of this Prospectus.
"FCA"	means the Financial Conduct Authority of the United Kingdom.
"FII"	means Foreign Institutional Investor.
"FII Regulations"	means Foreign Institutional Regulations, 1995.
"Fitch"	means Fitch Ratings, which is a leading global rating agency, including Fitch India.
"FPI"	means Foreign Portfolio Investor.
"FPI Regulations"	means SEBI (Foreign Portfolio Investors) Regulations, 2014.
"FSMA"	means the United Kingdom Financial Services and Markets Act 2000 and every amendment or re-enactment of the same.
"Fund"	means UTI Indian Fixed Income Fund plc.
"ICRA"	means ICRA Limited (formerly Investment Information and Credit Rating Agency of India Limited). The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.
"Indian Public Sector Undertakings"	means government-owned corporations, termed as Public Sector Undertakings in India. In a Public Sector Undertaking the majority (51% or more) of the paid up share capital is held by central government or by any state government or partly by the central governments and partly by one or more state governments.
"INR"	means, Indian rupee, the lawful currency of the Republic of India.

"Intermediary"	see definition in "Taxation" section of this Prospectus.
"Investment Manager"	means UTI International (Singapore) Private Limited.
"Investment Management Agreement"	means the Amended and Restated Investment Management Agreement made between the Fund, the Manager and the Investment Manager dated 29 October, 2021 as may be amended from time to time.
"Ireland"	means the Republic of Ireland.
"Management Agreement"	means the Management Agreement made between the Fund and the Manager dated 29 October, 2021, as may be amended from time to time.
"Manager"	means KBA Consulting Management Limited.
"MAS"	means the Monetary Authority of Singapore.
"Member"	means a Shareholder or a person who is registered as the holder of one or more non-participating shares in the Fund.
"Member State"	means a member state of the European Union.
"Minimum Holding"	means USD 500,000.00 for the USD Institutional Class and the USD Institutional Hedged Class, USD 500.00 for the USD Retail Class and the USD Retail Hedged Class, USD 500.00 for the USD RDR Class, GBP 500.00 for the GBP RDR Class, GBP 500,000.00 for the GBP Institutional Class, EUR 500.00 for the EUR Retail Class and the EUR Retail Hedged Class, EUR 500,000.00 for the EUR Institutional Class and the EUR Institutional Hedged Class, EUR 5,000,000 for the EUR Super Institutional Class, EUR 500.00 for the EUR RDR Class, SGD 500.00 for the SGD Retail Share Class, USD 5,000,000.00 for the USD Super Institutional Class, CHF 500 for the CHF Retail Class, CHF 500,000 for the CHF Institutional Class, CHF 500 for the CHF RDR Class, JPY 50,000,000 for the JPY Institutional Class and JPY 50,000 for the JPY Retail Class.
"Minimum Initial Subscription"	means USD 500,000.00 for the USD Institutional Class and the USD Institutional Hedged Class, USD 500.00 for

the USD Retail Class and the USD Retail Hedged Class, USD 500.00 for the USD RDR Class, GBP 500.00 for the GBP RDR Class, GBP 500,000.00 for the GBP Institutional Class, EUR 500.00 for the EUR Retail Class and the EUR Retail Hedged Class, EUR 500,000.00 for the EUR Institutional Class and the EUR Institutional Hedged Class, EUR 5,000,000 for the EUR Super Institutional Class, EUR 500 for the EUR RDR Class, SGD 500.00 for the SGD Retail Share Class, USD 5,000,000.00 for the USD Super Institutional Class, CHF 500 for the CHF Retail Class, CHF 500,000 for the CHF Institutional Class, CHF 500 for the CHF RDR Class, JPY 50,000,000 for the JPY Institutional Class and JPY 50,000 for the JPY Retail Class.

"Net Asset Value"	means the Net Asset Value of the Fund or attributable to a Class calculated as referred to herein.
"Net Asset Value per Share"	means the Net Asset Value attributable to a Class divided by the number of Shares issued in that Class rounded to four decimal places.
"OECD Governments"	means the governments of Australia, Austria, Belgium, Canada, Chile, Colombia, Costa Rica, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Latvia, South Korea, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom and the United States or other such other members as may be admitted to the OECD from time to time.
"Ordinarily Resident in Ireland"	see definition in the "Taxation" section of this Prospectus.
"Prospectus"	the prospectus of the Fund and any addenda thereto issued in accordance with the requirements of the Central Bank.
"RBI"	means the Reserve Bank of India.
"Recognised Exchange"	means the stock exchanges or regulated markets set out in Appendix II.
"Relevant Declaration"	see definition in "Taxation" section of this Prospectus.

“Resident in the Republic of Ireland”	see definition in “Taxation” section of this Prospectus.
“SEBI”	means the Securities and Exchange Board of India.
“SFDR”	means Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, as may be amended from time to time.
"Share"	means a participating share or, save as otherwise provided in this Prospectus, a fraction of a participating share in the capital of the Fund.
"Shareholder"	means a person who is registered as the holder of Shares in the register of Shareholders for the time being kept by or on behalf of the Fund.
"Sterling" or "£" or "GBP"	means the lawful currency for the time being of the United Kingdom.
“Sustainability Risks”	sustainability risks are an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment, as defined under the SFDR.
"UCITS"	means an Undertaking for Collective Investment in Transferable Securities established pursuant to EC Council Directive 85/611/EEC of 20 December 1985 as amended.
“UCITS Directive”	Directive 2009/65/EC of the European Parliament and of the Council, as amended by Directive 2014/91/EU of 23rd July, 2014 and as may be further amended, consolidated or substituted from time to time.
"UCITS Regulations"	means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011) (as amended, consolidated or substituted from time to time) and any regulations or guidance issued by the Central Bank pursuant thereto for the time being in force.

"UK"	means the United Kingdom of Great Britain and Northern Ireland.
"United States"	means the United States of America (including the States, Puerto Rico and the District of Columbia) its territories, possessions and all other areas subject to its jurisdiction.
"US Dollar", "USD" or "US\$"	means United States Dollars, the lawful currency for the time being of the United States of America.
"U.S. Person"	means a U.S. Person as defined in Regulation S under the 1933 Act.
"Valuation Point"	means 12 noon (Irish time) on the relevant Business Day.

## 1. THE FUND

### General

The Fund is an open-ended investment company with variable capital, incorporated in Ireland on 2 August, 2012 under the Act with registration number 516063. The Fund has been authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations.

The Directors may issue Shares of one or more Classes. The Shares of each Class of the Fund will rank pari passu with each other in all respects provided that they may differ as to certain matters including currency of denomination, hedging strategies if any applied to the currency of a particular Class, dividend policy, the level of fees and expenses to be charged or the minimum subscription and minimum holding applicable. A separate portfolio of assets is not maintained for each Class. The investment objective and policies and other details in relation to the Fund are set out in this Prospectus.

The Base Currency of the Fund is the US Dollar. At the date of this Prospectus the Fund has established Classes denominated in the respective currencies listed below. Additional Classes may be established by the Directors and notified to, and cleared, in advance with the Central Bank. The Shares of each Class rank pari passu with each other except for the currency of denomination of each Class as set out below.

<b>Class</b>	<b>Currency</b>
USD Institutional Class	USD
USD Institutional Hedged Class	USD
USD Retail Class	USD
USD RDR Class	USD
USD Retail Hedged Class	USD
GBP RDR Class	GBP
GBP Institutional Class	GBP
EUR Retail Class	EUR
EUR Retail Hedged Class	EUR
EUR Institutional Class	EUR
EUR Super Institutional Class*	EUR
EUR Institutional Hedged Class	EUR
EUR RDR Class	EUR
SGD Retail Class	SGD
USD Super Institutional Class	USD
CHF Retail Class	CHF
CHF Institutional Class	CHF
CHF RDR Class	CHF
JPY Institutional Class	JPY
JPY Retail Class	JPY

\* EUR Super Institutional Class was named EUR Institutional Class prior to 13<sup>th</sup> October 2023.

Currency exposures of different Classes denominated in different currencies will not be combined or offset and currency exposures of assets of the Fund will not be allocated to separate Classes.

## **Profile of a Typical Investor**

The Fund may be suitable for those investors with a medium to long term time horizon who wish to gain exposure to Indian debt markets and who recognise the risks of investing in a single emerging market country and who can tolerate the degree of volatility of returns typical of such an investment.

## **Investment Objective**

The investment objective of the Fund is to generate total returns with moderate levels of credit risk.

## **Investment Policy**

### *Investment Strategy*

The Fund's investment strategy is to generate total returns with moderate levels of credit risk by investing in a portfolio of fixed income securities issued by the Central Government of India, State Governments of India, Indian Public Sector Undertakings, and Indian companies or companies deriving a significant portion of their business in India. The Fund will invest in both local currency (INR) denominated debt as well as offshore, foreign currency debt of Indian issuers. Offshore, foreign currency debt of Indian issuers refers to bonds and debt instruments issued by Indian corporations and financial institutions in currencies other than INR. The Fund may invest some part of its assets in debt instruments, issued by Indian companies and banks, denominated in USD or other foreign currencies. This exposure to non-INR investments may be converted to INR exposure through the use of non-deliverable forward contracts. The Fund may also invest up to 10% of net assets in fixed deposits held with offshore branches of Indian banks, for ancillary liquidity purposes only, in accordance with the requirements of the Central Bank UCITS Regulations.

The Investment Manager intends to achieve moderate levels of credit risk by investing in non-sovereign debentures and bonds where the underlying issuers are assigned A or better credit ratings at the time of purchase by a SEBI registered rating agency such as CRISIL, ICRA, Fitch or CARE. Issuers rated A by CARE are considered to offer adequate degree of safety regarding timely servicing of financial obligations. Such issuers carry low credit risk. A rating scale of A by ICRA denotes an adequate-credit-quality rating assigned by ICRA, the rated entity carries average credit risk. The ICRA rating is however only an opinion on the general creditworthiness of the rated entity and not specific to any particular debt instrument.

Where an issuer credit rating is unavailable, the credit rating of the instrument issued by such issuer will have a credit rating of A or better at the time of purchase by a SEBI registered rating agency such as CRISIL, ICRA, Fitch or Care. After purchase, should the credit rating drop below the above stated ratings, the relevant instrument will be sold as soon as possible. Long term instruments rated A by CRISIL are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk. Long term national credit rating of A at the time of purchase by Fitch India denotes a strong credit risk relative to other issuers or issues in the country.



However, changes in circumstances or economic conditions may affect the capacity for timely repayment of these financial commitments to a greater degree than for financial commitments denoted by a higher rated category. Thus by investing in issuers and instruments with at least adequate degree of safety/credit quality and strong credit risk relative to other issuers, the Investment Manager aims to achieve moderate levels of credit risk for the Fund.

The Fund has been categorised as a fund falling within the meaning of Article 8 of the SFDR, i.e. a fund that promotes environmental and/or social characteristics. For further information on the Fund's ESG investment strategy, please refer to the SFDR annex included at Appendix VI.

### *Investment Universe*

The Fund will primarily invest in the following instruments:

- securities issued by the Central Government of India (the "Government") having residual maturity of one year and above (for example, government securities);
- green bonds issued by the Government of India;
- coupon bearing bonds issued by the State Governments of India. These are a type of tradable debt security, also known as State Development Loans (SDLs) which are traded on the secondary market in India. These bonds are managed and serviced by the RBI;
- commercial paper issued by Indian companies;
- perpetual debt instruments and debt capital instruments issued by banks and financial institutions of Indian origin;
- corporate debt securities such as non-convertible debentures ("NCDs") and fixed or floating rate bonds issued by companies of Indian origin;
- Offshore, foreign currency debt by issuers of Indian origin. These are companies and financial institutions or entities related to companies and financial institutions of Indian origin, including but not limited to its subsidiaries, associates, branches, divisions etc. issue debt outside India in foreign currency such as US dollar, EUR or Yen. These bonds are traded in international markets such as Singapore, London, Hong Kong etc and are usually settled through Euroclear or Clearstream;
- Currency derivatives such as over-the-counter, non-deliverable forward contracts which will be used to convert the USD exposure (of USD denominated bonds) into INR exposure. By doing so, the investors will be exposed to INR and the Fund does not intend to hedge the risk of fluctuations in the investment currency of the INR versus the Base Currency of USD. This conversion of non-INR exposure to INR is not considered as a 'hedging' strategy by the Fund;
- Treasury securities issued by developed world countries (including US treasury bills and bonds); and
- Cash settled exchange traded interest rate futures subject to the investment conditions as may be prescribed by the RBI and SEBI from time to time.

The key investment focus by the Investment Manager in selecting instruments will be to create a portfolio of debt investments which have high credit quality and minimal credit risk. This will be done by investing mainly in debt instruments of Indian corporate and financial institutions that are rated A or better at the time of purchase by local credit rating agencies. The Investment Manager does not intend

to focus its investment in any one type of instrument, sector or geographical location, but instead intends to invest up to 100% in any of the above instruments subject to the Central Bank investment restrictions as set out in Appendix I to this Prospectus, on a worldwide basis, across all sectors where the Investment Manager determines it appropriate to invest in such instrument(s). The investment strategy will include understanding interest rate trends, credit risk/ratings changes and macroeconomic factors to invest in instruments that have high yields with moderate credit risk. Each of these factors, that are trends, credit risk/ratings changes and macroeconomic factors will be assessed by the Investment Manager based on information obtained from the following sources; internal research conducted by the Investment Manager, external third party research and other publicly available information and analysis.

The Investment Manager will only invest in non-sovereign debentures and bonds of issuers who have been assigned A or better ratings by a SEBI registered rating agency such as CRISIL, ICRA, Fitch or Care at the time of purchase. Issuers with this rating are considered to have an adequate degree of safety regarding timely servicing of financial obligations. Such issuers carry low credit risk. Where an Issuer rating is not available, the Fund will invest in instruments that are assigned A or better at the time of purchase by either CRISIL, ICRA, Fitch India or CARE.

For cash management purposes, liquidity and safety during times of market stress, or pending investment or reinvestment in accordance with the limits set out in Appendix I of the Prospectus, the Fund may invest in the following instruments:

- treasury securities issued by developed world countries (including US treasury bills and bonds);
- cash deposits in investment grade rated banks in developed world countries, in accordance with the requirements of the Central Bank; and
- money market funds.

The above investments are also permissible for posting collateral for margin purposes as required in order to take exposure to non-deliverable forwards contracts (USD, INR, NDFs) in accordance with the Fund's stated investment objective.

Investment in money market schemes will be made to gain exposure to the Indian fixed income securities markets or developed money markets and will be made in accordance with the limits set out in Appendix I and, in particular, paragraphs 3.1-3.5. Such schemes may include other UCITS funds, or regulated non-UCITS primarily domiciled in the EU, which fall within the requirements set out in the Central Bank UCITS Regulations and the level of protection of which is equivalent to that provided to shareholders of a UCITS.

Investment policies of the Fund shall comply with the restrictions for sub-account/ FII investments as established by SEBI and the RBI as set out in Appendix III.

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

*Investment under the FII regime*

On 7 January 2014, the SEBI notified the SEBI (Foreign Portfolio Investors) Regulations, 2014 (the "**FPI Regulations**") which replaced the existing regime applicable to FIIs (i.e. Foreign Institutional Regulations, 1995 (the "**FII Regulations**")) and introduced uniform entry norms for foreign investors by merging FIIs and sub-accounts into a new investor class termed as "FPI".

If the Fund does not qualify or register as an FPI, it will not be eligible to invest in the securities referred to in the Investment Universe. Please refer to the risk factor titled "*Loss of or expiry of the FPI Registration*" below. Please also refer to the paragraphs on Investment Restrictions applicable to FPIs, Debt Investment Restrictions and Debt Investment Limits in Appendix – III below.

The Fund may also invest in simple financial derivative instruments for non-complex efficient portfolio management purposes. The Fund will invest in a combination of Indian rupee denominated instruments, hard currency bonds, non-deliverable forwards. The Fund exposure will be substantially or entirely to the Indian rupee, therefore if the Indian rupee depreciates against the US Dollar or other major currencies there would be a significant fall in the US Dollar value of such investments. The Fund does not seek to actively hedge the currency risks but retains the right to do so. The Fund may engage in forward foreign exchange contracts for hedging purposes, to alter the currency exposure of the underlying assets, in accordance with the limits set out by the Central Bank. Because currency positions held by the Fund may not correspond with the asset position held, the performance may be strongly influenced by movements in the FX exchange rates. The Fund will not be leveraged as a result of engaging in forward foreign exchange contracts. The use of cash settled exchange traded interest rate futures would amount to leverage however the Fund's global exposure, being the incremental exposure and leverage generated by the Fund through its use of FDI, including embedded derivatives, will be calculated on at least a daily basis using the commitment approach and may at no time exceed 100% of the Fund's Net Asset Value. The Fund may use over-the-counter foreign non-deliverable forward contracts to convert non-INR exposure to INR exposure.

In calculating its global exposure, the Fund, as a non-sophisticated user of financial derivative instruments ("FDI"), will apply the "Commitment Approach". This approach converts the Fund's FDI positions into the equivalent positions of the underlying assets and seeks to ensure that the UCITS risk is monitored in terms of any future "commitments" to which it is (or may be) obligated. The commitment approach should also be used by the Fund in determining position cover and position (issuer-concentration) risk limits.

The Fund may invest up to a maximum of 10% of the Net Asset Value of the Fund in other collective investment schemes in accordance with the requirements of the Central Bank and the investment restrictions set out in Appendix I to the Prospectus, where the investment policies of such collective investment schemes are consistent with those of the Fund.

The Fund has the ability to hold cash from time to time if the Investment Manager believes it is appropriate and is not obliged to be fully invested.

#### *Portfolio Construction*

The investment portfolio of the Fund will be constructed to comply with UCITS guidelines and will also be based on factors including but not limited to: credit quality, duration, type of issuer (Sovereign, Public Sector Undertaking, Corporate, Financial institution), market liquidity and available debt limits as notified by SEBI.

#### *Research and Investment Process*

The Fund will study and monitor the Indian debt market from a top-down or macro level as well as bottom-up or micro level. At the macro level, factors that affect India's economic prospects such as growth, interest rates, price inflation, industrial production, external balance and fiscal balance will be monitored. At the micro-level, research will consist of looking at company-specific factors and identifying investments that have favourable risk-return potential. In doing so, the Fund will utilize third-party research such as that provided by credit rating agencies and brokerage reports. The majority of this research will be based on publicly available information which may be accessed freely. In other cases paid research may need to be subscribed for and the fees will vary on a case-to-case basis, however these fees will be payable by the Investment Manager and not out of the assets of the Fund.

No assurance can be given that the Fund's investment objective will be achieved.

A list of the stock exchanges and markets in which the Fund is permitted to invest, in accordance with the requirements of the Central Bank, is contained in Appendix II of the Prospectus and should be read in conjunction with, and subject to, the Fund's investment objective and investment policy, as detailed above. The Central Bank does not issue a list of approved markets. With the exception of permitted investments in unlisted securities, investment will be restricted to those stock exchanges and markets listed in Appendix II of the Prospectus.

In accordance with the investment objective of the Fund, the Investment Manager may enter into forward currency contracts to alter the currency exposure characteristics of transferable securities, subject to the requirements set out in the "Efficient Portfolio Management" section of the Prospectus. In this regard, the Investment Manager may alter the currency exposure of the underlying assets of the Fund in order to acquire exposure to other currencies such as inter alia the Base Currency and/or the denominated currency of a Class. The Fund's risk management process for the use of derivatives for efficient portfolio management has been submitted to and approved by the Central Bank. Financial derivative instruments not included in the current risk management process for the Fund will not be utilised until such time as a revised risk management process has been submitted to and cleared by the Central Bank.

The investment objective of the Fund may not be altered and material changes in the investment policy of the Fund may not be made without the prior written approval of all Shareholders or without approval on the basis of a simple majority of votes cast at a meeting of the Shareholders of the Fund duly convened and held. Any such changes may not be made without the prior approval of the Manager and the Central Bank. In the event of a change of the investment objective and/or policy of the Fund, on the basis of a simple majority of votes cast at a general meeting, Shareholders in the Fund will be given reasonable notice of such change to enable them redeem their Shares prior to implementation of such a change.

The list of Recognised Exchanges in which the assets of the Fund may be invested from time to time is set out in Appendix II.

### **Principal Adverse Impacts**

Please refer to the SFDR annex included at Appendix VI for details on the Investment Manager's consideration of principal adverse impacts on sustainability factors for the Fund at financial product level, as described within Article 7 of the SFDR.

The Manager and the Investment Manager do not consider principal adverse impacts on sustainability factors at entity level, as described within Article 4 of the SFDR. The Manager and the Investment Manager do not currently do so because the information required to meet the reporting obligations of SFDR is either not fully available or cannot currently be gathered or measured systematically, consistently, and at a reasonable cost to investors. This is in part because underlying companies or issuers are not widely obliged to, and overwhelmingly do not currently, report by reference to the same data. The Manager and the Investment Manager's position on this matter will be reviewed periodically by reference to market developments.

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

Investment of the assets of the Fund must comply with the UCITS Regulations and, where applicable, the CBI UCITS Regulations. The Directors, in consultation with the Manager, may impose further restrictions in respect of the Fund. The investment and borrowing restrictions applying to the Fund are set out in Appendix I. With the exception of permitted investments in unlisted securities and over the counter derivative instruments investment in securities and derivative instruments will be restricted to the stock exchanges or markets listed in Appendix II.

#### *Securities Lending*

The Fund and the Investment Manager will not engage in any securities lending transaction or securities repurchase transaction in relation to the Fund, except where —

- (i) the securities lending transaction or securities repurchase transaction (as the case may be) is carried out for the sole purpose of efficient portfolio management; and
- (ii) the total value of securities subject to all the securities lending transactions and securities repurchase transactions entered into by the Fund and Investment Manager does not exceed 50% of the Net Asset Value of the Fund at any time.

It is not the current intention of the Directors to engage in any securities lending transactions or securities repurchase transactions in relation to the Fund. A revised Articles of Association and Prospectus for the Fund will be submitted to the Central Bank for clearance in advance of a proposed change to this policy.

### **Borrowing Powers**

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

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

The Fund will adhere to any investment or borrowing restrictions stated herein or imposed by Euronext for so long as any Shares in the Fund are listed on Euronext, subject to the UCITS Regulations.

### **Change to Investment and Borrowing Restrictions**

It is intended that the Fund shall have the power, subject to the prior approval of the Central Bank and the prior approval of Shareholders and as disclosed in an updated Prospectus, to avail of any change in the investment and borrowing restrictions specified in the UCITS Regulations which would permit investment by the Fund in securities, derivative instruments or in any other forms of investment in which investment is at the date of this Prospectus restricted or prohibited.

### **Efficient Portfolio Management**

Where considered appropriate, the Investment Manager will enter into forward currency contracts and cash settled futures contracts for efficient portfolio management on behalf of the Fund and/or a Class of Shares within the Fund to protect against exchange risks and/or to alter the currency exposure characteristics of transferable securities within the conditions and limits laid down by the Central Bank from time to time.

If the Investment Manager determines, at its discretion, to conduct currency hedging transactions in respect of a Class, details as to how such transactions have been utilised will be disclosed in the periodic reports of the Fund. If the Investment Manager determines not to conduct currency hedging transactions in respect of a Class, currency conversions for subscriptions, redemptions and distributions will be conducted at prevailing spot currency exchange rates and consequently the value of Shares in the unhedged currency Class will be subject to exchange rate risk in relation to the Base Currency.

The conditions and limits for the use of forward currency contracts for efficient portfolio management on behalf of the Fund and/or a Class of Shares within the Fund to protect against exchange risks are contained in the Central Bank UCITS Regulations and set out in section 6 entitled "Financial Derivative Instruments ('FDIs')" of Appendix I. The Fund will only employ techniques and instruments in accordance with Article 51 (2) of the UCITS Directive and Article 11 of the Eligible Assets Directive.

In addition the use of forward currency contracts, which alter the currency characteristics of transferable securities held by the Fund, are subject to the following additional requirements:

- (i) they must not be speculative in nature, i.e. they must not constitute an investment in their own right;

- (ii) they must be fully covered by cash-flows arising from the transferable securities held by the Fund.

In relation to efficient portfolio management operations, the Manager will look to ensure that the techniques and instruments used are economically appropriate in that they will be realised in a cost-effective way and that the risks associated with such instruments are adequately covered by the risk management process of the relevant Fund.

The attention of investors is drawn to the risks described under the headings “Portfolio Currency Risk”, “Share Currency Risk” and “Forward Trading” in the Risk Factors section of the Prospectus.

### **Hedged Classes**

The Fund may (but is not obliged to) enter into certain currency related transactions in order to hedge the currency exposure of the assets of the Fund attributable to a particular Class into the currency of denomination of the relevant Class for the purposes of efficient portfolio management. In addition, a Class designated in a currency other than the Base Currency may be hedged against exchange rate fluctuation risks between the designated currency of the Class and the Base Currency. Any financial instruments used to implement such strategies with respect to one or more Classes shall be assets/liabilities of the Fund as a whole but will be attributable to the relevant Class(es) and the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Class. Where a Class of Shares is to be hedged this will be disclosed in this Prospectus. Any currency exposure of a Class may not be combined with or offset against that of any other Class. The currency exposure of the assets attributable to a Class may not be allocated to other Classes. Where the Fund seeks to hedge against currency fluctuations, while not intended, this could result in over-hedged or under-hedged positions due to external factors outside the control of the Fund. However, over-hedged positions will not exceed 105% of the Net Asset Value of the Class and under-hedged positions shall not fall short of 95% of the portion of the Net Asset Value of the Class which is to be hedged against currency risk. Hedged positions will be reviewed daily to ensure that over-hedged do not exceed 105% of the Net Asset Value of the relevant hedged Share Class and that any position that is materially in excess of 100% will not be carried forward from month to month. To the extent that hedging is successful for a particular Class the performance of the Class is likely to move in line with the performance of the underlying assets with the result that investors in that Class will not gain if the Class currency falls against the Base Currency and/or the currency in which the assets of the Fund are denominated.

### **Investment in Financial Indices through the use of Financial Derivative Instruments**

The Fund may gain exposure to financial indices through the use of financial derivative instruments where considered appropriate to the investment objective and investment policies of the Fund.

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

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

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

### **Total Return Swaps**

Where it is proposed that the Fund enter into a total return swap, information on the underlying strategy and composition of the investment portfolio or index will be detailed in the Prospectus. Information on the counterparty(ies) of the transactions shall also be disclosed.

The counterparty to any total return swap or other financial derivative instruments with similar characteristics entered into by the Fund shall be an entity which satisfies the OTC counterparty criteria set down by the Central Bank in the Central Bank UCITS Regulations and the Fund’s, in consultation with the Manager, credit assessment criteria and shall be an entity which specialises in such transactions.

The failure of a counterparty to a swap transaction may have a negative impact on the return for Shareholders. Where it is proposed that the Fund enter into a total return swap or other financial derivative instruments with similar characteristics, the Investment Manager intends to minimise counterparty performance risk by only selecting counterparties with a good credit rating and by monitoring any changes in those counterparties' ratings. Additionally, any such transactions will only be concluded on the basis of standardised framework agreements (ISDA with Credit Support Annex).

The counterparty to any total return swap or other financial derivative instruments with similar characteristics entered into by the Fund shall not assume any discretion over the composition or management of the investment portfolio of the Fund or of the underlying of the total return swap and



the counterparty's approval will not be required in relation to any investment portfolio transaction relating to the Fund. Any deviation from this principle shall be detailed further in the Prospectus.

### **Collateral Policy**

In the context of efficient portfolio management techniques for hedging or investment purposes, collateral may be received from a counterparty for the benefit of the Fund or posted to a counterparty by or on behalf of the Fund. Any receipt or posting of collateral by the Fund will be conducted in accordance with the requirements of the Central Bank and the terms of the Manager's or its delegate's collateral policy outlined below. Currently it is not intended that the Fund will post or receive collateral in connection with the derivative contracts it enters into. Should the Fund ever decide to post or receive collateral the Prospectus will be updated in advance of such use of collateral.

### **Collateral Management Policy**

In accordance with the requirements of the Central Bank, the Manager or its delegate will employ a collateral management policy for the Fund in respect of collateral received in respect of financial derivative transactions whether used for investment or for efficient portfolio management purposes. The Manager or its delegate also employs a collateral management policy for and on behalf of the Fund in respect of collateral received under a repurchase/reverse repurchase contract ("repo contract") or stocklending agreement.

Any collateral received shall comprise of cash collateral and/or government backed securities of varying maturity which satisfy the requirements of the Central Bank (as outlined in Appendix II) relating to non-cash collateral which may be received by a UCITS. Cash collateral received may be reinvested in accordance with the requirements of the Central Bank at the discretion of the Investment Manager. The level of collateral required to be posted with the Fund may vary by counterparty with which the Fund trades. The haircut policy applied to posted collateral will be negotiated on a counterparty basis and will vary depending on the class of asset received by the Fund, taking into account its credit standing and price volatility and any stress testing carried out to assess the liquidity risk attached to that class of asset. The Investment Manager will seek to negotiate collateral agreements to an appropriate market standard.

Where relevant, additional or alternative details of the collateral management policy employed in relation to the Fund will be set out in the Prospectus.

Any collateral received shall comprise of cash collateral and/or government backed securities of varying maturity which satisfy the requirements of the Central Bank (as outlined in Appendix II).

### **Risk Management Process**

The Fund will employ a risk management process based on the commitment approach which will enable it to accurately monitor, measure and manage the risks attached to financial derivative positions and details of this process have been provided to the Central Bank. The Fund will not utilise financial derivatives which have not been included in the risk management process until such time as a revised

risk management process has been submitted to and cleared by the Central Bank. The Fund will provide on request to Shareholders supplementary information relating to the risk management methods employed by the Fund including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

### **Dividend Policy**

The Directors are entitled to declare and pay dividends for Shares in the Fund in accordance with the Articles of Association. The Directors may declare and pay dividends on a semi-annual basis up to the combined value of: net income for the relevant period; and, where realised and unrealised gains exceed realised and unrealised losses for the relevant period, realised and unrealised gains and realised and unrealised losses for the relevant period. Any dividend will be declared on the last Business Day in January and in July in each year or on such other date as may be determined by the Directors, or such other frequency as the Directors consider appropriate. The Fund may commence declaring and the payment of dividends for the relevant Class twelve months following the date of the closing of the Initial Offer Period for that Class. Dividends declared will be paid in cash and payment will be made to the relevant Shareholders pre-designated bank accounts, net of bank charges.

In the event that the income generated from the Fund's investments attributable to the relevant Class during the relevant period is insufficient to pay dividends as declared, the Directors may in their discretion determine that such dividends be paid from capital. Investors should note that where the payment of dividends are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount originally invested or capital gains attributable to that, and will reduce any capital appreciation for the Shareholders of such Class. Any such payments out of capital will only be made to seek to maintain, so far as is reasonable, a stable payment per Share of the relevant Class but the payment per Share of such a Class is not fixed and will vary according to economic and other circumstances and the ability of the Fund to support stable bi-annual payments without a long-term positive or negative impact on capital. The Fund is managed in the interests of all Shareholders in line with the stated investment objective and policy of the Fund and is not being managed to maintain a stable payment per Share of any particular Class.

Where the Directors do decide to declare and pay dividends, dividends of a Class declared, if any, shall be distributed among the Shareholders of the relevant Class rateably in accordance with the number of Shares held by them on the record date as determined by the Investment Manager in respect of the corresponding distribution. For the avoidance of doubt, only Shareholders whose names are entered on the register of Members on such record date shall be entitled to the dividend declared in respect of the corresponding distribution. Any payment of dividends will be made in the Class Currency of the relevant Class of Shares.

Where the Directors do decide to declare and pay dividends, Shareholders can elect to reinvest dividends in additional Shares or have the dividends paid in cash by ticking the appropriate box on the Application Form. Dividends not reinvested in Shares will be paid to the Shareholder by way of bank transfer. Any dividend unclaimed after a period of six years from the date of declaration of such dividend shall be forfeited and shall revert to the account of the Fund.

The Directors may at any time determine to change the policy of the Fund with respect to distribution. If the Directors so determine full details of any such change will be disclosed in an updated prospectus and all Shareholders will be notified in advance of such change becoming effective.

Pending payment to the relevant Shareholder, dividend payments will be held in an account in the name of the Fund and will be treated as an asset of the Fund until paid to that Shareholder and will not benefit from the application of any investor money protection rules (i.e. the distribution monies in such circumstances will not be held on trust for the relevant Shareholder). In such circumstances, the Shareholder will be an unsecured creditor of the Fund with respect to the distribution amount held by the Fund until paid to the Shareholder. In the event of an insolvency of the relevant Fund, there is no guarantee that the Fund will have sufficient funds to pay unsecured creditors in full.

In the event that distributions payable cannot be paid out to an investor, for example where anti-money laundering documentation is not provided or an investor cannot be contacted, it is the responsibility of the investor to ensure all necessary documentation and information required to resolve the issue is provided promptly and is complete and accurate, so that the distributions payable may be released in a timely manner.

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

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

The Net Asset Value per Share shall be made available on the internet at the website **www.bloomberg.com** and/or will be published in such publications as the Directors may determine in the jurisdictions in which the Shares are registered for sale and shall be updated following each calculation of the Net Asset Value per Share. The Net Asset Value per Share may also be obtained from the Administrator during normal business hours. The Net Asset Value per Share of any Class whose Shares are listed will also be notified to Euronext by the Administrator for each Valuation Point.

#### **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 the Fund. Potential investors should be aware that an investment in the Fund may be exposed to other risks of an exceptional nature from time to time. Investment in the Fund carries with it a degree of risk. Different risks may apply to different Classes. Prospective investors should review this Prospectus carefully and in its entirety and consult with their professional and financial advisers before making an application for Shares. Prospective investors are advised that the value of Shares and the income from them may go down as well as up and, accordingly, an investor may not get back the full amount invested and an investment should only be made by persons who can sustain a loss on their investment. Past performance of the 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 Fund. Please refer to the section of the Prospectus entitled "Taxation". The securities and instruments in which the Fund 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 the Fund will actually be achieved.

#### *Certain Risk Factors Concerning India*

Given the focus of its investment strategy, the success of the Fund will depend in large part on the general economic and business conditions in India. Risks associated with the investments in India, including but not limited to the risks described below, could adversely affect the performance of the Fund and result in substantial

losses. No assurance can be given as to the ability of the Fund to achieve any return on its investments and, in turn, any return on an investor's investment in the Fund. Accordingly, in acquiring Shares in the Fund, appropriate consideration should be given to the following factors:

#### *Indian Economic Factors*

A significant change in India's economic liberalization and deregulation policies could adversely affect business and economic conditions in India generally and in particular if new restrictions on the private sector are introduced or if existing restrictions are not relaxed over time. Notwithstanding current policies of economic liberalization, the roles of the Indian central and state governments in the Indian economy as producers, consumers and regulators have remained significant. There is, however, no assurance that these liberalization policies will continue in the future. The rate of economic liberalization could change, and specific laws and policies affecting taxation, foreign investment, currency exchange and other matters affecting the Fund's investments could change as well. In addition, laws and policies affecting the various investments held by the Fund could change, adversely affecting the values or liquidity of securities issued by those companies.

#### *Capital Raising Constraints under Indian Law*

FPIs are generally permitted to invest in Government bonds and corporate bonds without the prior approval of the RBI or the SEBI. However, the total outstanding investments in Government bonds and in corporate bonds cannot exceed the Debt Limits as prescribed by SEBI and RBI. Therefore, investments made by the Fund in debt instruments in India will be subject to such restrictions, and these restrictions may require Fund to obtain the prior approval of the RBI or SEBI before acquiring any debt instruments in excess of the Debt Limits. There can be no assurance that any approval required from the RBI or SEBI will be obtained on any particular terms in a timely manner, or at all. Further, there are separate limits available for investing in Government securities and corporate bonds. The non-availability of such limits may pose a risk to the Fund of not being able to invest in local currency bonds and will affect the portfolio construction of the Fund.

### *Currency Exchange Rate Risks*

Exchange controls have traditionally been administered with stringent measures under the Foreign Exchange Regulation Act ("**FERA**"). The Indian rupee is not convertible on the capital account and most capital account transactions require the prior permission of the RBI. However, throughout the 1990s, the RBI eased the exchange control regime and made it more market-friendly. In the year 1999, the Indian Parliament enacted the Foreign Exchange Management Act ("**FEMA**") to replace FERA. FEMA and the rules made thereunder constitute the body of exchange controls applicable in India. The significant shift in the approach to exchange controls under FEMA is the move from a regime of limited permitted transactions to one in which all transactions are permitted except a limited number to which restrictions apply. FEMA and the notifications under FEMA were effective commencing June 1, 2000. FEMA differentiates foreign exchange transactions between Capital Account Transactions and Current Account Transactions. A Capital Account Transaction is generally defined as one that alters the assets or liabilities, including contingent liabilities outside India, of persons resident in India or assets or liabilities in India of persons resident outside India. FEMA further provides for specific classes of transactions that fall within the ambit of Capital Account Transactions and the RBI has issued regulations governing each such class of transactions. Transactions other than Capital Account Transactions, including payments in connection with foreign trade, current businesses, services, short term credit and banking facilities, interest payments, living expenses, foreign travel, education and medical care are Current Account Transactions.

The RBI has issued regulations governing such Current Account Transactions. While the regulatory regime for hedging genuine currency risk has been relaxed, it is still not practical, given the costs, to hedge currency risks for more than relatively short periods of time, and even for short term hedging the cost can be high. Accordingly, currency risk in relation to the Indian rupee remains a significant risk factor, and the cost of hedging this currency risk (if available) could reduce the Fund's returns. A decrease in the value of the Indian rupee would adversely affect the Fund's returns, and such a decrease may be likely given India's current account deficits and its budget deficits.

The operation of the Fund's bank account in India is subject to regulation by RBI under the Indian foreign exchange regulations. The Indian domestic Depository acting also as the remitting banker will be authorised to convert currency and repatriate capital and income on behalf of the Fund. There can be no assurance that the Indian Government would not, in the future, impose certain restrictions on foreign exchange. The repatriation of capital may be hampered by changes in Indian regulations concerning exchange controls or political circumstances. In addition, India may in the future re-introduce foreign exchange control regulations which can limit the ability of the Fund to repatriate the dividends, interest or other income from the investments or the proceeds from sale of securities. Any amendments to the Indian exchange control regulations may impact adversely on the performance of the Fund.

Also, the exchange rate between the Indian rupee and the U.S. dollar has changed substantially in recent years and may fluctuate substantially in the future. During the period commencing on 1 January 2015 and ending on 31 December 2020, the value of the Indian rupee has depreciated against the U.S. dollar by an aggregate of approximately 10.45 per cent. Further depreciation of the value of the Indian rupee as regards foreign currencies will result in a higher cost to the Fund for foreign currency denominated expenses, including the purchase of certain capital equipment. In the past the Indian

economy has experienced severe fluctuations in the exchange rates. There can be no assurance that such fluctuations will not occur in the future.

#### *Indian Legal System*

Indian civil judicial process to enforce remedies and legal rights is less developed, more lengthy and, therefore, more uncertain than that in more developed countries. Enforcement by the Fund of civil liabilities under the laws of a jurisdiction other than India may be adversely affected by the fact that the Fund's portfolio companies may have a significant amount of assets in India. The laws and regulations in India can be subject to frequent changes as a result of economic, social and political instability. In addition, the level of legal and regulatory protections customary in countries with developed securities markets to protect investors and securities transactions, and to ensure market discipline, may not be available. Where the legal and regulatory framework is in place, the enforcement may be inadequate or insufficient. Regulation by the exchanges and self-regulatory organisations may not be recognised as law that can be enforced through the judiciary or by means otherwise available to the investors in developed markets.

#### *Indian Capital Gains Tax*

The Fund currently expects to take benefit of the India-Ireland tax treaty by which capital gains arising from transfer of debt securities in India would not be subject to tax. It is however uncertain whether the treaty claim of the Fund would be granted by the Indian tax authorities. The denial of India – Ireland tax treaty benefits may adversely affect taxability of the Fund which in turn may impact the return to investors. These risks are described in more detail under “Indian Taxation” in the ‘Taxation’ section below.

#### *Taxation of Interest Income in India*

Subject to satisfaction of certain conditions, interest earned from investments made by FPIs in Government securities and rupee denominated corporate bonds would be subject to tax at the rate of 5% (plus surcharge and education cess). Where the conditions are not satisfied, interest income from investment in debt securities in India would be subject to tax at a beneficial rate of 10% under the India-Ireland tax treaty.

It is however uncertain whether the treaty claim of the Fund would be granted by the Indian tax authorities. The denial of India-Ireland tax treaty benefits may adversely affect taxability of the Fund which in turn may impact the return to investors. These risks are described in more detail under “India Taxation” in the “Taxation” section below.

#### *Exposure to Permanent Establishment*

In case income of the Fund is characterised as ‘business income’, it will not be taxable in India, unless it has a permanent establishment in India. Although the Fund is expected to operate in a manner that will not cause it to be treated as having a permanent establishment in India, there can be no assurances

made in this regard. These risks are described in more detail under "Indian Taxation" in the 'Taxation' section below.

#### *Updates to the SEBI and the RBI*

FPIs are obliged, under the terms of the undertakings and declarations made by them at the time of registration, to immediately notify the SEBI or the designated depository participant (as the case may be) of any change in the information provided in the application for registration. Failure by FPIs to adhere to the provisions of the Securities Exchange Board of India Act, 1992 ("**SEBI Act**"), the rules and the FPI Regulations thereunder renders them liable for punishment prescribed under the SEBI Act and the Securities Exchange Board of India (Intermediaries) Regulations, 2008 which include, inter alia, imposition of penalty and suspension or cancellation of the certificate of registration.

#### *Fixed Income and Bond Market Risks*

The Indian fixed income and bond markets especially the corporate bond markets are smaller in size and depth which could impact the liquidity in the instruments held by the Fund. Also, due to lack of broad based participation from a varied set of investors, the market participants often have unidirectional views which result in extreme reactions in valuations of certain instruments. The bond markets also have dual regulators with RBI regulating the government bond market and SEBI regulating the corporate bond market which leads to dealing with multiple settlement and trading practices.

#### *Limited Liquidity*

Some segments of the government bond market and the corporate bond markets have limited liquidity which could impact prices of instruments and limit the ability of the Investment Manager to meet redemption requests. Also, given the nascent stage of the markets, there have been instances where the liquidity for the entire markets has seized up leading to poor price discovery.

#### *Corporate Disclosure, Accounting, Custody and Regulatory Standards*

Indian disclosure and regulatory standards are in many respects less stringent than standards in certain OECD countries. There may be less publicly available information about Indian companies than is regularly published by or about companies in such other countries. The difficulty in obtaining such information may mean that the Fund may experience difficulties in obtaining reliable information regarding any corporate actions and dividends of companies in which the Fund has invested which may, in turn, lead to difficulties in determining the Net Asset Value with the same degree of accuracy which might be expected from more established markets. Indian accounting standards and requirements also differ in significant respects from those applicable to companies in many OECD countries.

#### *Limitations on Investments*

Under the applicable Debt Limits, the total FPI investments in Government bonds cannot exceed \$30 billion and in corporate bonds cannot exceed \$51 billion. The Fund's debt investments cannot exceed

such limits which may be revised from time to time. Due to investment restrictions enforced by SEBI/RBI, FII's cannot explicitly invest in Certificate of Deposits and/or Fixed Deposits issued by banks. The net effect of this will be that the Fund will not be able to explicitly invest in Certificate of Deposits and/or Fixed Deposits issued by banks. Please see Appendix III for further information on the Debt Limits.

#### *Loss of FPI Registration*

On expiry of the FII registration of the Investment Manager/ its sub- account registration, the Fund will need to register as a FPI under the FPI Regulations to continue accessing the Indian securities market.

In the event the existing FII registration of the Investment Manager / its sub-account registration lapses or is terminated and the FPI registration is not granted to the Fund, the Fund could potentially be forced to redeem the investments held in the particular share class, and such forced redemption could adversely affect the returns to the Shareholders.

#### *Investigations*

Any investigations of, or actions against, the Fund initiated by SEBI or any other Indian regulatory authority may impose a ban of the investment and advisory activities of the Fund.

#### *Investing in Fixed Income Securities*

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

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

#### *Concentration Risk*

The Fund concentrates its investments in fixed income securities of companies listed on stock exchanges in India or closely related to the economic development and growth of India. A concentrated investment strategy may be subject to a greater degree of volatility and risk than a portfolio which is diversified across different geographic regions.



### *No Investment Guarantee*

Investment in the Fund is not in the nature of a deposit in a bank account and is not protected by any government, government agency or other guarantee scheme which may be available to protect the holder of a bank deposit account. Any investment in the Fund is subject to fluctuations in value.

### *Market Risk*

Some of the Recognised Exchanges on which the 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 the Fund may liquidate positions to meet redemption requests or other funding requirements.

### *Emerging Markets Risk*

The Fund will predominately invest in a portfolio of fixed income securities issued by the Central Government of India, State Governments of India, Indian Public Sector Undertakings, companies of Indian origin or deriving a significant portion of their business in India but may also invest in other 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, nationalization, and social, political and economic stability; (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 the 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.

### **Liquidity and Valuation Risk**

The accumulation and disposal of holdings in some investments may be time consuming and may need to be conducted at unfavourable prices. The Fund may also encounter difficulties in disposing of assets at their fair price due to adverse market conditions leading to limited liquidity.

Illiquid and/or unquoted investments or instruments will be valued by the Directors or their delegate in good faith in consultation with the Investment Manager as to their probable realisation value, provided that such value is approved by the Depository. 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. Also, there is an inherent conflict of interest between the involvement of the Investment Manager in determining the valuation price of the Fund's investments and the Investment Manager's other duties and responsibilities in relation to the Fund.

## **Redemption Risk**

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

### *Credit Ratings Risk*

The Investment Manager may when implementing the Fund's investment policy utilize credit ratings provided by local Indian credit agencies such as CRISIL, ICRA, CARE etc. The Investment Manager believes that the ratings provided by these Indian agencies are most appropriate for the Fund and best reflect the credit of the assets under consideration for investment by the Investment Manager because of their presence in India. The criteria used by these Indian agencies for obtaining a particular rating may differ from some of the international rating agencies and may therefore result in different ratings being applied to certain assets. Shareholders should be aware that ratings by global rating agencies may be different from ratings by local ratings agencies. As a result the domestic ratings may need to be scaled down accordingly. The Investment Manager may also use ratings provided by international ratings agencies as appropriate.

## **Portfolio Currency Risk**

Assets of the Fund may be designated in a currency other than the Base Currency of the Fund and changes in currency exchange rates or interest rates between the trade and settlement dates of specific securities transactions or anticipated securities transactions may lead to a depreciation of the value of the Fund's assets as expressed in the Base Currency.

### *Share Currency Risk*

Investors should be aware that foreign currency exposure of the investments may substantially limit Shareholders of the relevant Class from benefiting if the designated currency of their Shares falls against the Fund's Base Currency and/or the currency/currencies in which the assets of the Fund are denominated. In such circumstances Shareholders of the relevant Class of Shares of the Fund may be exposed to fluctuations in the Net Asset Value per Share reflecting the gains/losses on and the costs of the relevant financial instruments. Financial instruments used to implement such strategies shall be assets/liabilities of the Fund as a whole. However, the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Class of Shares of the Fund.

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

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

### *Forward Trading*

Price movements of forward 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 Fund'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 redemption.

Forward 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 the Fund.

#### *Pricing Risk*

Although it is not intended to invest in unlisted securities, the Fund may as a result of, inter alia, corporate events hold securities which are not listed. The Administrator may consult the Investment Manager with respect to the valuation of such unlisted securities. There is an inherent conflict of interest between the involvement of the Investment Manager in determining the valuation price of the Fund's investments and the Investment Manager's other duties and responsibilities in relation to the Fund.

#### *Non-Diversification*

Generally, the Fund's portfolio will not be diversified among geographic areas, types of securities, or a wide range of issuers or industries. Accordingly, the investment portfolio of the Fund may be subject to more rapid change in value than would be the case if the Fund were required to maintain a wide diversification among industries, areas, types of securities and issuers.

#### *Counterparty and Settlement Risk*

To the extent the Fund invests in non-US securities or over-the-counter transactions or engages in securities lending, in certain circumstances, the Fund may take a credit risk with regard to parties with whom it trades and may also bear the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions that generally are backed by clearing organisation guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default.

### *Opportunity loss*

To the extent the Fund may invest in the non-deliverable forward contracts (“NDF”) it may have to forego any benefit of a favourable exchange rate movement between the time of entering into an NDF and the maturity date.

### *Variation / Early termination of the Non-Deliverable Forward:*

The Fund may suffer a loss where there are cancellations or adjustments of any NDF contract entered into by the Fund (for its non rupee exposure). These cancellations or adjustments of NDF contracts may be due to either high redemptions or for any other reason such as unexpected events, for example where there is a credit downgrade of a counterparty and the Investment Manager is of the view that it is better to wind up the particular NDF position.

### *Operational risk*

The Fund will be relying on the internal systems, processes and procedures at the Investment Manager for trading in the non-deliverable forwards. Any delay in settlement of such trades due to a flaw in any one of the processes, other than where there has been negligence, fraud, bad faith, or willful default on the part of the Investment Manager, may result in a loss to the Fund.

### *Reliance on Key Management*

The Fund intends to rely heavily upon the asset management expertise of the Investment Manager and advice of the Investment Committee in obtaining its investment objectives. Due to the unique knowledge and experience of the Investment Manager, it would be difficult for the Fund to meet its investment objectives in the event the Investment Manager were unable or unwilling to continue as investment manager, as it might not be possible to obtain suitable replacements.

### *Foreign Account Tax Compliance Act (“FATCA”)*

See “Certain United States Federal Income Tax Considerations – Reporting” for a discussion of certain risks relating to the FATCA provisions of the U.S. Hiring Incentives to Restore Employment Act (the “HIRE Act”).

### *Organisation for Economic Co-operation and Development (“OECD”) Common Reporting Standard*

Drawing extensively on the intergovernmental approach to implementing FATCA, the OECD developed the Common Reporting Standard (“CRS”) to address the issue of offshore tax evasion on a global basis. Aimed at maximizing efficiency and reducing cost for financial institutions, the CRS provides a common standard for due diligence, reporting and exchange of financial account information. Pursuant to the CRS, participating jurisdictions will obtain from reporting financial institutions, and automatically exchange with exchange partners on an annual basis, financial information with respect to all reportable accounts identified by financial institutions on the basis of common due diligence and reporting procedures. The first information exchanges are expected to begin in 2017. Ireland has legislated to

implement the CRS. As a result the Fund will be required to comply with the CRS due diligence and reporting requirements, as adopted by Ireland. Shareholders may be required to provide additional information to the Fund to enable the Fund to satisfy its obligations under the CRS. Failure to provide requested information may subject an investor to liability for any resulting penalties or other charges and/or compulsory redemption of its Shares in the Fund.

### **Operation of Cash Accounts**

The Company has established cash accounts designated in different currencies in the name of the Fund. All subscriptions, redemptions or dividends payable to or from the Fund will be channelled and managed through such cash accounts (together the "Cash Accounts").

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

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

### **Cyber Security Risk**

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

Cyber security incidents affecting the Fund, the Manager, the Investment Manager, the Investment

Advisor, the Administrator or the Depository or other service providers such as financial intermediaries have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, including by interference with the Administrator's ability to calculate a fund's NAV; impediments to trading for the Fund; the inability of Shareholders to transact business relating to the Fund; violations of applicable privacy, data security or other laws; regulatory fines and penalties; reputational damage; reimbursement or other compensation or remediation costs; legal fees; or additional compliance costs. Similar adverse consequences could result from cyber security incidents affecting issuers of securities in which the Fund invests, counterparties with which the Fund engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions and other parties.

While information risk management systems and business continuity plans have been developed which are designed to reduce the risks associated with cyber security, there are inherent limitations in any cyber security risk management systems or business continuity plans, including the possibility that certain risks have not been identified.

### **Sustainability Risk**

The management of sustainability risk forms a part of the due diligence process implemented by the Investment Manager, in consultation with the Investment Advisor.

When assessing the sustainability risk associated with underlying investments, the Investment Manager, in consultation with the Investment Advisor, is assessing the risk that the value of such underlying investments could be materially negatively impacted by an environmental, social or governance event or condition ("ESG Event").

Using both quantitative and qualitative processes, sustainability risk is identified, monitored and managed by the Investment Manager, in consultation with the Investment Advisor, in the following manner:

- (i) Prior to acquiring investments on behalf of the Fund, the Investment Manager, in consultation with the Investment Advisor, conducts fundamental analysis on a selection of potential investee companies in order to allow it to assess the adequacy of ESG programmes and practices of an issuer to manage the sustainability risk it faces. This process incorporates applying both an exclusion policy (whereby potential investments are removed from the investment universe on the basis that they pose too great a sustainability risk to the Fund) and positive screening whereby those investments which have a low sustainability risk rating as well as strong financial performance are included in the investment universe. The information gathered from the fundamental analysis conducted will be taken into account by the Investment Manager in deciding whether to acquire a holding in an issuer and may, in certain circumstances, result in the Investment Manager investing in an issuer which has a lower ESG rating where it believes that the relevant existing ESG rating does not fully capture recent positive sustainability-related changes which have been implemented by the relevant issuer. The Investment Manager, in consultation with the Investment Advisor, also uses ESG metrics of third party Data Providers such as Sustainalytics in order to receive independent input to supplement its ESG assessment of the investee companies within the Fund's universe. The standardised ratings issued by the Data Providers provide further information and

perspective on evolving ESG issues to the Investment Manager's analysts. The Investment Manager also considers ESG disclosure scores and underlying ESG data as captured by Bloomberg.

- (ii) During the life of the investment, sustainability risk is monitored through review of ESG data published by the issuer (where relevant) or selected Data Providers to determine whether the level of sustainability risk has changed since the initial assessment has been conducted. The Investment Manager actively engages with a selection of investee companies (determined by the size of the Fund's investment and exposure to the relevant issuer) to improve ESG disclosures and raises concerns to drive positive change where required. Where the sustainability risk associated with a particular investment has increased beyond the ESG risk appetite for the Fund, the Investment Manager will consider selling or reducing the Fund's exposure to the relevant investment, taking into account the best interests of the Shareholders of the Fund.

The Investment Manager has determined that sustainability risk (being the risk that the value of the Fund could be materially negatively impacted by an ESG Event) may have an impact on the performance of the Fund.

### **Pandemic**

A pandemic may result in sustained market volatility and a period of economic decline globally. A pandemic may also have a significant adverse impact on the value of the Fund's investments and the ability of the relevant Investment Manager to access markets or implement the Fund's investment policy in the manner originally contemplated. Government interventions or other limitations or bans introduced by regulatory authorities or exchanges and trading venues as temporary measures in light of significant market volatility may also negatively impact on the Investment Manager's ability to implement the Fund's investment policy. The Funds access to liquidity could also be impaired in circumstances where the need for liquidity to meet redemption requests may rise significantly. Services required for the operation of the Fund such as the determination of the Net Asset Value of the Fund and the issue, conversion and redemption of Shares in the Fund, may in certain circumstances be impacted as a result of such pandemic. In March 2020, the World Health Organisation declared COVID-19 a pandemic and the aftereffect of this pandemic is not yet known.

### **Sustainable Investing**

In assessing a security, issuer or index based on ESG characteristics, the Investment Manager is dependent upon information and data from third party ESG research providers, which may be incomplete, inaccurate or unavailable. As a result, there is a risk that the Investment Manager may incorrectly assess a security, issuer or index. There is also a risk that the Investment Manager, or third party ESG research providers on which the Investment Manager may depend, may not interpret or apply the relevant ESG characteristics correctly. In addition, ESG related data might not be available for some investments, resulting in the Investment Manager not being able to assess properly the ESG characteristics of the investment in such issuers, and the Sustainability Risks faced by the relevant Fund with respect to such investments.

None of the Fund, the Investment Manager, the Manager or any of their affiliates makes any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy,

reasonableness or completeness of any such ESG risk assessment.

**Risk Factors Not Exhaustive**

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



## **2. MANAGEMENT AND ADMINISTRATION**

The powers of management of the Fund are vested in the Directors pursuant to the Articles of Association. The Directors control the affairs of the Fund. The Directors have delegated the day to day management of the Fund to the Manager and have appointed the Depository to safe-keep the assets of the Fund.

### **Directors**

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

#### ***Mr. Praveen Jagwani (Indian)***

Mr. Jagwani is an investment and banking professional in the financial services industry since 1992, with over 29 years of track record. He has been with UTI International (Singapore) since 2009. Having worked in many geographies and multi-cultural environments he displays a good balance between results and people orientation. He started his career with ANZ Grindlays Bank in India and worked later in Australia and Bahrain across Credit, Consumer Finance, Systems & Private Banking. He later joined Standard Chartered Bank and built the Wealth Management and Investment Advisory business in the Middle East. He was appointed the Chief Investment Officer for Middle East & South Asia and was responsible for Product, Research, Certification and Compliance. He then joined Merrill Lynch and worked with them in London and Dubai in their Hedge Fund & Private Equity Advisory business. Mr. Jagwani holds a graduate degree in Computer Science (B.Sc.) and a Masters degree in Operations Research (M.Sc) from Delhi University. He also has a Masters of Business Administration from XLRI Jamshedpur and has completed Chartered Financial Analysis (CFA) program from CFA institute USA.

#### ***Ms. Samantha McConnell (Irish)***

Ms. McConnell has over 20 years' experience in the financial and pensions industry covering administration, investment services, change and integration management as well as expert in devising solutions to complex issues. Ms. McConnell is an independent, non-executive director (**INED**) of KBA Consulting Management Limited and is the Chair of its Independent Investment Committee. The function of the Investment Committee is the formulation, approval and oversight of the implementation of each fund's investment objectives and policies by the relevant investment manager. The Investment Committee also evaluates the market overview, each Fund's performance and any changes of investment objective of a Fund. Ms. McConnell is also an INED and interim Chair for another significant fund management company as well as INED on a number of fund boards. Ms. McConnell is a director for Willis HC&B as well as non-executive director for CFA Ireland.

Ms. McConnell holds a first class honours degree in commerce from University College Dublin and graduated first in Ireland in the ACCA exams. She is a CFA Charterholder, a holder of the Institute of Directors Diploma in Company Direction and was awarded the Graduate of Merit award from the Institute of Directors.

**Mr. Simon McDowell (Irish)**

Mr. McDowell started his career as a Trainee Chartered Accountant with McFeely & McKiernan before spending time with KPMG. Following this he moved into the fund administration space as Financial Reporting Controller for BISYS Fund Services in 1996 before moving on in 1998 to Cap Advisers, a US Family Office. There he was an Investment Committee Member and Vice President of Managed Funds and developed an extensive knowledge of the Hedge Fund space. In 2007 he moved to GlobalReach Securities to manage their Hedge Fund of Funds before moving on to Enterprise Ireland where he was a Senior Advisor in the Financial Services Division.

Mr. McDowell established his own investment consulting business which specialised in assisting clients operating across the alternative investment sector and a family office. Mr. McDowell holds a Bachelor of Science (Mgmt.) from Trinity College, Dublin.

The address of the Directors is the registered office of the Fund.

None of the Directors have had any convictions in relation to indictable offences, been involved in any bankruptcies, individual voluntary arrangements, receiverships, compulsory liquidations, creditors voluntary liquidations, administrations, company or partnership voluntary arrangements, any composition or arrangements with its creditors generally or any class of its creditors of any company where they were a director or partner with an executive function, nor have had any public criticisms by statutory or regulatory authorities (including recognised professional bodies) nor has any director ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

**Manager**

The Fund has appointed the Manager as its management company pursuant to the Management Agreement.

The Manager is a limited company incorporated under Irish law on 4 December 2006, having its registered office at 5 George's Dock, IFSC, Dublin 1, Ireland. The company secretary of the Manager is KB Associates of 5 George's Dock, IFSC, Dublin 1, Ireland. The Manager is authorised by the Central Bank to act as a UCITS management company. The Manager has an issued and paid up share capital of €6,750,000. The ultimate parent of the Manager is King TopCo Ltd.

Under the terms of the Management Agreement, the Manager is appointed to carry out the investment management, distribution and administration services in respect of the Fund.

The Manager must perform its duties under the Management Agreement in good faith and in a commercially reasonable manner using a degree of skill, care and attention reasonably expected of a professional manager and in the best interests of the Shareholders. The Manager has the discretion to delegate all the powers, duties and discretions exercisable in respect of its obligations under the Management Agreement as the Manager and any delegate may from time to time agree. Any such appointment will be in accordance with the requirements of the Central Bank.

The Manager has delegated the administration of the Fund's affairs, including responsibility for the preparation and maintenance of the Fund's records and accounts and related fund accounting matters, the calculation of the Net Asset Value per Share and the provision of registration services in respect of the Funds to the Administrator.

The Manager has further delegated the investment management and distribution responsibilities in respect of the Funds to the Investment Manager.

The Management Agreement provides that the appointment of the Manager will continue in force unless and until terminated by either party on ninety days' prior written notice or otherwise in accordance with the terms of the Management Agreement. The Management Agreement contains provisions regarding the Manager's legal responsibilities. The Manager is not liable for losses, actions, proceedings, claims, damages, costs, demands and expenses caused to the Fund unless resulting from its negligence, wilful default or fraud.

The Manager's main business is the provision of fund management services to collective investment schemes such as the Fund. The Manager is legally and operationally independent of the Administrator, the Depositary and the Investment Manager.

The Directors of the Manager are:

**Tim Madigan (Irish resident)**

Tim Madigan is independent non-executive chairperson for the Manager. He serves as an independent non-executive director for a number of investment funds, both Irish-domiciled (UCITS and AIFs) and Luxembourg-domiciled (AIFs), as well as for an Irish cross-border life insurance company (where he also acts as chair of the Audit Committee). He was previously an independent nonexecutive director of a UK life insurance company (where he also acted as chair of the Risk & Compliance Committee). From 2010 to 2011, Mr Madigan was finance director of Aviva Investment Management Europe, where he led the set-up of the finance function for Aviva Europe's Dublin based centre of excellence, established to manage treasury assets and investment management mandates. Prior to this, Mr Madigan was managing director of cross-border life insurance company Aviva Life International from 2006 to 2010 (previously he was finance director for that company). In this role he chaired the Investment Committee as well as leading a strategic review of business in 2009 following the onset of the global financial crisis. He holds a bachelor's degree in Business Studies (Finance) from the University of Limerick, is a Fellow of the Association of Chartered Certified Accountants and is a Certified Investment Fund Director. He served as an elected Council member of the Irish Fund Directors Association from 2016 to 2020.

**Peadar De Barra (Irish resident)**

Mr. De Barra is Waystone Ireland's Chief Client Officer and is an executive director of the Manager with responsibility for relationship management and client service at its Irish management company businesses. Prior to his appointment to the Manager he was a senior consultant within KB Associates' consulting business where he was responsible for advising investment funds on a range of risk and

compliance matters. In this role he was responsible for developing risk management programmes for funds operating across a range of investment strategies. Mr. De Barra joined KB Associates in 2008. Prior to this Mr. De Barra was Vice-President at Citi Fund Services (Ireland) Ltd (formerly BISYS), where he was responsible for the Financial Administration team (2003 to 2007). Prior to this Mr. De Barra was an accountant and auditor with PricewaterhouseCoopers Dublin (1998 to 2002) and was an assistant manager at AIB/BNY Fund Management (Ireland) Ltd (2002 to 2003) with responsibilities for statutory reporting. In addition, Mr. De Barra also acts as a director to a number of investment funds, investment managers and management companies.

Mr. De Barra holds a Bachelor of Commerce (Honours) Degree from National University of Ireland Galway and is a Fellow of the Institute of Chartered Accountants in Ireland.

#### **Andrew Kehoe (Irish resident)**

Mr. Kehoe has been a lawyer since 2002. He has a broad range of experience in the legal and financial services industry in Ireland and internationally. He is the Chief Executive Officer of Waystone Ireland, which includes the Manager. Previously Mr. Kehoe was responsible for both the legal and business development teams at KB Associates and was the Chief Executive Officer of the KB Associates' MiFID distribution firm in Malta.

Prior to joining KB Associates, Mr. Kehoe was a managing partner at a New York City law firm and worked as an investment funds solicitor at a Dublin law firm.

Mr. Kehoe holds a Bachelor of Science in Business from Fairfield University, a Juris Doctor law degree from New York Law School and a Diploma in International Investment Funds from the Law Society of Ireland. He is admitted to the Roll of Solicitors in Ireland, England and Wales, and is a member of the New York, New Jersey and Connecticut Bars.

#### **Barry Harrington (Irish resident)**

Barry Harrington Waystone Ireland's Chief Operating Officer and is an executive director of KB Associates' AIFMD and UCITS authorised management company, KBA Consulting Management Limited. Prior to joining KB Associates, from 1998 to 2008, Mr Harrington worked for BISYS Hedge Fund Services (now Citi Fund Services (Ireland), Limited) in a variety of management roles supporting a number of leading hedge fund managers. His final role was as Vice President of fund accounting operations. Previously, Mr. Harrington worked at Chase Manhattan Bank (Ireland) Limited in fund accounting operations. Mr Harrington holds an M.A. in Economics and Finance from the National University of Ireland, Maynooth and is a CFA charterholder.

#### **John Oppermann (Irish resident)**

Mr Oppermann is resident in Ireland and has been involved in the Investment Funds, Asset Management and Fund Services industry for over 30 years in London and Dublin. He has extensive experience with investment funds domiciled in various locations and across a variety of asset classes and investment strategies. Mr. Oppermann is an independent, non-executive director (INED) of KBA

Consulting Management Limited and is the Chair of its Independent Risk Committee. Mr. Oppermann co-founded The Fund Governance Boardroom Panel, a firm which specialises in Collective Investment Governance. He established JPO Corporate Services in 2009 to provide corporate services to entities establishing operations in Ireland and has acted as a consultant within the hedge fund industry since 2008. From 2004 to 2008 Mr. Oppermann held the position of General Manager of Olympia Capital Ireland, and senior positions at RMB International (part of the First Rand Group) and International Fund Services (IFS) from 2001 to 2004. Mr. Oppermann established Capita's Registrar operation in Ireland after they purchased the share registration business of PwC and was Country Manager from 1998 to 2001. From 1995 to 1998 Mr. Oppermann was a member of the senior management team at Mellon Fund Administration (Ireland). Prior to that Mr. Oppermann held a number of senior financial and operational positions in the investment management, pensions and financial services divisions with The Prudential Corporation in London from 1987 to 1995. Mr. Oppermann is a non-executive director for a number of Companies and Funds. He is one of the founding members of the Irish Fund Directors Association and has served on council from 2015 – 2018.

Mr. Oppermann is a Fellow of the Chartered Association of Certified Accountants, holds an MBA from the Michael Smurfit Graduate School of Business and has received the accreditation of Certified Investment Fund Director from the Institute of Banking School of Professional Finance.

**Noelle White (Irish resident)**

Ms. White has extensive experience across a wide range of investment funds including UCITS, Exchange Trade Funds and Alternative Fund models such as private equity, private debt, venture capital and real estate funds.

Ms. White joined Waystone in 2017 in the Dublin office with responsibility for developing oversight and managing service delivery to clients as well as establishing a relationship management model for European products. In her current role as European Head of Onboarding, Ms White oversees the strategic growth of the European onboarding team and is also responsible for the management of a portfolio of investment fund clients covering both AIFMD and UCITS and supports the launch and ongoing management of funds to comply with regulatory and governance requirements.

Ms. White acts as a director to a number of investment fund vehicles predominantly in the real estate, private equity and private debt sectors. A qualified solicitor, Ms White has in excess of ten years of senior-level experience in asset management and investment funds. Ms White received a Bachelor degree in Business and Law from University College Dublin.

**Investment Manager**

The Manager has appointed UTI International (Singapore) Private Limited as investment manager with discretionary powers pursuant to the Investment Management Agreement. Under the terms of the Investment Management Agreement the Investment Manager is responsible, subject to the overall supervision and control of the Directors, for managing the assets and investments of the Fund in accordance with the investment objective and policies of the Fund. The Fund shall not be liable for any actions, costs, charges, losses, damages or expenses arising as a result of the acts or omissions of the

Investment Manager or its own acts or omissions following the advice or recommendations of the Investment Manager.

The Investment Manager was incorporated in Singapore on 15 November 2006 and is regulated by the Monetary Authority of Singapore in the conduct of financial services and investment management activities.

The Investment Manager is also the Distributor of the Fund.

The executives and directors of the Investment Manager who are responsible for the Fund and their individual details are set out below:-

**Mr. Mark Tennant FRSA**

Mark has had a career in the city of London which has spanned 43 years and included executive responsibilities in sales, marketing, strategy and portfolio management. He has held a number of CEO and chairmanship roles. He retired from JP Morgan in March 2018 after 27 years, 15 of which were in senior roles in Global Custody and then subsequently in the Investment Bank. During his career he has worked in both Hong Kong and New York. Prior to joining the city he was a nurse and was then commissioned into the Scots Guards where he served for 7 years. He is currently Chairman of BMOGAM Private Equity Trust plc, Chairman of Centrica Pensions and a Trustee of the Royal Hospital Chelsea.

**Mr. Eddie Gan, Head of Legal and Compliance**

Mr Eddie Gan is the Head of Legal and Compliance of UTI International (Singapore) Private Limited. He has 18 years of experience in the financial services industry since 2003. For the first six years of his career, he worked with KPMG in Singapore, E&Y in Houston and Credit Suisse. He then joined the Monetary Authority of Singapore and supervised the fund management industry for over six years. This was followed by a stint with a private equity firm. Eddie holds a Bachelor degree in Accountancy. He completed the CFA program in 2008.

**Ms. Fatima Khellafi**

Ms. Fatima Khellafi is a Senior Legal Counsel at T. Rowe Price and a Vice President of T. Rowe Price Group, Inc. Fatima joined T. Rowe Price in 2009 as the lead counsel for T. Rowe Price's operations in Asia-Pacific. In this capacity, she advises on various matters including investment funds and regulatory issues. Prior to joining T. Rowe Price, she worked for over 6 years as a Corporate Counsel within the European Legal Team of Franklin Templeton Investments. Fatima graduated from the Law University of Strasbourg where she completed a Master in Business Law. She also obtained a Masters in International Business Law from the University of Montpellier I and is an English qualified solicitor.

**Mr. Manish Khandelwal, Chief Operating Officer**

Mr. Khandelwal a commerce graduate (B.COM), LLB (A) and has done his Masters in Business

Administration (MBA) from Symbiosis Institute of Business Management, Pune in 2004. He has around 19 years' experience in the investment management industry. Prior to joining UTI International (Singapore) Private Limited, he worked with UTI AMC in India in Institutional Sales, Distribution, Retail Sales & Marketing and PMS (Portfolio Management Services). He regularly interacted with the intermediaries, service providers and also responsible for advising high net worth clients on their mutual fund investments. Mr Khandelwal is presently working as Chief Operating Officer with UTI International (Singapore) Private Limited.

#### **Mr. Rahul Aggarwal, Fixed Income Portfolio Manager, UTI IS**

Mr Aggarwal is responsible for the fixed income portfolio management function of UTI IS. He has close to 12 years of fixed income money management experience having worked for institutions like Edelweiss, IIFL and L&T Investment Management. He graduated from Punjab Engineering College, Chandigarh with a B.E. (Computer Science & Engineering) in 2003 and also holds a Post Graduate Diploma in Management from IIM Calcutta. Mr Aggarwal is a versatile professional who started out as a software developer in 2003 and gradually worked his way into the finance industry. As a testimony to his pursuit of continual learning, he has also obtained the Financial Risk Manager (FRM) designation and also passed level 1 and level 2 of the CFA examination.

#### **Mr. Cheng Meng (Darren) Senior Manager – Operations**

Mr. Darren is presently the Operations Manager with UTI International (Singapore) Private Limited and has over 6 years of experience in Financial Services. He joined UTI IS in 2018 as a Dealer and Middle Office Support. He was responsible for coordinating the day-to-day fund management activities on behalf of the Portfolio Managers. He also supported various products managed by the company and regularly interacted with internal stakeholders and service providers. He joined UTI IS from Citco Fund Services in Singapore where he spent 2 years as a Senior Operations Analyst in fund administration and reconciliations. Mr. Darren graduated from the University of London with a Bachelor of Science (Honours) in Banking and Finance.

#### **Ms Shweta Roongta, Business & Investment Analyst**

Ms. Shweta Roongta is the Business & Investment Analyst at UTI International, Singapore. She performs Portfolio specialist and Marketing duties in her present role. She graduated from Narsee Monjee College of Commerce and Economics, Mumbai with a B.Com degree and qualified as a Chartered Accountant with an All India Rank in 2015. After her qualification, she was selected by Aditya Birla Group in their Finance Leadership Program and worked with them across their Fashion, Financial Services and Commodity Trading businesses for 4 years. Prior to joining UTI, she was working with ArrowResources Group as a Senior Financial Controller. In her career of 8 years, she has lived and worked in India, Thailand, Switzerland and Singapore. Her interest in financial markets led to her pursuing CFA and she cleared all 3 levels of CFA in 2022 after which she joined UTI in April 2022.

#### **Mr. Praveen Jagwani, Chief Executive Officer**

Mr. Jagwani is an investment and banking professional in the financial services industry since 1992,

with over 29 years of track record. He has been with the Investment Manager since 2009. He started his career with ANZ Grindlays Bank in India and worked later in Australia and Bahrain across Credit, Consumer Finance, Information Systems and Private Banking. He later joined Standard Chartered Bank and built the Wealth Management and Investment Advisory business in the Middle East. He was appointed the Chief Investment Officer for Middle East & South Asia and was responsible for Product, Research, Certification and Compliance. He then joined Merrill Lynch and worked with them in London and Dubai in their Hedge Fund & Private Equity Advisory business. Mr. Jagwani holds a graduate degree in Computer Science (B.Sc.) and a Masters degree in Operations Research (M.Sc) from Delhi University. He also has a Masters of Business Administration from XLRI Jamshedpur and has completed the Chartered Financial Analysis (CFA) program from CFA institute USA.

**Mr. Tan Woon Hum, Partner at Shook, Lin & Bok**

The focus of Mr Woon Hum's practice is Corporate, Regulatory, Trust, Asset & Wealth Management. Mr Woon Hum has advised on a wide range of corporate and investment matters since 1996 and leads a team of specialist lawyers handling trust, asset and wealth management related work. He advises fund managers, wealth managers, institutional clients and sponsors on licensing, exemptions and regulatory matters under the Singapore funds and investment intermediaries' regulations. He advises on establishment of private equity funds, hedge funds and real estate funds, and the applicable safe harbours for offerings in Singapore, as well as private trusts and wealth management matters. He also assists exempt fund managers and external asset managers on asset management and funds startups, working closely with the clients and regulators on applications, filings and representations. Mr Woon Hum also advises on a wide range of corporate finance transactions, particularly cross-border mergers and acquisitions, joint ventures, strategic investments and listed company matters, as well as general corporate advisory work. He has an in-depth knowledge of the REITs regulations and industry and has been involved in 22 of the 23 listed S-REITs transactions of various structures, magnitude and complexity. In addition, he has advised on the IPOs of 16 listed S-REITs and has been involved in numerous post-IPO REIT acquisitions, equity fund raising exercises, debt financing and securitisation locally and regionally. For many years now, Woon Hum has been regularly speaking at public conferences and seminars in Singapore and Hong Kong on REITs, funds, regulatory and M&A. His qualifications include: Advocate & Solicitor, Singapore, 1996, LLB (Honours), National University of Singapore, 1995 and MBA (Finance), University of Leicester, 2000. He is fluent in English and Mandarin.

**Mr. Imtiazur Rahman**

Mr. Rahman is currently the Chief Executive Officer and Whole-time Director of UTI AMC Ltd. He has about 30 years of experience in management and business leadership. In UTI AMC, he heads the functions of Finance, Accounts, Taxation and Board related matters. He is in charge of the Global operations of the company. He also heads Information Technology, Administration, Estates, Fund Management (Dealing Section–Administration) and co-ordinates the Private Equity arm of UTI AMC. In the past, he has held the position of Head, Human Resources. Mr. Rahman is on the Board of UTI International (Singapore), Offshore Funds of UTI International, and Invest India Micro Pension Ltd. He is a Member on Investment Committee of Ascent Capital (PE). He is a Director on the Board of Association of Mutual Funds in India (AMFI). He has been the Convenor of the AMFI Committee on



Foreign Investment. He is also on the Investment Committee & Capital Market Committee of IMC.

He has been with the UTI Group since 1998 and with the UTI AMC since 2003. Prior to UTI AMC, he has worked with Bells Controls Ltd., Leasing Finance India Ltd. and Sumeet Machines Ltd. etc. Mr. Rahman is a Science graduate, FICWA, FCS, CPA (USA) and GAMP (ISB-Kellogg).

### **Distributor**

The Manager has appointed UTI International (Singapore) Private Limited, as distributor of Shares in the Fund pursuant to the Distribution Agreement. The Distributor has authority to delegate some or all of its duties as distributor to sub-distributors in accordance with the requirements of the Central Bank. Under the terms of the Distribution Agreement, the Fund shall out of the Fund's assets indemnify the Distributor 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 Distributor in the performance of its duties other than due to the material breach of the agreement, negligence, fraud, bad faith or wilful default of the Distributor in the performance of its obligations.

### **Investment Committee**

The Investment Manager will appoint an investment committee to provide investment advice. The investment committee will provide an oversight role for the Investment Manager. The biographical details of the members are set out below.

- (i) Mr Praveen Jagwani - (as described under the sub-heading "Directors" above)
- (ii) Mr. Manish Khandelwal - (as described under the sub-heading "Investment Manager" above)
- (iii) Mr. Rahul Aggarwal- (as described under the sub-heading "Investment Manager" above)
- (iv) Ms. Shweta Roongta (as described under the sub-heading "Investment Manager" above)

The Investment Committee will neither have any discretionary investment management powers nor will they receive a fee for their role.

### **Investment Advisor**

The Investment Manager, in consultation with the Manager, may appoint from time to time with the written approval of the Manager an Investment Advisor to provide non-discretionary investment advice to the Fund. The fees of any such Investment Advisor appointed will be paid out of the fees of the Investment Manager.

The Investment Manager has appointed UTI Asset Management Fund Ltd. as an investment advisor to provide non-discretionary investment advice to the Fund. UTI Asset Management Fund Ltd. is a company incorporated in India under the Companies Act, 1956. Its registered office is at UTI Tower, GN Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051. The firm was approved by SEBI to act as the asset management company for UTI Mutual Fund by their letter no. MF/BC/PKN/03 dated 14<sup>th</sup> January, 2003, and the firm manages the schemes of the UTI Mutual Fund in accordance with the

provisions of the Investment Management Agreement or Investment Advisory Agreement, the Trust Deed, and the objectives of the respective schemes.

UTI Asset Management Fund Ltd is the oldest and one of the largest asset management companies in India. Its shareholders include T. Rowe Price (USA), which acquired a 26% stake in January 2012, and the remaining 74% is equally split between four of the largest state owned Indian financial companies - Life Insurance Corporation, State Bank of India, Bank of Baroda and Punjab National Bank. The firm provides support services to the Government of India for managing assets of USD 10 billion and has a client base of over 10 million investors.

### **The Administrator**

Pursuant to the Administration Agreement the Manager and the Company have appointed Citibank Europe plc to act as the administrator, registrar and transfer agent of the Fund with responsibility for performing the day-to-day administration of the Fund including the calculation of the Net Asset Value and the Net Asset Value per Share.

The Administrator is a licensed bank, authorised and regulated by the Central Bank. The Administrator was incorporated in Ireland on 9 June 1988 under registered number 132781. The Administrator is a member of the Citigroup group of companies, having its ultimate parent Citigroup Inc., a US publicly quoted company.

The Administrator will only be liable to the Fund and the Shareholders for any loss suffered by them as a result of the negligence, fraud, bad faith, recklessness or wilful default on the part of the Administrator.

The Fund undertakes to hold harmless and indemnify the Administrator on its own behalf and on behalf of its permitted delegates, servants and agents against all actions, proceedings and claims (including claims of any person purporting to be the beneficial owner of any part of the investments or Shares) and against all costs, demands and expenses (including legal and professional expenses) arising therefrom which may be brought against, suffered or incurred by the Administrator, its permitted delegates, servants or agents in the performance or non-performance of its obligations and duties hereunder and from and against all taxes on profits or gains of the Fund which may be assessed upon or become payable by the Administrator or its permitted delegates, servants or agents provided that such indemnity shall not be given where the Administrator, its delegates, servants or agents is or are guilty of negligence, fraud, bad faith, recklessness or wilful default in the performance or non-performance of its duties under the Administration Agreement.

The Administrator is not involved directly or indirectly with the business affairs, organisation, sponsorship or management of the Fund and is responsible and liable only for its duties that it provides to the Fund in accordance with the Administration Agreement.

## **The Depositary**

Pursuant to the Depositary Agreement the Fund has appointed Citi Depositary Services Ireland Designated Activity Fund as the Depositary of the Fund.

The Depositary shall act as depositary of the Fund's assets and shall be responsible for the oversight of the Fund to the extent required by and in accordance with applicable law, rules and regulations. The Depositary shall exercise the supervisory duties in accordance with applicable law, rules and regulations as well as the Instrument of Incorporation and the Depositary Agreement.

The Depositary is a designated activity company registered in Ireland with number 193453 and with its registered office at 1 North Wall Quay, Dublin 1. The Depositary is regulated by the Central Bank of Ireland under the Investment Intermediaries Act 1995. The principal activity of the Depositary is to provide depositary services to collective investment schemes and other portfolios, such as the Fund.

Under the terms of the Depositary Agreement, Citi Depositary Services Ireland Designated Activity Fund (the "Depositary") has been appointed as depositary of the Fund's assets and the assets of the Fund have been entrusted to the Depositary for safekeeping. The key duties of the Depositary are to perform the depositary duties referred to in Regulation 34 of the UCITS Regulations, essentially consisting of:

- i. monitoring and verifying the Fund's cash flows;
- ii. safekeeping of the Fund's assets, including, inter alia, verification of ownership;
- iii. ensuring that the issue, redemption, cancellation and valuation of Shares are carried out in accordance with the Articles of Association and applicable law, rules and regulations;
- iv. ensuring that in transactions involving the Fund's assets any consideration is remitted to the Fund within the usual time limits;
- v. ensuring that the Fund's income is applied in accordance with the Articles of Association, applicable law, rules and regulations; and
- vi. carrying out instructions of the Fund unless they conflict with the Articles of Association or applicable law, rules and regulations.

### *Depositary Liability*

In carrying out its duties, the Depositary shall act honestly, fairly, professionally, independently and solely in the interests of the Fund and its Shareholders and shall exercise due care and diligence in the discharge of its duties.

In the event of a loss of a financial instrument held in custody, determined in accordance with the UCITS Directive, and in particular Article 18 of the Commission Delegated Regulation, the Depositary shall return financial instruments of identical type or the corresponding amount to the Fund without undue delay.

The Depositary shall not be liable if it can prove that the loss of a financial instrument held in custody

has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary pursuant to the Commission Delegated Regulation.

In case of a loss of financial instruments held in custody, the Shareholders may invoke the liability of the Depositary directly or indirectly through the Fund provided that this does not lead to a duplication of redress or to unequal treatment of the Shareholders.

The Depositary will also be liable to the Fund and the Shareholders for all other losses suffered by them as arising from the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the UCITS Directive.

Save where prohibited by applicable law or regulation including without limitation as may be prohibited by the UCITS Directive, the Depositary shall not be liable for consequential or indirect or special damages or losses, arising out of or in connection with the performance or non-performance by the Depositary of its duties and obligations.

#### *Delegation of Safekeeping Function and Conflicts of Interest*

Under the terms of the Depositary Agreement the Depositary has the power to delegate certain of its depositary functions. In general, whenever the Depositary delegates any of its custody functions to a delegate, the Depositary will remain liable for any losses suffered as a result of an act or omission of the delegate as if such loss had arisen as a result of an act or omission of the Depositary. The use of securities settlement systems does not constitute a delegation by the Depositary of its functions.

As at the date of this Prospectus, the Depositary has entered into written agreements delegating the performance of its safekeeping function in respect of certain of the Fund's assets to Citibank, N.A. London Branch. As at the date of the Prospectus, the sub-delegates listed in Appendix V have been appointed.

The liability of the Depositary will not be affected by the fact that it has delegated to a third party certain of its safekeeping functions in respect of the Fund's assets.

In order to discharge its responsibility in regard to the appointment of safekeeping delegates, the Depositary must exercise due skill, care and diligence in the selection, continued appointment and ongoing monitoring of a third party as a safekeeping agent so as to ensure that the third party has and maintains the expertise, competence and standing appropriate to discharge the responsibilities concerned; maintain an appropriate level of supervision over the safekeeping agent; and make appropriate inquiries from time to time to confirm that the obligations of the agent continue to be competently discharged.

From time to time conflicts may arise between the Depositary and the delegates or sub-delegates, for example where an appointed delegate or sub-delegate is an affiliated group company of the Depositary which receives remuneration for another custodial service it provides to the Fund. In the event of any

potential conflict of interest which may arise during the normal course of business, the Depositary will have regard to the applicable laws.

#### *Reuse of Assets by the Depositary*

Under the Depositary Agreement the Depositary has agreed that it, and any person to whom it delegates custody functions, may not reuse any of the Fund's assets held in custody.

Reuse will be permitted in respect of the Fund's assets where:

- The reuse is carried out for the account of the Fund;
- The Depositary acts on the instructions of the Fund;
- The reuse of assets is for the benefit of the Fund and the Shareholders;
- The transaction is covered by high quality and liquid collateral received by the Fund under a title transfer arrangement, the market value of which shall, at all times, amount to at least the market value of the re-used assets plus a premium.

#### *Up-to-date information*

Up-to-date information on the Depositary, its duties, any conflicts that may arise, the safe-keeping functions delegated by the depositary, the list of delegates and sub-delegates and any conflicts of interest that may arise from such a delegation will be made available to Shareholders on request.

#### **Company Secretary**

The Fund has appointed Tudor Trust Limited to provide company secretarial services to the Fund.

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

Local laws/regulations in EEA Member States may require the appointment of paying agents/representatives/distributors/correspondent banks ("Paying Agents") and maintenance of accounts by such Paying Agents through which subscription and redemption monies or dividends may be paid. Shareholders who choose or are obliged under local regulations to pay or receive subscription or redemption monies or dividends via an intermediate entity rather than directly to the Administrator (e.g. a Paying Agent in a local jurisdiction) bear a credit risk against that intermediate entity with respect to (a) subscription monies prior to the transmission of such monies to the Administrator for the account of the Fund and (b) redemption monies payable by such intermediate entity to the relevant Shareholder. Fees and expenses of Paying Agents appointed by the Fund or the Manager which will be at normal commercial rates will be borne by the Fund in respect of which a Paying Agent has been appointed.

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

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

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

### **Conflicts of Interest**

The Directors, the Manager, the Investment Manager and Distributor, the Administrator and the Depositary and their respective affiliates, officers, directors and shareholders, employees and agents (collectively the "Parties") are or may be involved in other financial, investment and professional activities which may on occasion cause a conflict of interest with the management of the Fund and/or their respective roles with respect to the Fund. These activities may include managing or advising other funds, purchases and sales of securities, banking and investment management services, brokerage services, valuation of unlisted securities (in circumstances in which fees payable to the entity valuing such securities may increase as the value of assets increases) and serving as directors, officers, advisers or agents of other funds or companies, including funds or companies in which the Fund may invest. Such other entities or accounts may have investment objectives or may implement investment strategies similar to or different from those of the Fund. It may not always be possible or consistent with the investment objectives of the various persons or entities described above and of the Fund for the same investment positions to be taken or liquidated at the same time or at the same price.

In addition, principals and employees of the Investment Manager may, directly or through investments in other investment funds, have interests in the securities in which the Fund invests as well as interests in investments in which the Fund does not invest. As a result of the foregoing, the Investment Manager (and its officers, directors, employees and affiliates) may have conflicts of interest in allocating their time and activity between the Fund and other entities, in allocating investments among the Fund and other entities and in effecting transactions for the Fund and other entities, including ones in which the Investment Manager (and its officers, directors, employees and affiliates) may have a greater financial interest.

The Investment Manager will use its best efforts in connection with the purposes and objectives of the Fund and will devote so much of its time and effort to the affairs of the Fund as may, in its judgment, be necessary to accomplish the purposes of the Fund.

The Investment Manager (and its directors, officers, employees and affiliates) may give advice or take action with respect to such other clients that differs from the advice given with respect to the Fund. To the extent a particular investment is suitable for both the Fund and other clients, such investments will be allocated between the Fund or the other clients pro rata based on assets under management or in some other manner which the Investment Manager determines is fair and equitable under the circumstances to all clients, including the Fund. From the standpoint of the Fund, simultaneous identical portfolio transactions for the Fund or other clients may tend to decrease the prices received, and increase the prices required to be paid, by the Fund for its portfolio sales and purchases. Where less than the maximum desired number of shares of a particular security to be purchased are available at a

favourable price, the shares purchased will be allocated among the Fund and the other clients in an equitable manner as determined by the Investment Manager.

Each of the Parties will use its reasonable endeavours to ensure that the performance of their respective duties will not be impaired by any such involvement they may have and that any conflicts which may arise will be resolved fairly. In relation to co-investment opportunities which arise between the Fund and other clients of the Investment Manager, the Investment Manager will ensure that the Fund participate fairly in such investment opportunities and that these are fairly allocated.

There is no prohibition on transactions with the Fund by the Investment Manager and Distributor, the Manager, the Administrator, the Depositary or entities related to each of the Investment Manager and Distributor, the Manager, the Administrator or the Depositary including, without limitation, holding, disposing or otherwise dealing with Shares issued by or property of the Fund and none of them shall have any obligation to account to the Fund for any profits or benefits made by or derived from or in connection with any such transaction provided that such transactions are consistent with the best interests of Shareholders and dealings are carried out as if effected on normal commercial terms negotiated on an arm's length basis.

Transactions permitted are subject to:

- (a) certified valuation by a person approved by the Depositary (or the Manager in the case of a transaction with the Depositary) as independent and competent; or
- (b) executed on best terms on an organised investment exchange under its rules; or
- (c) where (i) and (ii) are not practical, the Depositary is satisfied that the relevant transaction is conducted at arm's length and is in the best interests of Shareholders or in the case of a transaction involving the Depositary, the Manager is satisfied that the transaction is at arm's length and in the best interests of Shareholders.

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

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

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

The foregoing does not purport to be a comprehensive list or complete explanation of all potential conflicts of interest that may affect the Fund. The Fund may encounter circumstances or enter into transactions in which conflicts that are not discussed above may arise.

### **Soft Commissions**

The Investment Manager, its delegates or connected persons of the Investment Manager may not retain cash or other rebates but may receive, and are entitled to retain, research products and services (known as soft dollar benefits) from brokers and other persons through whom investment transactions are carried out ("brokers") which are of demonstrable benefit to the Shareholders (as may be permitted under applicable rules and regulations) and where such arrangements are made on best execution terms and brokerage rates are not in excess of customary institutional full-service brokerage rates and the services provided must be of a type which assist in the provision of investment services to the Fund.

### **Fee Rebate**

The Investment Manager may from time to time at its sole discretion and out of its own resources decide to give rebates to some or all Shareholders or their agents or intermediaries of part of or all of the Investment Manager fee. The Investment Manager also reserves the right to waive all of the Investment Manager fee, sales charge, redemption fee and conversion fee.



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

#### **Establishment Expenses**

The fees and expenses relating to the establishment and organisation of the Fund including the fees of the Fund's professional advisers and the fees were borne by the Fund and amortized over the first five financial years from the commencement of trading of the Fund.

#### **Manager's Fee**

The Manager shall be entitled to receive out of the assets of the Fund an annual fee up to 0.0125% of the Net Asset Value of the Fund (plus VAT, if any), subject to a minimum amount of €50,000 per annum for the initial fund and €12,500 p.a. per additional standalone fund. The Manager's fee will be accrued and calculated on each Valuation Point and payable quarterly in arrears.

The Manager shall be entitled to reimbursement of all reasonable and properly vouched out-of-pocket expenses (plus any applicable taxes) incurred on behalf of the Fund, out of the assets of the Fund.

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

The Investment Manager shall be entitled to receive from the Fund an annual fee of 0.75% of the Net Asset Value of the Fund in respect of the USD Institutional Class and the USD Institutional Hedged Class, 1.20% of the Net Asset Value of the Fund in respect of the USD Retail Class and the USD Retail Hedged Class, 0.75% of the Net Asset Value of the Fund in respect of the USD RDR Class, 0.75% of the Net Asset Value of the Fund in respect of the GBP RDR Class, 0.75% of the Net Asset Value of the Fund in respect of the CHF RDR Class, 1.20% of the Net Asset Value of the Fund in respect of the EUR Retail Class and the EUR Retail Hedged Class, 0.75% of the Net Asset Value of the Fund in respect of the EUR Institutional Class, EUR Super Institutional Class and the EUR Institutional Hedged Class, 0.75% of the Net Asset Value of the Fund in respect of the EUR RDR Class, 1.20% of the Net Asset Value of the Fund in respect of the SGD Retail Class and 0.75% of the Net Asset Value of the Fund in respect of the USD Super Institutional Class, 1.20% of the Net Asset Value of the Fund in respect of the CHF Retail Class and 0.75% of the Net Asset Value of the Fund in respect of the CHF Institutional Class, 0.75% of the Net Asset Value of the Fund in respect of the JPY Institutional Class, 0.75% of the Net Asset Value of the Fund in respect of the GBP Institutional Class and 1.20% of the Net Asset Value of the Fund in respect of the JPY Retail Class. The Investment Manager shall be entitled to be reimbursed by the Fund out of the assets of the Fund any properly vouched reasonable out-of-pocket expenses incurred by it on behalf of the Fund. The Investment Manager will be responsible for any fees payable to the Investment Committee and to any Investment Advisor appointed.

All fees and expenses and value added tax payable to the Investment Manager will be calculated and accrue at each Valuation Point and will be payable monthly in arrears or at such intervals and in such currency as may be agreed between the Fund and the Investment Manager.

In order to assist the Fund in maintaining its on-going expenses, the Investment Manager will assume

and bear any expense in the event that the total expense ratio of the EUR Super Institutional Class exceeds 1.00% of the Net Asset Value of the Share Class during any month. Such Net Asset Value will be calculated by the Administrator at each Valuation Point and a receivable will be included in the Net Asset Value in respect of any excess expenses incurred by the Fund above the 1% expense cap. The refunds back to the Fund in respect of excess expenses above the 1% total expense ratio level will be processed in full on a monthly basis by the Investment Manager. Shareholders will be notified at least 30 days in advance of any determination by the Investment Manager to either alter or withdraw this fee support.

### **Foreign Portfolio Investors Fee**

For registration as an FPI, the registration fees that the Fund will be required to pay (as determined by SEBI from time to time) will depend on the category of FPI that the Company wishes to register itself as. While for Category I FPIs and Category II FPIs, the registration fee is USD 3,000 and USD 300, respectively. The Fund is a Category I FPI and fees will be USD 3,000 payable on every three year basis.

### **Investment Advisor's Fee**

The Investment Advisor may receive from the Investment Manager an annual fee which will be payable out of the Investment Manager's fee.

### **Administrator's Fee**

The Administrator shall be entitled to receive from the Fund a maximum annual fee of 1.5% of the NAV of the Fund. Such fee shall be calculated and accrued as at each Valuation Point and shall be payable monthly in arrears.

The Administrator shall also be entitled to be reimbursed out of the assets of the Fund for all reasonable out-of-pocket expenses incurred by the Administrator in the proper performance of its duties.

### **Depositary's Fees**

The Depositary shall be entitled to receive from the Fund a maximum annual fee 0.5% of the NAV of the Fund which shall consist of a fee per Class, a fee based on the market value of the assets of the Fund (which shall vary from country to country), a fee per transaction (which shall also vary from country to country) and a fee for each third party fixed deposit, foreign exchange deal and outward payment affected by the Depositary on behalf of the Fund. Such fees shall be calculated and accrued as at each Valuation Point and shall be payable monthly in arrears.

The Depositary shall also be entitled to be reimbursed by the Fund out of the assets of the Fund any properly vouched reasonable out-of-pocket expenses incurred by it on behalf of the Fund including those arising from settlement and custody activities in specific markets, such as stamp duty, securities

re-registration fees and proxy voting physical representation and the fees of any Sub-Depositary appointed by it at normal commercial terms.

All fees and charges payable by the Fund under the Depositary Agreement shall be increased by the amount of any applicable value added taxes or duties.

#### **Directors' Fees**

The Directors are authorised to charge a fee for their services at a rate determined by the Directors up to a maximum fee per Director of EUR 20,000 per annum and may be entitled to special remuneration if called upon to perform any special or extra services to the Fund.

All Directors will be entitled to reimbursement by the Fund of expenses properly incurred in connection with the business of the Fund or the discharge of their duties

#### **Auditors' Fee**

The Fund shall pay a maximum annual fee to the Auditors of up to €35,000 (excluding VAT), as may agreed from time to time by the Directors.

#### **Paying Agents Fees**

Reasonable fees and expenses of any Paying Agent appointed by the Fund or the Manager which will be at normal commercial rates together with VAT, if any, thereon will be borne by the Fund.

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

In addition to the fees and expenses payable by the Fund (to the extent provided in this Prospectus) to the Investment Manager and Distributor, the Manager, the Administrator, the Depositary and the Auditors appointed by or on behalf of the Fund, the Fund will pay all its operating expenses and the fees hereinafter described as being payable by the Fund including but not limited to brokerage and banking commissions and charges, legal and other professional advisory fees, company secretarial fees, Companies Registration Office filings and statutory fees, translation and accounting expenses, interest on borrowings, taxes and governmental expenses applicable to the Fund or any subsidiary company, costs of preparation, translation, printing and distribution of reports and notices, all marketing material and advertisements and periodic updates of the Prospectus, stock exchange listing fees, all expenses in connection with local registrations, listing and distribution of the Fund and Shares issued or to be issued, expenses of Shareholders meetings, Directors' insurance premia, expenses of the publication and distribution of the Net Asset Value per Share, 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 Fund, in accordance with standard accounting practice, at the discretion of the Directors. An estimated accrual for operating expenses of the Fund will be provided for in the calculation of the Net Asset Value of the Fund. Operating expenses and the fees and expenses of service providers which

are payable by the Fund shall be borne by the Fund provided that fees and expenses directly or indirectly attributable to a particular Class shall be borne solely by the relevant Class.

### **Sales Charge**

Shareholders may be subject to a sales charge which will be payable to the Distributor and this sales charge is calculated at a maximum of 5.0% of subscription monies in respect of the USD Institutional Class and the USD Retail Class.

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

The Fund reserves the right to impose an 'anti dilution levy' representing a provision for market spreads (the differences between the prices at which assets are valued and/or bought or sold), duties and charges and other dealing costs relating to the acquisition or disposal of assets and to preserve the value of the underlying assets of the Fund, in the event of receipt for processing of net subscriptions and/or redemptions. Any such provision may be added to the price at which Shares will be issued in the case of net subscription requests exceeding 1% of the Net Asset Value of the Fund and deducted from the price at which Shares will be redeemed in the case of net redemption requests exceeding 1% of the Net Asset Value of the Fund, including the price of Shares issued or redeemed as a result of requests for conversion. The application of any provision will be subject to the overall direction and discretion of the Fund.

### **Swing Pricing**

Under certain circumstances, the Directors, in consultation with the Manager, have the power to adjust the Net Asset Value per Share applicable to the issue price as described below under "Swing Pricing". In any case, the adjustments to the Net Asset Value per Share applicable at any Valuation Point shall be identical for all issues dealt with as of that Business Day.

The Swing Pricing methodology is described below under "Swing Pricing".

### **Redemption Fee**

Shareholders may be subject to a redemption fee calculated at up to 0.50% of redemption monies where they redeem Shares within twelve months of acquiring those Shares. Such a redemption fee shall be for the absolute use and benefit of the Fund. For this purpose, Shares will be deemed to be redeemed on a first in first out basis.

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

All fees, expenses, duties and charges will be charged to the Fund and within the Fund to the Classes in respect of which they were incurred.

## **Fee Increases**

The rates of fees for the provision of services may be increased within the maximum levels stated above so long as at least one month's written notice of the new rate(s) is given to Shareholders of the relevant Class.

## **Remuneration Policy of the Manager**

The Manager has established, implemented and maintains a remuneration policy which meets the requirements of, and complies with the principles set out in UCITS V and the ESMA Remuneration Guidelines relating to same (the "Remuneration Guidelines") and ensures that the Investment Manager has an appropriate remuneration policy in place which is in compliance with the Remuneration Guidelines.

The Manager's remuneration policy applies to staff whose professional activities might have a material impact on the Fund's risk profile and so covers senior management, risk takers, control functions and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers and whose professional activities have a material impact on the risk profile of the Fund. The Manager's remuneration policy is accordingly consistent with, and promotes, sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profile of the Fund.

Consistent with the principal of proportionality referred to in the Remuneration Guidelines the payout process requirements in the Remuneration Guidelines have been disapplied in the Manager's remuneration policies. This disapplication has been made following assessment by the Manager of each of the payout process requirements and takes account of specific facts applicable to each and is appropriate to each size, internal organisation and the nature, scope and complexity of its activities.

The Remuneration Policy of the Manager can be found at [www.kbassociates.ie](http://www.kbassociates.ie). A copy can be requested free of charge from the Manager.

## 4. THE SHARES

### General

Shares may be issued in registered form on any Dealing Day. Shares issued in a Class will be denominated in the currency applicable to that Class. Shares will have no par value and shall be issued at the Net Asset Value per Share.

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 Fund or might result in the Fund suffering certain disadvantages which it might not otherwise suffer. 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 Fund to incur any liability to taxation or to suffer any pecuniary disadvantage which it or the Shareholders or any or all of them might not otherwise have incurred or sustained or otherwise in circumstances which the Directors believe might be prejudicial to the interests of the Shareholders, shall indemnify the Fund, the Manager, the Investment Manager and Distributor, the Depository, the Administrator and Shareholders for any loss suffered by it or them as a result of such person or persons acquiring or holding Shares in the Fund.

The Directors have power under the Articles of Association 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. 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 any person or persons in breach of restrictions imposed by the Directors or any declarations or information is outstanding (including inter alia any declarations or information required pursuant to anti-money laundering or counter terrorist financing requirements), the Directors shall be entitled (subject to appropriate authority under the Articles of Association ) to give notice (in such form as the Directors deem appropriate) of their intention to compulsorily redeem that person's Shares. The Directors may (subject to appropriate authority under the Articles of Association) charge any such Shareholder, any legal, accounting or administration costs associated with such compulsory redemption. In the event of a compulsory redemption, the redemption price will be determined as of the Valuation Point in respect of the relevant redemption day specified by the Directors in their notice to the Shareholder. The proceeds of a compulsory redemption shall be paid in accordance with the redemption provisions outlined below.

None of the Fund, the Manager, the Investment Manager and Distributor, the Administrator or the Depository or any of their respective directors, officers, employees or agents will be responsible or liable for the authenticity of instructions from Shareholders reasonably believed to be genuine and shall not be liable for any losses, costs or expenses arising out of or in conjunction with any unauthorised or fraudulent instructions. The Administrator shall, however, employ reasonable procedures to confirm that instructions are genuine.

## **Operation of Cash Accounts**

The Fund has established Cash Accounts designated in different currencies in the name of the Fund. All subscriptions, redemptions or dividends payable to or from the Fund will be channelled and managed through such Cash Accounts. However, the Fund, will ensure that all monies in any such Cash Account are recorded in the books and records of the Fund as assets of, and attributable to, the Fund in accordance with the requirements of the Memorandum and Articles of Association.

Further information relating to such accounts is set out in the sections (i) "Application for Shares" - "Operation of Cash Accounts" (ii) "Redemption of Shares" - "Operation of Cash Accounts"; and (iii) "Dividend Policy", respectively. In addition, your attention is drawn to the section of the Prospectus entitled "Risk Factors" –"Operation of Cash Accounts" above.

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

The Manager (or its duly appointed delegate) generally encourages investors to invest in the Fund as part of a long-term investment strategy and discourage excessive or short term or abusive trading practices. Such activities, sometimes referred to as "market timing", may have a detrimental effect on the Fund and Shareholders. For example, depending upon various factors such as the size of the Fund and the amount of its assets maintained in cash, short-term or excessive trading by Shareholders may interfere with the efficient management of the Fund's portfolio, increased transaction costs and taxes and may harm the performance of the Fund.

The Manager (or its duly appointed delegate) seeks 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 the Fund's portfolio holdings and the time when that change is reflected in the Net Asset Value per Share, the Fund is exposed to the risk that investors may seek to exploit this delay by purchasing or redeeming Shares at a Net Asset Value per Share which does not reflect appropriate fair value prices. The Manager (or its duly appointed delegate) seeks to deter and prevent this activity, sometimes referred to as "stale price arbitrage", by the appropriate use of their 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 Manager may, or may instruct the Administrator to, monitor Shareholder account activities in order to detect and prevent excessive and disruptive trading practices and reserve the right to exercise their discretion to reject any subscription or conversion transaction without assigning any reason therefor and without payment of compensation if, in their judgment, the transaction may adversely affect the interest of the Fund or its Shareholders. The Manager or the Administrator may also monitor Shareholder account activities for any patterns of frequent purchases and sales that appear to be made in response to short-term fluctuations in the Net Asset Value per Share and may take such action as they deem appropriate to restrict such activities.

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

### **Initial Offer Period**

Shares in the EUR Institutional Class will be offered to investors from 9am (Irish time) on 14<sup>th</sup> October, 2023 until 5pm (Irish time) on the 12<sup>th</sup> April, 2024 (the “Initial Offer Period”) at the Initial Price of EUR 10.00 per Share and subject to acceptance of applications for Shares in the relevant Class will be issued for the first time on the last Business Day of the Initial Offer Period.

Shares in the CHF Retail Class, CHF Institutional Class, CHF RDR Class, EUR RDR Class, EUR Retail, GBP Institutional Class, GBP RDR, JPY Institutional Class and JPY Retail Class will continue to be offered to investors until 5pm (Irish time) on the 12<sup>th</sup> April, 2024 (the “Initial Offer Period”) at the Initial Price of CHF 10.00 per share in the case of the CHF Retail Class, CHF Institutional Class and CHF RDR Class, EUR 10.00 per Share in the case of the EUR RDR Class and EUR Retail, GBP 10.00 per Share for GBP Institutional Class and GBP RDR, JPY 10.00 per Share in the JPY Institutional Class and JPY Retail Class and subject to acceptance of applications for Shares in the relevant Class will be issued for the first time on the last Business Day of the Initial Offer Period.

Shares in the USD Institutional Hedged Class, the USD Retail Hedged Class, the EUR Retail Hedged Class, and the EUR Institutional Hedged Class will be offered to investors until 5pm (Irish time) on the 12<sup>th</sup> April, 2024 (the “Initial Offer Period”) at the Initial Price of USD 10.00 per Share in the case of the USD Institutional Hedged Class and the USD Retail Hedged Class and EUR 10.00 per Share in the case of the EUR Retail Hedged Class, and the EUR Institutional Hedged Class and subject to acceptance of applications for Shares in the relevant Class will be issued for the first time on the last Business Day of the Initial Offer Period.

All other Shares in the Fund are in issue and are available for subscription at the Net Asset Value per Share.

### **Minimum Initial Subscription, Minimum Holding and Minimum Transaction Size**

Each investor in the Fund must subscribe a minimum of USD 500,000 for the USD Institutional Class, USD 500,000 for the USD Institutional Hedged Class, USD 500 for the USD Retail Class, USD 500 for the USD Retail Hedged Class, USD 500 for the USD RDR Class, GBP 500 for the GBP RDR Class, GBP 500,000 for the GBP Institutional Class, EUR 500 for the EUR Retail Class, EUR 500 for the EUR Retail Hedged Class, EUR 500,000 for the EUR Institutional Class, EUR 5,000,000 for the EUR Super Institutional Class, EUR 500,000 for the EUR Institutional Hedged Class, EUR 500 for the EUR RDR Class, SGD 500 for the SGD Retail class USD 5,000,000 for the USD Super Institutional Class, CHF 500 for the CHF Retail Class and CHF 500,000 for the CHF Institutional Class, CHF 500 for the CHF RDR Class, JPY 50,000,000 for the JPY Institutional Class and JPY 50,000 for the JPY Retail Class.



Each investor in the Fund must retain Shares having a Net Asset Value of USD 500,000 for the USD Institutional Class, USD 500,000 for the USD Institutional Hedged Class, USD 500 for the USD Retail Class, USD 500 for the USD Retail Hedged Class, USD 500 for the USD RDR Class, GBP 500 for the GBP RDR Class, GBP 500,000 for the GBP Institutional Class, EUR 500 for the EUR Retail Class, EUR 500,000 for the EUR Institutional Class, EUR 5,000,000 for the EUR Super Institutional Class, EUR 500,000 for the EUR Institutional Hedged Class, EUR 500 for the EUR Retail Hedged Class, EUR 500 for the EUR RDR Class, SGD 500 for SGD Retail class USD 5,000,000 for the USD Super Institutional Class, CHF 500 for the CHF Retail Class and CHF 500,000 for the CHF Institutional Class, CHF 500 for the CHF RDR Class, JPY 50,000,000 for the JPY Institutional Class and JPY 50,000 for the JPY Retail Class.

A Shareholder may make subsequent subscriptions, conversions and redemptions in the Fund, each subject to a Minimum Transaction Size of USD 50,000 for the USD Institutional Class, USD 500,000 for the USD Institutional Hedged Class, USD 500 for the USD Retail Class, USD 500 for the USD Retail Hedged Class, USD 500 for the USD RDR Class, GBP 50,000 for the GBP Institutional Class, GBP 500 for the GBP RDR Class, EUR 500 for the EUR Retail Class, EUR 500 for the EUR Retail Hedged Class, EUR 50,000 for the EUR Institutional Class, EUR 5,000,000 for the EUR Super Institutional Class, EUR 500,000 for the EUR Institutional Hedged Class, EUR 500 for the EUR RDR Class, SGD 500 for the SGD Retail Class USD 1,500,000 for the USD Super Institutional Class, CHF 500 for the CHF Retail Class and CHF 50,000 for the CHF Institutional Class, CHF 500 for the CHF RDR Class, JPY 5,000,000 for the JPY Institutional Class and JPY 50,000 for the JPY Retail Class.

The Directors reserve the right to waive or reduce the Minimum Initial Subscription, Minimum Holding and Minimum Transaction Size for a Class at their discretion.

### **Application for Shares**

Initial applications by non U.S. Persons should be made using an Application Form obtained from the Administrator or Distributor but may, if the Directors so determine, be made by facsimile or by electronic means subject to prompt transmission to the Administrator of the original signed Application Form and such other papers (such as documentation relating to money laundering prevention checks) as may be required by the Directors or their delegate. For U.S. Persons initial applications should be made using the U.S. Application Form. Requirements for investment in Shares of the Fund by U.S. Persons are described in more detail at Appendix IV of this Prospectus. Subscription applications will not be processed until the original Application Form and acceptable anti-money laundering documentation has been received by the Administrator.

An Application Form which has not been fully completed will be returned to the applicant for completion. In such circumstances, the opening of the applicant's investor account will not be processed by the Administrator until a completed Application Form, including acceptable anti-money laundering documentation, has been received, which may cause delays in account opening and processing subscription applications received by the Administrator.

No redemptions or dividends will be processed until the original Application Form and such other papers as may be required by the Directors have been received and all anti-money laundering procedures have been completed. Subsequent applications to purchase Shares following the initial subscription may be

made by facsimile, or by electronic means with the prior agreement of the Administrator and Fund, without a requirement to submit original documentation and such applications should contain such information as may be specified from time to time by the Directors or their delegate. Amendments to a Shareholder's registration details and payment instructions will only be made following receipt of original written instructions from the relevant Shareholder.

Each initial investor must meet the Minimum Initial Subscription requirement for the applicable Class and retain Shares having a Net Asset Value equivalent to the Minimum Holding requirement for the applicable Class. The Directors may, in their discretion, waive or reduce the Minimum Initial Subscription requirement and the Minimum Holding requirement with respect to any Shareholder or applicant for shares.

Applications accepted by the Administrator on behalf of the Fund and received by the Administrator prior to the Dealing Deadline for any Dealing Day will be dealt with on that Dealing Day. Any applications received after the Dealing Deadline will be dealt with on the following Dealing Day subsequent to the relevant Dealing Day unless the Directors in their absolute discretion otherwise determine. Such discretion may only be exercised by the Directors where the application is received subsequent to the Dealing Deadline but before the Net Asset Valuation Point. No interest will be paid in respect of payments received in circumstances where the application is held over until a subsequent Dealing Day.

Shareholders may be subject to a maximum sales charge of up to 5% of the subscription amount. Such sales charge will be charged as a preliminary once off charge, payable to the Distributor upon subscription. The Distributor may, in its sole discretion, waive or reduce, in whole or in part, any such charge.

#### *Fractions*

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

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

#### *Method of Payment*

Subscription payments net of all bank charges should be paid by CHAPS, SWIFT or telegraphic or electronic transfer to the bank account specified in the Application Form enclosed with this Prospectus. Other methods of payment are subject to the prior approval of the Directors.

Subject to certain conditions, the Directors may on any Dealing Day allot Shares in any Class on terms that settlement shall be made by the vesting in the Fund assets of the type in which would qualify as investments of the Fund in accordance with the investment objectives, policies and restrictions of the Fund.

### *Currency of Payment*

Subscription monies are payable in the currency applicable to each Class. However, the Fund may accept payment in such other currencies, with the agreement of the Administrator and Directors as, at the prevailing exchange rate quoted by the Administrator. The cost and risk of converting currency will be borne by the investor.

### *Timing of Payment*

Payment in respect of subscriptions must be received in cleared funds by the Administrator no later than close of two business days (Irish time) after the relevant Business Day. If payment in cleared funds in respect of a subscription has not been received by the relevant time, the Directors or its delegate shall cancel the subscription

### *Subscriptions in specie*

In accordance with the terms and conditions set out in the Articles of Association of the Fund, the Fund, following consultation with the Manager, may accept in specie applications for Shares provided that the nature of the assets to be transferred into the Fund qualify as investments of the Fund in accordance with its investment objective, policy and restrictions. Assets so transferred shall be vested with the Depositary or arrangements shall be made to vest the assets with the Depositary. The number of Shares to be issued shall not exceed the amount that would be issued for the cash equivalent. The Depositary shall be satisfied that the terms of any exchange will not be such as are likely to result in any prejudice to the existing shareholders of the Fund. The cost of such subscription in specie shall be borne by the relevant Shareholder.

### *Confirmations*

Confirmation of ownership of Shares will be sent to Shareholders within 24 hours of the release of the relevant dealing day's NAV. Title to Shares will be evidenced by the entering of the investor's name on the Fund's register of Shareholders. 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.

### *Operation of Cash Accounts*

Subscription monies received from an investor in advance of a Dealing Day in respect of which an application for Shares has been, or is expected to be, received will be held in a Cash Account in the name of the Fund and will be treated as an asset of the Fund upon receipt and will not benefit from the application of any investor money protection rules (i.e. the subscription monies in such circumstance will not be held in trust as investor monies for the relevant investor). In such circumstance, the investor will be an unsecured creditor of the Fund with respect to the amount subscribed and held by the Fund until such Shares are issued as of the relevant Dealing Day. In the event of an insolvency of the Fund, there is no guarantee that the Fund will have sufficient funds to pay unsecured creditors in full.

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

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

Measures aimed at the prevention of money laundering and terrorist financing require a detailed verification of the investor's identity, address and source of funds and where applicable the beneficial owner on a risk sensitive basis and the on-going monitoring of the business relationship. Additional verification in the case of a politically exposed person (“PEP’s”), an individual who is or has, at any time in the preceding year, been entrusted with prominent public function, an investor who is an immediate family member of PEP, or an investor known to be a close associate of a PEP, must also be treated as a PEP.

By way of example of suitable verification an individual may be required to produce an original certified copy of a passport or their photographic identification, together with two original copies of evidence of his/her address, such as a utility bill or bank statement. The investor may also be asked to provide his/her date of birth and tax residence if not shown on the material provided. In the case of corporate investors, such measures may require production of a certified copy of the certificate of incorporation (and any change of name), memorandum and articles of association (or equivalent), the names, occupations, dates of birth and residential and business address of all directors. Depending on the circumstances of each application, a detailed verification might not be required where for example; the application is made through a recognised intermediary. This exception will only apply if the intermediary referred to above is located within certain countries recognised by the company as having equivalent anti-money laundering and counter terrorist financing regulations (a list of these countries is available from the Administrator) and the investor produces a letter of undertaking from the recognised intermediary. Intermediaries cannot rely on third parties to meet the obligation to monitor the on-going business relationship with an investor which remains their ultimate responsibility.

The Fund (or the Administrator or the Manager on behalf of the Fund) may request such additional information as it believes is necessary to verify the investor's identity, address and source of funds before the account is opened and subscription into the Fund is accepted. Verification of the investor's identity is required to take place before the subscription is assessed.

In the event of delay or failure by an investor or applicant to produce any information required for verification purposes, the Fund may refuse to accept the application or to return the subscription monies or may refuse to make payment of any repurchase proceeds until the required information is provided. None of the Fund, the Directors, the Manager, the Investment Manager or the Administrator shall be liable to the subscriber or Shareholder where an application for Shares is not processed or payment of repurchase proceeds is delayed in such circumstances.

#### **Data Protection**

Prospective investors should note that by completing the Application Form they are providing information to the Fund, which may constitute “personal data” within the meaning of the Data Protection Legislation.

This data will be used for the specific purposes set out in the Application Form which include but are not limited to client identification, the management and administration of investors holding in the Fund, in order to comply with any applicable legal, taxation or regulatory requirements. Personal data provided to the Fund (which may include where relevant personal data of persons connected with a corporate Shareholder such as directors, beneficial owners, representatives etc) may be disclosed to such third parties as identified in the Application Form including regulatory bodies, tax authorities, service providers of the Fund such as the Administrator, the Investment Manager, the Depositary etc, delegates and advisors of the Fund and their or the Fund’s duly authorised agents and any of their respective related, associated or affiliated companies wherever located (including to countries outside the EEA which may not have the same data protection laws as in Ireland) for the purposes specified.

Investors have a right to obtain a copy of their personal data kept by the Fund, the right to rectify any inaccuracies in personal data held by the Fund and in a number of circumstances a right to be forgotten and a right to restrict or object to processing. In certain limited circumstances, a right to data portability may apply. Where a Shareholder is required to give his/her consent to the processing of personal data for certain specific purposes, that Shareholder may withdraw this consent at any time.

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

A copy of the data privacy statement of the Fund is available upon request from the Manager or on the following website: <https://utifunds.com.sg>.

It should also be noted that service providers of the Fund may act as data controllers of the personal data provided to the Fund in certain circumstances. In such instances, all rights afforded to Shareholders as data subjects under the Data Protection Legislation shall be exercisable by a Shareholder against that service provider as the data controller of his/her personal data.

### **Beneficial Ownership Regulations**

The Fund may also request such information (including by means of statutory notices) as may be required for the maintenance of the Fund’s beneficial ownership register in accordance with the Beneficial Ownership Regulations.

It should be noted that a Beneficial Owner has, in certain circumstances, obligations to notify the Fund in writing of relevant information as to his/her status as a Beneficial Owner and any changes thereto (including where a Beneficial Owner has ceased to be a Beneficial Owner). Under the Beneficial Ownership Regulations, the Fund shall be obliged to file certain information on its Beneficial Owners (including name, nationality, country of residence, social security number (which shall be displayed in hashed form only) and details of the interest held in the Fund) with a central register which will be accessible to the public.

Applicants should note that it is an offence under the Beneficial Ownership Regulations for a Beneficial Owner to (i) fail to comply with the terms of a beneficial ownership notice received from or on behalf of the Fund or (ii) provide materially false information in response to such a notice or (iii) fail to comply with his/her obligations to provide relevant information to the Fund as to his/her status as a Beneficial Owner or changes thereto in certain circumstances or in purporting to comply, provide materially false information.

### **Redemption of Shares**

Shareholders may redeem their Shares on a Dealing Day at the Net Asset Value per Share calculated as at the Valuation Point in relation to that Dealing Day.

Applications for the redemption of Shares should be made to the Administrator by facsimile or written communication or by electronic means with the prior agreement of the Administrator and Fund (in accordance with the requirements of the Central Bank) and should include such information as may be specified from time to time by the Directors or their delegate. Requests for redemption received prior to the Dealing Deadline for any Dealing Day will be dealt with on that Dealing Day. Any requests for redemption received after the Dealing Deadline for a Dealing Day will be dealt with on the next Dealing Day subsequent to the relevant Dealing Day unless the Directors following consultation with the Manager in their absolute discretion and in an equitable manner determine otherwise. Such discretion may only be exercised by the Directors where the request is received subsequent to the Dealing Deadline but before the Net Asset Valuation Point. Redemption requests will only be accepted where cleared funds and completed documents are in place from original subscriptions.

In the event of a Shareholder requesting a redemption which would, if carried out, leave the Shareholder holding Shares having a Net Asset Value less than the Minimum Holding, the Fund may, if it thinks fit, redeem the whole of the Shareholder's holding.

Shareholders may be subject to a redemption fee calculated at up to 0.50% of redemption monies where they redeem Shares within twelve months of acquiring those Shares. Such a redemption fee shall be for the absolute use and benefit of the Fund. For this purpose, Shares will be deemed to be redeemed on a first in first out basis.

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

The Directors following consultation with the Manager may, with the consent or at the request of the relevant Shareholders, satisfy any request for the redemption of Shares by the transfer in specie to those Shareholders of assets of the Fund having a value equal to the redemption price for the Shares redeemed as if the redemption proceeds were paid in cash less any redemption charge and other expenses of the transfer as the Directors may determine.

In accordance with the requirements of the Central Bank, a determination to provide redemption in specie may be solely at the discretion of the Directors following consultation with the Manager where the redeeming Shareholder requests redemption of a number of Shares that represents 5% or more of

the Net Asset Value of the Fund. A Shareholder requesting redemption shall be entitled to request the sale of any asset or assets proposed to be distributed in specie and the distribution to such Shareholder of the cash proceeds of such sale less the costs of such sale which shall be borne by the relevant Shareholder.

The Directors may in their absolute discretion refuse to accept a request for redemption in specie where the Directors determine, in consultation with the Investment Manager and the Manager, that it would not be practicable to satisfy such a request. Where a request for redemption in specie has been refused by the Directors, in consultation with the Manager, on the basis that it would not be practicable to satisfy such a request, the Administrator will reject the instruction from the relevant Shareholder and inform the Shareholder of the reason for the rejection. The Shareholder then has the option to submit a cash redemption request for settlement in the currency of the relevant Class.

The nature and type of assets to be transferred in specie to each Shareholder shall be determined by the Directors (subject to the approval of the Depositary and the Manager as to the allocation of assets) on such basis as the Directors in their discretion shall deem equitable and not prejudicial to the interests of the remaining Shareholders in the Fund or relevant Class.

#### *Operation of Cash Accounts*

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

In the event that redemption proceeds cannot be paid out to an investor, for example where anti-money laundering documentation is not provided or an investor cannot be contacted, it is the responsibility of the investor to ensure all necessary documentation and information required to resolve the issue is provided promptly and is complete and accurate, so that the redemption proceeds may be released in a timely manner.

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

#### *Deferral of Redemptions*

The Fund shall not on any Dealing Day or in any period of seven consecutive Dealing Days, be bound to redeem (or consequently effect a conversion of) more than 10 per cent of the total Net Asset Value of Shares of the Fund then in issue. If on any Dealing Day, or in any period of seven consecutive Dealing Days, the Fund receives requests for redemptions of a greater value of Shares, it may declare that such

redemptions are deferred until a Dealing Day not more than seven Dealing Days following such time. Any redemption requests in respect of the relevant Dealing Day so reduced will be effected in priority to subsequent redemption requests received on the succeeding Dealing Day, subject always to the 10 per cent limit. The limitation will be applied pro rata to all Shareholders who have requested redemptions to be effected on or as at such Dealing Day so that the proportion redeemed of each holding so requested is the same for all such Shareholders. These limits will be used only at times when realising assets of the Fund to meet unusually heavy redemption requirements would create a liquidity constraint to the detriment of Shareholders remaining within the Fund.

#### *Method of Payment*

Redemption payments will be made to the bank account detailed on the Application Form. Any amendments to an investor's registration details and payment instructions will only be effected on receipt of original documentation by the Administrator.

Dealing is carried out at forward pricing basis. i.e. the Net Asset Value next computed after receipt of subscription requests.

#### *Currency of Payment*

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

#### *Timing of Payment*

Redemption proceeds in respect of Shares will be paid within *5 Business Days* of the relevant Dealing Day provided that all the required documentation has been furnished to and received by the Administrator.

### **Withdrawal of Redemption Requests**

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

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

Shareholders are required to notify the Administrator through whom Shares have been purchased immediately if they become U.S. Persons. Any persons who are subject to restrictions on ownership of Shares in the Fund imposed by the Directors may be required to redeem or transfer their Shares. The Fund, in consultation with the Manager, may redeem any Shares which are or become owned, directly or indirectly, by or for the benefit of any person in breach of any restrictions on ownership from time to time specified by the Directors or if the holding of Shares by any person is unlawful or is likely to result or results in any tax, fiscal, legal, regulatory, pecuniary liability or disadvantage or material



administrative disadvantage to any of the Fund or the Shareholders or by any person who holds less than the Minimum Holding or does not supply any information or declaration required under the Articles of Association within seven days of a request to do so. Any such redemption will be effected on a Dealing Day at the Net Asset Value per Share calculated on or with respect to the relevant Dealing Day on which the Shares are to be redeemed. The Fund may apply the proceeds of such compulsory redemption in the discharge of any taxation or withholding tax arising as a result of the holding or beneficial ownership of Shares by a Shareholder including any interest or penalties payable thereon. The attention of investors in relation to the section of the prospectus entitled "Taxation" and in particular the section therein headed "Taxation of the Fund in Ireland" which details circumstances in which the Fund shall be entitled to deduct from payments to Shareholders who are resident or ordinarily resident in Ireland amounts in respect of liability of to Irish taxation including any penalties and interest thereon and/or compulsorily redeem Shares to discharge such liability. Relevant Shareholders will indemnify and keep the Fund indemnified against loss arising to the Fund by reason of the Fund becoming liable to account for tax on the happening of an event giving rise to a charge to taxation.

The Hire Act was signed into U.S. law in March 2010. It includes provisions generally known as FATCA. The obligations of Irish financial institutions under FATCA will be covered by the provisions of the Ireland/U.S. Intergovernmental Agreement ("IGA") and supporting Irish legislation/regulations. Although the full impact of the FATCA rules in Ireland is not yet known, the Fund will generally require Shareholders to provide documentary evidence of their tax residence and certain additional information in order to comply with the FATCA requirements.

### **Total Redemption of Shares**

All of the Shares in any Class or Classes may be redeemed:

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

The Directors following consultation with the Manager may resolve in their absolute discretion to retain sufficient monies prior to effecting a total redemption of Shares to cover the costs associated with the liquidation of the Fund.

### **Conversion of Shares**

Subject to the following, Shareholders may convert some or all of their Shares in one Class ("the Original Class") to Shares in another Class ("the New Class"). Shareholders may apply to convert Shares on any day which is a Dealing Day by facsimile or written communication or by electronic means with the prior agreement of the Administrator and Fund (in accordance with the requirements of the Central Bank) as may from time to time be specified by the Directors or their delegate. Requests for conversion should be received prior to the earlier of the Dealing Deadline for redemptions in the Fund from which conversion is requested and the Dealing Deadline for subscriptions in the Fund into which

conversion is requested. Any applications received after such time will be dealt with on the next Dealing Day, unless the Directors in their absolute discretion otherwise determine. Such discretion may only be exercised by the Directors where the application is received subsequent to the Dealing Deadline but before the Valuation Point for the relevant Dealing Day. Conversion requests will only be accepted where cleared funds and completed documents are in place from original subscriptions.

A conversion request will not be processed where the investor would be an initial investor in the New Class and would not comply with the Minimum Initial Subscription requirement for Shares in the New Class.

In addition, where a conversion request would result in a Shareholder holding a number of Shares of either the Original Class or the New Class which would be less than the Minimum Holding for such Class, the Directors or their delegate may, if they think fit, convert the whole of the Shareholder's holding in the Original Class to Shares in the New Class or refuse to effect any conversion from the Original Class.

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

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

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

where

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

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

NAV is the Net Asset Value per Share of the Original Class at the Valuation Point in relation to the relevant Dealing Day.

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

SP is the Net Asset Value per Share of the New Class at the Valuation Point in relation to the relevant Dealing Day.

It is not intended to impose a conversion charge.

#### **Withdrawal of Conversion Requests**

Conversion requests may not be withdrawn save with the written consent of the Directors or their authorised agent or in the event of a suspension of calculation of the Net Asset Value of the Fund.

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

The Manager has delegated the calculation of the Net Asset Value to the Administrator.

The Net Asset Value of the Fund shall be determined as at the Valuation Point for the relevant Dealing Day by ascertaining the value of the assets of the Fund (including income accrued but not collected) and deducting the liabilities of the Fund (including a provision for duties and charges, accrued expenses and fees, including those to be incurred in the event of the liquidation of the Fund and all other liabilities). The Net Asset Value attributable to each Class will be calculated by the Administrator as at the Valuation Point in relation to each Dealing Day in accordance with accounting standards generally accepted in Ireland and the provisions of the Articles of Association. The Net Asset Value attributable to a Class shall be determined by calculating that portion of the Net Asset Value of the Fund attributable to the relevant Class subject to adjustment to take account of any entitlements, costs or expenses attributable to the Class. The Net Asset Value per Share of a Class shall be determined as at the Valuation Point in relation to each Dealing Day by dividing the Net Asset Value attributable to the Class by the total number of Shares in issue in the Class at the relevant Valuation Point and rounding the resulting total to four decimal places. The Net Asset Value attributable to a Class will be expressed in the denominated currency of that Class, or in such other currency as the Manager may determine.

In determining the Net Asset Value of the Fund:-

- (a) Investments which are quoted, listed or traded on a Recognised Exchange save as hereinafter provided at (d), (e), (f), (g) and (h) will be valued at closing mid market prices. Where an investment is listed or dealt in on more than one Recognised Exchange the relevant exchange or market shall be the principal stock exchange or market on which the Investment is listed or dealt on or the exchange or market which the Manager, in consultation with the Investment Manager, determines provides the fairest criteria in determining a value for the relevant investment. Investments listed or traded on a Recognised Exchange, but acquired or traded at a premium or at a discount outside or off the relevant exchange or market may be valued taking into account the level of premium or discount at the Valuation Point provided that the Depositary shall be satisfied that the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the investment.
- (b) The value of any Investment which is not quoted, listed or dealt in on a Recognised Exchange or which is so quoted, listed or dealt but for which no such quotation or value is available or the available quotation or value is not representative of the fair market value shall be either (i) the probable realisation value as estimated with care and good faith by a competent person, firm or corporation (including the Investment Manager) selected by the Manager and approved for the purpose by the Depositary or (ii) the value as determined by any other means provided that such value is approved by the Depositary. Where reliable market quotations are not available for fixed income securities the value of such securities may be determined by reference to the

valuation of other securities which are comparable in rating, yield, due date and other characteristics. The matrix methodology will be compiled by the Manager as outlined above.

- (c) Cash and other liquid assets will be valued at its nominal value plus accrued interest, where applicable, to the end of the relevant day on which the Valuation Point occurs, unless in any case the Manager are of the opinion that such assets are unlikely to be paid or received in full in which case the value thereof shall be arrived at after making such discount as the Manager or its delegate (with the approval of the Depositary) may consider appropriate in such case to reflect the true value thereof.
- (d) Forward foreign exchange contracts shall be valued on the basis of a quotation provided at least daily by the relevant counterparty and verified at least weekly by a party which is independent of the counterparty, including the Investment Manager, and which is approved for such purpose by the Depositary.
- (e) Notwithstanding paragraph (a) above units in collective investment schemes shall be valued at the latest available bid price or net asset value of the units of the relevant collective investment scheme.
- (f) The Manager may, with the approval of the Depositary, adjust the value of any investment if, having regard to its currency, marketability, applicable interest rates, anticipated rates of dividend, maturity, liquidity or any other relevant considerations, they consider that such adjustment is required to reflect the fair value thereof. The Manager shall document clearly the rationale for adjusting the value of any such investment.
- (g) Any value expressed otherwise than in the Base Currency shall be converted into the Base Currency at the exchange rate (whether official or otherwise) which the Manager shall determine to be appropriate.

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 (g) above, or if such valuation is not representative of the asset's fair market value, the Manager or its delegate is 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. The rationale/methodologies used should be clearly documented.

*In calculating the value of assets of the Fund the following principles will apply:*

- (a) every Share agreed to be issued by the Directors with respect to each Dealing Day shall be deemed to be in issue at the close of business on the relevant Dealing Day and the assets of the Fund shall be deemed to include as at the close of business on the relevant Dealing Day not only cash and property in the hands of the Depositary but also the amount of any cash or other property to be received in respect of Shares agreed to be issued after deducting therefrom (in the case of Shares agreed to be issued for cash) or providing for preliminary charges;

- (b) where investments have been agreed to be purchased or sold but such purchase or sale has not been completed, such investments shall be included or excluded and the gross purchase or net sale consideration excluded or included as the case may require as if such purchase or sale had been duly completed;
- (c) there shall be added to the assets of the Fund any actual or estimated amount of any taxation of a capital nature which may be recoverable by the Fund which is attributable to the Fund;
- (d) there shall be added to the assets of the Fund a sum representing any interest, dividends or other income accrued but not received and a sum representing unamortised expenses;
- (e) there shall be added to the assets of the Fund the total amount (whether actual or estimated by the Manager or its delegate) of any claims for repayment of any taxation levied on income or capital gains including claims in respect of double taxation relief;
- (f) where notice of the redemption of Shares has been received by the Fund with respect to a Dealing Day and the cancellation of such Shares has not been completed, the Shares to be redeemed shall be deemed not to be in issue at the close of business on the relevant Dealing Day and the value of the assets of the Fund shall be deemed to be reduced by the amount payable upon such redemption as at the close of business on the relevant Dealing Day;
- (g) there shall be deducted from the assets of the Fund:
  - (i) the total amount of any actual or estimated liabilities properly payable out of the assets of the Fund including any and all outstanding borrowings of the Fund, interest, fees and expenses payable on such borrowings and any estimated liability for tax and such amount in respect of contingent or projected expenses as the Manager considers fair and reasonable as of the relevant Valuation Point;
  - (ii) such sum in respect of tax (if any) on income or capital gains realised on the investments of the Fund as in the estimate of the Manager will become payable;
  - (iii) the amount (if any) of any distribution declared but not distributed in respect thereof;
  - (iv) the remuneration of the Investment Manager and Distributor, the Manager, the Administrator, the Depositary and any other providers of services to the Fund accrued but remaining unpaid together with a sum equal to the value added tax chargeable thereon (if any);
  - (v) the total amount (whether actual or estimated by the Manager) of any other liabilities properly payable out of the assets of the Fund (including all establishment, operational and ongoing administrative fees, costs and expenses) as of the relevant Valuation Point;

- (vi) an amount as of the relevant Valuation Point representing the projected liability of the Fund in respect of costs and expenses to be incurred by the Fund in the event of a subsequent liquidation;
- (vii) an amount as of the relevant Valuation Point representing the projected liability of the relevant calls on Shares in respect of options written by the Fund; and
- (viii) any other liability which may properly be deducted.

The valuation policies selected and applied in order to value each class of asset of the Fund shall be applied consistently with respect to the Fund and across the different types of investments, throughout the life of the Fund.

Where hedging strategies are used in relation to a Class, the financial instruments used to implement such strategies shall be deemed to be assets or liabilities (as the case may be) of the Fund as a whole but the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Class.

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

Notwithstanding that subscription monies, redemption monies and dividend amounts will be held in Cash Accounts in the name of and treated as assets of and attributable to the Fund:

- (a) any subscription monies received from an investor prior to the Dealing Day of the Fund in respect of which an application for Shares has been, or is expected to be, received will not be taken into account as an asset of the Fund for the purpose of determining the Net Asset Value of the Fund until subsequent to the Valuation Point in respect of the Dealing Day as of which Shares of the Fund are agreed to be issued to that investor;
- (b) any redemption monies payable to an investor subsequent to the Dealing Day of the Fund as of which Shares of that investor were redeemed will not be taken into account as an asset of the Fund for the purpose of determining the Net Asset Value of the Fund; and
- (c) From the date upon which it becomes payable, any dividend amount payable to a Shareholder will not be taken into account as an asset of the Fund for the purpose of determining the Net Asset Value of the Fund.

### **Swing Pricing**

Under certain circumstances (for example, large volumes of deals), investment and/or disinvestment costs may have an adverse effect on the Shareholders' interests in the Fund. In order to prevent this effect, called "dilution", the Directors, in consultation with the Manager, may determine that a "Swing Pricing" methodology applies so as to allow for the Net Asset Value per Share to be adjusted upwards or downwards by dealing and other costs and fiscal charges which would be payable on the effective

acquisition or disposal of assets in the Fund if the net capital activity exceeds, as a consequence of the aggregate transactions in the Fund on a given Business Day, a threshold (the "Threshold") set by the Directors, in consultation with the Manager, from time to time.

Details of the both the swing factors and the threshold applied are available from the registered office of the Fund. The Fund reserves the right to review the swing threshold without prior notification.

#### Description of the swing pricing methodology

If the Net Capital Activity (as defined below) on a given Business Day leads to a net inflow of assets in excess of the Threshold in the Fund, the Net Asset Value used to process all subscriptions, redemptions or conversions in the Fund is adjusted upwards by the swing factor set by the Directors, in consultation with the Manager, from time to time.

If the Net Capital Activity on a given Business Day leads to a net outflow of assets in excess of the Threshold in the Fund, the Net Asset Value used to process all subscriptions, redemptions or conversions in the Fund is adjusted downwards by the swing factor set by the Directors, in consultation with the Manager, from time to time.

The adjustment will apply to all transactions over the Threshold.

In any case, the swing factor shall not exceed 1.00 per cent of the Net Asset Value per Share of the Fund. Further, for the purpose of calculating the expenses of the Fund which are based on the Net Asset Value of the Fund, the Administrator will continue to use the un-swung Net Asset Value.

The factors influencing the determination of the swing threshold include:

- a) The Fund size;
- b) The type and liquidity of securities in which the Fund invests;
- c) The costs, and hence dilution impact associated with the markets in which the Fund invests; and
- d) The Investment Manager's investment policy and the extent to which the Fund can retain cash (or near cash) as opposed to always being fully invested.

The advantages of using partial swing pricing is that as the Net Capital Activity must exceed the Threshold before the Net Asset Value is adjusted, there is lower exposure to Net Asset Value miscalculations as a result of operational errors compared to using full swing pricing. However, the disadvantage of using partial swing pricing is that there is a risk that dilution may occur if the Net Capital Activity does not meet the relevant Threshold and no adjustment of Net Asset Value occurs.

Where the Fund's performance will be calculated based on swung prices: 1) Apart from the value of the underlying investment of the Fund, the return of the Fund may be influenced by the level of subscription and/or redemption activity which may result in the application of swing pricing; and 2) The adoption of swing pricing to calculate performance returns may increase the variability of the Fund's returns.

“Net Capital Activity” means the net cash movement of subscriptions and redemptions into and out of the Fund across all share classes on a given Business Day.

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

The Net Asset Value per Share shall be made available on the internet at the website [www.bloomberg.com](http://www.bloomberg.com) and/or will be published in such publications as the Directors, in consultation with the Manager, may determine in the jurisdictions in which the Shares are registered for sale and shall be updated following each calculation of the Net Asset Value per Share. The Net Asset Value per Share may also be obtained either from the Administrator or Distributor during normal business hours.

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

The Directors, in consultation with the Manager, may at any time and from time to time temporarily suspend the determination of the Net Asset Value of the Fund and the issue, conversion and redemption of Shares in the Fund during:

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



Any suspension of valuation shall be notified to the Central Bank, in the case of a listing to Euronext and the Manager and the Depositary immediately and, in any event, within the same Business Day and shall be published on [www.bloomberg.com](http://www.bloomberg.com). Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

The Central Bank may also require that the Fund temporarily suspends the determination of the Net Asset Value of the Fund and the issue and redemption of Shares in the Fund if it decides that it is in the best interests of the general public and the Shareholders to do so.

## **5. TAXATION**

### **General**

**The section below on Irish taxation is a brief summary of the tax advice received by the Directors relating to current law and practice which may be subject to change and interpretation.**

**The information given below does not constitute legal or tax advice and prospective investors should consult their professional advisers on the possible tax consequences of buying, selling, converting, holding or redeeming Shares under the laws of the jurisdictions in which they may be subject to tax. Investors are also advised to inform themselves as to any exchange control regulations applicable in their country of residence.**

**Generally the tax consequences of acquiring, holding, converting, redeeming or disposing of Shares in the Fund will depend on the relevant laws of the jurisdiction to which the Shareholder is subject. These consequences will vary with the law and practice of the Shareholder's country of residence, domicile or incorporation and with his personal circumstances.**

Dividends, interest and capital gains (if any) on securities issued in countries other than Ireland may be subject to taxes including withholding taxes imposed by such countries. The Fund may not be able to benefit from a reduction in the rate of withholding tax by virtue of the double taxation agreement in operation between Ireland and other countries. Legislative, administrative or judicial changes may modify the tax consequences described below and in the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time of investment is made will endure indefinitely. The Fund may not, therefore, be able to reclaim withholding tax suffered by it in particular countries. If this position changes in the future, and the application for a lower rate results in a repayment to the Fund, the Net Asset Value of the Fund will not be restated and the benefit will be allocated to the existing Shareholders rateably at the time of repayment.

### **Taxation of the Fund in Ireland**

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

The Fund will be regarded as resident in Ireland for tax purposes if the central management and control of its business is exercised in Ireland and the Fund is not regarded as resident elsewhere. It is the

intention of the Directors that the business of the Fund will be conducted in such a manner as to ensure that it is Irish Resident for tax purposes.

The Directors have been advised that the Fund qualifies as an investment undertaking as defined in Section 739B of the TCA. Under current Irish law and practice, on that basis, the Fund is not chargeable to Irish tax on its income and gains.

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

A chargeable event does not include:

- An exchange by a Shareholder, effected by way of an arm’s length bargain where no payment is made to the Shareholder, of Shares in the Fund for other Shares in the Fund;
- Any transactions (which might otherwise be a chargeable event) in relation to Shares held in a recognised clearing system as designated by order of the Irish Revenue Commissioners;
- A transfer by a Shareholder of the entitlement to Shares where the transfer is between spouses or former spouses civil partners and former civil partners, subject to certain conditions; or
- An exchange of Shares arising on a qualifying amalgamation or reconstruction (within the meaning of Section 739H of the TCA) of the Fund with another investment undertaking.
- The cancellation of shares arising from an exchange in relation to a scheme of amalgamation (as defined in section 739HA of the TCA).
- Any transaction in relation to, or in respect of, relevant units (as defined in Section 739B(2A) of the Taxes Act) in an investment undertaking whereby the transaction only arises by virtue of a change of court funds manager for that undertaking.

The holding of Shares at the end of a Relevant Period will also constitute a chargeable event. In the case of Shares held in a Recognised Clearing System, no chargeable event is deemed to arise and the Shareholders may have to account for the appropriate tax arising at the end of a Relevant Period on a self-assessment basis.

If the Fund becomes liable to account for tax if a chargeable event occurs, the Fund shall be entitled to deduct from the payment arising on a chargeable event, an amount equal to the appropriate tax and/or where applicable, to appropriate or cancel such number of Shares held by the Shareholder or the

beneficial owner of the Shares as is required to meet the amount of tax. The relevant Shareholder shall indemnify and keep the Fund indemnified against loss arising to the Fund by reason of the Fund becoming liable to account for tax on the happening of a chargeable event if no such deduction, appropriation or cancellation has been made.

Please see the "Taxation of Shareholders in Ireland" section below dealing with the tax consequences for the Fund and the Shareholders of chargeable events in respect of: -

- (a) Shares which are held in a Recognised Clearing System
- (b) Shareholders who are neither Irish Residents nor Ordinarily Resident in Ireland; and
- (c) Shareholders who are Irish Residents or Ordinarily Resident in Ireland and the Shares are not held in a Recognised Clearing System.

As a result of provisions introduced by Finance Act 2012 (and the subsequent Return of Values (Investment Undertakings Regulations 2013), the Fund is obliged to report certain details in relation to Shares acquired by investors from 1 January 2012 onwards. The details to be reported include the name, address, date of birth (if an individual) and the value of the units held. For new Shares acquired on or after 1 January 2014, the details to be reported will also include the tax reference number or, in the absence of the number, a special marker indicating that this was not provided. No details are required to be reported in respect of Shareholders who are:

- Exempted Irish Investors, (provided the Relevant Declaration has been made); or
- Shareholders whose shares are held in a Recognised Clearing System; or
- Shareholders who are neither Irish Residents nor Irish Ordinary Residents (provided a Relevant Declaration has been made).

#### Taxation of Shareholders in Ireland

##### *Shares which are held in a Recognised Clearing System*

Where Shares are held in a Recognised Clearing System, the obligation falls on the Shareholder (rather than the Fund) to self-account for any tax arising on a chargeable event. In the case of an individual tax currently at the rate of 41% should be accounted for by the Shareholder in respect of a distribution where payments are made annually or at more frequent intervals and on any other distribution or gain arising to the Shareholder on an encashment, redemption or transfer of Shares by a Shareholder. Irish resident corporate Shareholders holding Shares other than in the course of a trade and who receive any distributions or gains on an encashment, redemption, cancellation or transfer of shares will be treated as having received income chargeable to tax under Case IV of Schedule D of the Taxes Act. We refer you to the "*Personal Portfolio Investment Undertaking ("PPIU")*" section below for the appropriate tax rates that would apply if the investment constitutes a PPIU.

Where the Shareholder has not correctly included the income in their tax return, the normal rates apply (i.e. 41% or up to 80% in the case of an investment that constitutes a PPIU) and the Shareholder may be subject to a surcharge and penalty.

It should be noted that a Relevant Declaration or approval in relation to the equivalent measures under Finance Act 2010 provisions is not required to be made where the Shares, the subject of the application for subscription or registration of transfer on a transfer of Shares, are held in a Recognised Clearing system so designated by the Irish Revenue Commissioners. It is the intention of the Directors that all Shares will be held in a Recognised Clearing System. If in the future, the Directors permit Shares to be held in certificated form outside a Recognised Clearing System, prospective investors for Shares on subscription and proposed transferees of Shares will be required to complete a Relevant Declaration as a pre-requisite to being issued Shares in the Fund or being registered as a transferee of the Shares (as the case may be). A Relevant Declaration will not be required to be completed in this regard where the Fund has received approval under the Finance Act 2010 provisions where appropriate equivalent measures have been put in place.

Where the shares are not held for the purpose of a trade carried on by a company a gain arising on the disposal of Shares by a Shareholder cannot be offset by a loss on the disposal of Shares by a Shareholder or by losses arising from the disposal of other assets which are subject to Capital Gains Tax. Losses arising on the disposal of Shares by a Shareholder cannot be offset against income or gains arising from the disposal of assets which are subject to Capital Gains Tax.

For the purposes of a Shareholder completing their annual tax return income and gains arising on Shares in the Fund are treated as income and gains arising on an Offshore Fund.

To the extent that any Shares are not held in a Recognised Clearing System, the following tax consequences will arise on a chargeable event.

*Shareholders who are neither Irish Residents nor Ordinarily Resident in Ireland and the shares are not held in a Recognised Clearing System*

The Fund will not have to deduct tax on the occasion of a chargeable event in respect of a Shareholder where (a) the Shareholder is neither Irish Resident nor Ordinarily Resident in Ireland, (b) the Shareholder has made a Relevant Declaration and (c) the Fund is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct or (d) the Fund has put in place appropriate equivalent measures to ensure that Shareholders in the Fund are neither Irish Resident nor Irish Ordinarily Resident and the Fund has received the appropriate approval from the Revenue Commissioners, (see paragraph headed “*Equivalent Measures*” below). In the absence of either a Relevant Declaration (provided in a timely manner) or the Fund satisfying and availing of equivalent measures, tax will arise on the happening of a chargeable event in the Fund regardless of the fact that a Shareholder is neither Irish Resident nor Ordinarily Resident in Ireland. The appropriate tax that will be deducted is as described in the “*Shareholders who are Irish Residents or Ordinarily Resident in Ireland and the Shares are not held in a Recognised Clearing System*” section below.

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

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

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

*Shareholders who are Irish Residents or Ordinarily Resident in Ireland and the Shares are not held in a Recognised Clearing System*

Unless a Shareholder is an Exempt Irish Investor, makes a Relevant Declaration to that effect to the Fund and the Fund is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct or unless the Shares are purchased by the Courts Service, tax, currently at the rate of 41% (25% in respect of Irish corporate investors) will be required to be deducted by the Fund from a distribution (where payments are made annually or at more frequent intervals) to a Shareholder who is Irish Resident or Ordinarily Resident in Ireland. Any other distribution or gain arising to the Shareholder (other than an Exempt Irish Investor who has made a Relevant Declaration on an encashment, redemption, cancellation, transfer or deemed disposal (see below) of Shares by a Shareholder who is Irish Resident or Ordinarily Resident in Ireland shall be taxable at a rate of 41% (25% in respect of Irish corporate investors) and will be required to be deducted by the Fund. Tax will also have to be deducted in respect of Shares held at the end of a Relevant Period (in respect of any excess in value over the cost of the Relevant Shares) to the extent that the Shareholder is Irish Resident or Irish Ordinarily Resident and is not an Exempted Irish Investor who has made a Relevant Declaration

There are a number of Irish Resident and Ordinarily Resident in Ireland Shareholders who are exempted from the provisions of the above regime once Relevant Declarations are in place. These are Exempted Irish Investors. Additionally, where Shares are held by the Courts Service no tax is deducted by the Fund on payments made to the Courts Service. The Courts Service will be required to operate the tax on payments to it by the Fund when they allocate those payments to the beneficial owners.

There are a number of Irish Resident and Ordinarily Resident in Ireland Shareholders who are exempted from the provisions of the above regime once Relevant Declarations are in place. These are Exempted Irish Investors. Additionally, where Shares are held by the Courts Service no tax is deducted by the Fund on payments made to the Courts Service. The Courts Service will be required to operate the tax on payments to it by the Fund when they allocate those payments to the beneficial owners.

Corporate Shareholders who are Irish Resident who receive any distributions or gains on an encashment, redemption, cancellation or transfer of shares from which tax has been deducted will be treated as having received an annual payment subject to tax under Case IV of Schedule D of the TCA from which tax at the relevant rate has been deducted. Corporate Shareholders who are Irish Resident and whose Shares are held in connection with a trade will be taxable on any income or gains as part of that trade with a set off against corporation tax payable for any tax deducted by the Fund.

In general, non-corporate Shareholders who are Irish Resident or Ordinarily Resident in Ireland will not be subject to further Irish tax on income from their Shares or gains made on the disposal of their Shares where tax has been deducted by the Fund on payments received. Where a currency gain is made by a Shareholder on the disposal of his/her Shares, such Shareholder may be liable to capital gains tax in the year of assessment in which the Shares are disposed of.

Any Shareholder who is Irish Resident or Ordinarily Resident in Ireland and receives a distribution or a gain on an encashment, cancellation, redemption, or transfer from which tax has not been deducted by the Fund may be liable to income tax or corporation tax on the amount of such distribution or gain.

#### *Equivalent Measures*

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

#### *Personal Portfolio Investment Undertaking ("PPIU")*

The Finance Act 2007 introduced new provisions regarding the taxation of Irish Resident individuals or individuals Ordinarily Resident in Ireland who hold shares in a personal portfolio investment undertaking ("PPIU"). Essentially, an investment undertaking will be considered a PPIU in relation to a specific investor where that investor can influence the selection of some or all of the property held by the

investment undertaking, either directly or through persons acting on behalf of or connected to the investor. Depending on an individual's circumstances, an investment undertaking may be considered a PPIU in relation to some, none or all individual investors i.e. it will only be a PPIU in respect of those individuals who can "influence" selection. Any gain arising on a chargeable event in relation to an investment undertaking which is a PPIU in respect of an individual, will be currently taxed at 60% Specific exemptions apply where the property invested in has been clearly identified in the investment undertaking's marketing and promotional literature and the investment is widely marketed to the public. Further restrictions may be required where the investments held by the investment undertaking are in land or real property or unquoted shares deriving their value from such investments.

#### Other Relevant Irish Taxes

Distributions paid by the Fund are not subject to dividend withholding tax.

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

#### *Stamp Duty*

No stamp duty is payable in Ireland on the issue, transfer, repurchase or redemption of Shares in the Fund. However, where any subscription for or redemption of Shares is satisfied by the in specie transfer of Irish securities or other Irish property, Irish stamp duty might may arise on the transfer of such securities or property.

Irish Stamp Duty applies at the rate of 1% on the higher of the market value of or consideration paid for the acquisition of stocks and marketable securities issued by a company registered in Ireland. Generally, no Irish stamp duty will be payable by the Fund on the conveyance or transfer of stock or marketable securities provided that the stock or marketable securities in question have not been issued by a company registered in Ireland and provided that the conveyance or transfer does not relate to any immovable property situated in Ireland or any right over or interest in such property or to any stocks or marketable securities of a company (other than a company which is an investment undertaking within the meaning of Section 739B of the TCA) which is registered in Ireland.

No Stamp Duty will arise on reconstructions or amalgamations of investment undertakings under Section 739H of the Taxes Act, provided the reconstructions or amalgamations are undertaken for bona fide commercial purposes and not for the avoidance of tax.

#### Capital Acquisitions Tax

The disposal of Shares will not be subject to Irish gift or inheritance tax (Capital Acquisitions Tax), provided that the Fund falls within the definition of investment undertaking (within the meaning of Section 739B of the TCA), and that:

- (a) at the date of the gift or inheritance, the donee or successor is neither domiciled nor Ordinarily Resident in Ireland;
- (b) at the date of the disposition, the Shareholder disposing (“disponer”) of the Shares is neither domiciled nor Ordinarily Resident in Ireland; and
- (c) the Shares are comprised in the gift or inheritance at the date of such gift or inheritance and at the valuation date.

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

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

#### IREF Withholding Tax

The Finance Act 2016 introduced a new type of fund, an Irish Real Estate Fund (IREF). A fund will be considered an IREF where 25% or more of the market value of its assets are derived from Irish land or buildings including shares in a REIT.

Where a fund is categorised as an IREF, a 20% withholding tax must be operated by the fund on distributions of income to certain Shareholders after 1 January 2017. No tax applies in respect of gains on redemptions except where those gains are derived from undistributed income or disposals of Irish real estate.

#### Automatic Exchange of Information for Tax Purposes

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

Under CRS, governments of participating jurisdictions have committed to collect detailed information to be shared with other jurisdictions annually.

CRS is implemented in Ireland pursuant to the Returns of Certain Information by Reporting Financial Institutions Regulations 2015, S.I. 583 of 2015, made under Section 891F of the Taxes Act.

DAC2 is implemented in Ireland pursuant to the Mandatory Automatic Exchange of Information in the Field of Taxation Regulations of 2015, S.I. No. 609 of 2015 made under Section 891G of the Taxes Act.



Pursuant to these regulations, the Fund is required to obtain and report to the Revenue Commissioners annually certain financial account and other information for certain non-Irish and non-US new and existing accountholders in respect of their Shares. The returns are required to be submitted annually by 30 June. The information includes amongst other things, details of the name, address, taxpayer identification number ("TIN"), place of residence and, in the case of accountholders who are individuals, the date and place of birth, together with details relating to payments made to accountholders and their holdings. All Shareholders are required to provide this information and documentation, if applicable, to the Fund and each Shareholder agrees or will be deemed to agree by its subscription for Shares or, by its holding of Shares, to provide the requisite information and documentation, if applicable, to the Fund, upon request by it or its service providers so that the Fund can comply with its obligations under the CRS.

#### Foreign Account Tax Compliance Act ("FATCA") Implementation in Ireland

The FATCA provisions of the US Hiring Incentives to Restore Employment Act were enacted to identify US persons either directly investing outside the US or indirectly earning income inside or outside the US by using foreign entities.

The obligations of Irish financial institutions under FATCA are covered by the provisions of the Ireland/US Intergovernmental Agreement ("IGA") (signed in December 2012) and the Financial Accounts Reporting (United States of America) Regulations 2014, as amended (the "FATCA Regulations"). Under the IGA and the FATCA Regulations, any Irish financial institutions as defined under the IGA are required to report annually to the Revenue Commissioners details on its US account holders including the name, address and taxpayer identification number ("TIN") and certain other details. The Fund, in conjunction with assistance from its service providers where necessary, will endeavour to ensure that it satisfies any obligations imposed on it under the IGA and the FATCA Regulations.

The Fund's ability to satisfy its obligations under the IGA and the FATCA Regulations will depend on each Shareholder providing the Fund with any information, including information concerning the direct or indirect owners of such Shareholders, that the Fund determines is necessary to satisfy such obligations. Each Shareholder agrees in its application form to provide such information upon request from the Fund.

If the Fund fails to satisfy its obligations under the IGA and the FATCA Regulations, it may, in certain circumstances, be treated as a Non-participating Financial Institution by the US Tax Authorities and therefore subject to a 30% withholding on its US source income and any proceeds from the sale of property that could give rise to US source income. Shareholders are encouraged to consult with their own tax advisors regarding the possible implications of FATCA on their interest in the Fund.

#### Tax Definitions

For the purposes of the above Irish taxation section, the following definitions shall apply.

*"Courts Service"*

The Courts Service is responsible for the administration of monies under the control or subject to the order of the Courts.

*“Irish Resident”*

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

An individual will be regarded as being resident in Ireland for a tax year if he/she is present in Ireland: (1) for a period of at least 183 days in that tax year; or (2) for a period of at least 280 days in any two consecutive tax years, provided that the individual is present in Ireland for at least 30 days in each period. In determining days present in Ireland, an individual is deemed to be present if he/she is in Ireland at any time during the day. This new test takes effect from 1 January 2009 (previously in determining days present in Ireland an individual was deemed to be present if he/she was in Ireland at the end of the day (midnight)).

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

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

- the company or a related company carries on a trade in Ireland, and either the company is ultimately controlled by persons resident in EU Member States or in countries with which Ireland has a double taxation treaty, or the company or a related company are quoted companies on a recognised Stock Exchange in the EU or in a treaty country under a double taxation treaty between Ireland and that country;

or

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

A company which is incorporated in Ireland and managed and controlled in a country with which Ireland has a double taxation treaty will be treated as Irish tax resident where the company would otherwise:

- (i) be treated as tax resident in the other double taxation treaty country if incorporated there instead of in Ireland;
- (ii) be treated as Irish tax resident if managed and controlled in Ireland instead of that double taxation treaty country; and
- (iii) in the absence of the above requirements, be treated as not tax resident in Ireland or any other double taxation treaty country.

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

This will take effect from 24 October 2013 as respects a company incorporated on or after that date, and 1 January 2015 as respects a company incorporated before that date.

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

*"Ordinarily Resident in Ireland"*

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

An individual will be regarded as ordinarily resident for a particular tax year if he/she has been Irish Resident for the three previous consecutive tax years (i.e. he/she becomes ordinarily resident with effect from the commencement of the fourth tax year). An individual will remain ordinarily resident in Ireland until he/she has been non-Irish Resident for three consecutive tax years. Thus, an individual who is resident and ordinarily resident in Ireland in the tax year 1 January 2020 to 31 December 2020 and departs from Ireland in that tax year will remain ordinarily resident up to the end of the tax year 1 January 2023 to 31 December 2023.

*"Exempt Irish Investor"*

**Exempt Irish Investors may be liable to Irish tax on their income, profits and gains in relation to any sale, transfer, repurchase, redemption or cancellation of shares or dividends or distributions or other payments in respect of their share depending on their circumstances. It is the obligation of each Exempt Irish Investor to account for tax to the Irish Revenue Commissioners. An Exempt Irish Investor means:**

- a pension scheme which is an exempt approved scheme within the meaning of Section 774 of the TCA or a retirement annuity contract or a trust scheme to which Section 784 or 785 of the TCA applies;
- a company carrying on life business within the meaning of Section 706 of the TCA;
- an investment undertaking within the meaning of Section 739B(1) of the TCA;
- an investment limited partnership within the meaning of Section 739J of the Taxes Act; a special investment scheme within the meaning of Section 737 of the TCA;

- a charity being a person referred to in Section 739D(6)(f)(i) of the TCA;
- a unit trust to which Section 731(5)(a) of the TCA applies;
- a qualifying fund manager within the meaning of Section 784A(1)(a) of the TCA where the Shares held are assets of an approved retirement fund or an approved minimum retirement fund;
- a qualifying management company within the meaning of Section 739B of the TCA;
- a personal retirement savings account (“PRSA”) administrator acting on behalf of a person who is entitled to exemption from income tax and capital gains tax by virtue of Section 787I of the TCA and the Shares are assets of a PRSA;
- a credit union within the meaning of Section 2 of the Credit Union Act, 1997;
- the National Treasury Management Agency or a Fund investment vehicle within the meaning of section 37 of the National Treasury Management Agency (Amendment) Act, 2014
- the National Asset Management Agency;
- an Irish Resident company investing in a money market fund being a person referred to in Section 739D(6)(k) of the TCA;
- a company which is within the charge to corporation tax in accordance with Section 110(2) of the TCA in respect of payments made to it by the Fund; or
- any other Irish Resident or persons who are Ordinarily Resident in Ireland/Irish Ordinary Resident\* who may be permitted to own Shares under taxation legislation or by written practice or concession of the Revenue Commissioners without giving rise to a charge to tax in the Fund or jeopardising tax exemptions associated with the Fund giving rise to a charge to tax in the Fund;

provided that they have correctly completed the Relevant Declaration under Schedule 2B of the TCA.

“Intermediary”

means a person who:-

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

“Personal Portfolio Investment Undertaking”

means an investment undertaking in respect of a shareholder under the terms of which some or all of the property of the undertaking may be, or was, selected by, or the selection of some or all of the property may be, or was, influenced by:

- the investor;
- a person acting on behalf of the investor;

- a person connected with the investor;
- a person connected with a person acting on behalf of the investor;
- the investor and a person connected with the investor; or
- a person acting on behalf of both the investors and a person connected with the investor.
- An investment undertaking is not a personal portfolio investment undertaking if the only property which may be or has been selected was available to the public at the time that the property is available for selection by an investor and is clearly identified in the investment undertaking's marketing or other promotional material. The investment undertaking must also deal with all investors on a non-discriminatory basis. In the case of investments deriving 50% or more of their value from land, any investment made by an individual is limited to 1% of the total capital required.

**“Recognised Clearing System”**

means BNY Mellon Central Securities Depository SA/NV (BNY Mellon CSD), Central Moneymarkets Office, Clearstream Banking SA, Clearstream Banking AG, CREST, Depository Trust Company of New York, Deutsche Bank AG, Depository and Clearing System, Euroclear, Hong Kong Securities Clearing Company Limited, Japan Securities Depository Center (JASDEC), Monte Titoli SPA, Netherlands Centraal Instituut voor Giraal Effectenverkeer BV, National Securities Clearing System, Sicovam SA, SIS Sega Inter-settle AG, The Canadian Depository for Securities Ltd and VPC AB (Sweden) or any other system for clearing shares which is designated for the purposes of Chapter 1A in Part 27 of the TCA, by the Irish Revenue Commissioners as a recognised clearing system.

**“Relevant Declaration”**

means the declaration relevant to the Shareholder as set out in Schedule 2B of the TCA.

**“Relevant Period”**

means a period of 8 years beginning with the acquisition of a Share by a Shareholder and each subsequent period of 8 years beginning immediately after the preceding relevant period.

**“TCA”**

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

**United Kingdom Taxation**

The taxation of income and capital gains of both the Fund and Shareholders is subject to the fiscal law and practice of Ireland and of the jurisdictions in which the Fund invests or in which Shareholders are

resident or otherwise subject to tax. The following is a summary of various aspects of the UK taxation regime which may apply to UK resident or ordinarily resident persons acquiring Shares in the classes of the Fund, and where such persons are individuals, only to those domiciled in the UK. It is intended as a general summary only, based on current law and practice in force as of the date of this Prospectus. There can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Fund is made will endure indefinitely. Such law and practice may be subject to change, and the below summary is not exhaustive. Furthermore, it will apply only to those UK Shareholders holding Shares as an investment rather than those which hold Shares as part of a financial trade; and does not cover UK Shareholders which are tax exempt or subject to special taxation regimes.

This summary should not be taken to constitute legal or tax advice and any prospective Shareholder should consult their own professional advisers as to the UK tax treatment of returns from the holding of Shares in the Fund.

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, purchasing, switching or disposing of Shares in the place of their citizenship, residence and domicile.

#### *The Fund*

The directors intend to manage the affairs of the Fund in such a manner that it should not become resident in the UK for taxation purposes. Therefore, on the condition that the Fund does not carry on a trade in the UK through a permanent establishment located there, then the Fund will not be subject to UK corporation tax on income or chargeable gains arising to it, other than on certain UK source income.

The Directors intend that the respective affairs of the Fund are conducted so that the Fund will not be deemed to be trading in the UK insofar this is within their respective control. However, it cannot be guaranteed that the necessary conditions will be satisfied in the future.

Certain income and gains received by the Fund that have a UK source, may be subject to withholding or similar taxes in the UK.

#### *Shareholders*

Subject to their personal tax position, Shareholders resident in the UK for taxation purposes may be liable to UK income tax or corporation tax in respect of any dividends or other income distributions of the Fund (including Redemption Dividends and any dividends funded out of realised capital profits of the Fund), whether or not reinvested. In addition, UK resident Shareholders holding Shares at the end of each "reporting period" (as defined for UK tax purposes) will potentially be subject to UK income or corporation tax on their share of a class's "reported income", to the extent that this amount exceeds dividends received. Further details on the reporting regime and its implication for investors are discussed in more detail below.

Under Part 9A of the Corporation Tax Act 2009, from 1 July 2009 distributions from an offshore fund structured as a company made to companies resident in the UK are likely to fall within one of a number of exemptions from UK corporation tax. For example, if the UK corporate investor holds less than a 10% shareholding in the company making the distribution then the dividends received by the UK corporate investor will fall within an exempt class for portfolio holdings. In addition, distributions to non-UK companies carrying on a trade in the UK through a permanent establishment in the UK should also fall within the exemption from UK corporation tax on dividends to the extent that the shares held by that Sub-Fund are used by, or held for, that permanent establishment. Reported income will be treated in the same way as a dividend distribution for these purposes.

Holdings in the Fund should constitute interests in “offshore funds”, as defined for the purposes of the Taxation (International and other Provisions) Act 2010, with each Class treated as a separate “offshore fund” for these purposes, consistent with the previous rules.

### *Equalisation*

An equalisation account may be operated for certain Sub-Funds and therefore if shares in such a Sub-Fund are acquired otherwise than at the beginning of an account period over which distributions are calculated, the first distribution after acquisition will include a refund of capital, referred to as an equalisation payment, which is not subject to tax. The amount of the equalisation payment must be deducted from the original purchase cost of the shares in computing the allowable cost of the Units for capital gains purposes.

### *UK Reporting Fund Regime*

The Offshore Funds (Tax) Regulations 2009 (the “Tax Regulations”) introduced a regime for the taxation of investments in “offshore funds” that operates by reference to whether a fund opts into a reporting regime (“reporting funds”) or not (“non-reporting funds”). The Tax Regulations provide that if an investor resident or ordinarily resident in the UK for taxation purposes holds an interest in an offshore fund and that offshore fund is a ‘non-reporting fund’, any gain accruing to that investor upon the sale or other disposal of that interest will be charged to UK tax as income and not as a capital gain. Alternatively, where an investor resident or ordinarily resident in the UK holds an interest in an offshore fund that has been a reporting fund for all periods of account for which they hold their interest, any gain accruing upon sale or other disposal of the interest will be subject to tax as a capital gain rather than income; with relief for any accumulated or reinvested profits which have already been subject to UK income tax or corporation tax on income (even where such profits are exempt from UK corporation tax). Investors in non-reporting funds would not be subject to income tax on income retained by the non-reporting fund.

Where an offshore fund has been a non-reporting fund for part of the time during which the UK Shareholder held their interest and a reporting fund for the remainder of that time, there are elections that can potentially be made by the Shareholder in order to pro-rate any gain upon disposal; the impact being that the portion of the gain made during the time when the offshore fund was a reporting fund would be taxed as a capital gain. Such elections have specified time limits in which they can be made. Investors should refer to their tax advisors for further information.

In broad terms, a reporting fund is an offshore fund that meets certain upfront and annual reporting requirements to HM Revenue & Customs and its Shareholders. The Directors intend to manage the affairs of the Fund so that these upfront and annual duties are met and continue to be met on an ongoing basis for each of the relevant share classes within the Fund, which have been accepted into the UK reporting fund regime. Such annual duties will include calculating and reporting the income returns of the offshore fund for each reporting period (as defined for UK tax purposes) on a per-Share basis to all relevant Shareholders (as defined for these purposes). UK Shareholders that hold their interests at the end of the reporting period, to which the reported income relates, will be subject to income tax or corporation tax on the higher of any cash distribution paid and the full reported amount. The reported income will be deemed to arise to UK Shareholders on the date six months following the end of the reporting period.

The Manager intends to issue the annual investor report via post, electronic communication, website, or a nationally-available UK newspaper.

Once reporting fund status is obtained from HM Revenue & Customs for the relevant classes, it will remain in place permanently so long as the annual requirements are undertaken. Investors should refer to their tax advisors in relation to the implications of the Fund's obtaining such status.

#### *General*

The attention of individual shareholders ordinarily resident in the UK is drawn to the provisions of Chapter 2 of Part 13 of the Income Taxes Act 2007. These provisions are aimed at preventing the avoidance of UK income tax by individuals through transactions resulting in the transfer of assets or income to persons (including companies) resident or domiciled outside the UK, and may render them liable to income tax in respect of undistributed income of the Fund on an annual basis. The legislation is not directed towards the taxation of capital gains.

The attention of UK resident corporate Shareholders is drawn to Chapter 3 of Part 6 of the Corporation Tax Act 2009, whereby interests of UK companies in offshore funds may be deemed to constitute a loan relationship. These provisions apply to offshore funds that are more than 60% invested in "qualifying investments" at any point in the relevant reporting period. Qualifying investments are broadly defined as investments which yield a return directly or indirectly in the form of interest. On the basis of the investment policies of the Fund each of the Sub-Funds could hold more than 60% of its assets in qualifying investments during a reporting period. In that eventuality, the Shares in such Sub-Fund(s) will be taxed as loan relationships with any distributions taxed as interest and in most cases any increases/decreases in the value of the holding taxed/relieved annually on a mark to market basis.

The attention of investors resident or ordinarily resident in the UK for taxation purposes is drawn to the provisions of Section 13 of Taxation of Chargeable Gains Act 1992. These provisions can apply to any such person whose proportionate interest in a company (whether as a Shareholder or otherwise as a "participator" for UK taxation purposes) when aggregated with that of persons connected with that person is 10%, or greater, and if, at the same time, the company is itself controlled in such manner that it would, were it to be resident in the UK for taxation purposes, be a "close" company for those purposes. Section 13 could, if applied, result in a person with such an interest in the company being treated for



the purposes of UK taxation of chargeable gains as if a part of any capital gain accruing to the company (such as on a disposal of any of its investments) had accrued to that person directly, that part being equal to the proportion of the gain that corresponds to that person's proportionate interest in the company (determined as mentioned above). No liability under section 13 could be incurred by such a person, however, in respect of a chargeable gain or an offshore income gain accruing to the company if the aggregate proportion of that gain that could be attributed under section 13 both to that person and to any persons connected with him for UK taxation purposes does not exceed one-tenth of the gain.

Any individual Shareholder domiciled or deemed to be domiciled in the UK for UK tax purposes may be liable to UK inheritance tax on their Shares in the event of death or on making certain categories of lifetime transfer.

Shareholders who are life insurance companies within the charge to UK taxation holding their Share in the Fund for the purposes of their long term business (other than pension business) will be deemed to dispose of and immediately re-acquire those Shares at the end of each accounting period. Such Shareholders should seek their own professional advice as to the tax consequences of the deemed disposal.

Under the rules for the taxation of corporate and government debt contained in the Finance Act 1996, special rules will apply to insurance companies, investment trusts, authorised unit trusts and open-ended investment companies.

#### *Stamp Duty and Stamp Duty Reserve Tax*

Since the Fund is not incorporated in the UK and the register of Shareholders will be kept outside the UK, no liability to stamp duty reserve tax should arise by reason of the transfer, subscription for and or redemption of shares except as stated above.

Liability to UK Stamp Duty should not arise provided that any instrument in writing, transferring Shares in the Fund, or shares acquired by the Fund, is executed and retained at all times outside the UK, However, the Fund may be liable to transfer taxes in the UK on acquisitions and disposals of investments. In the UK, stamp duty or stamp duty reserve tax at a rate of 0.5% will be payable by the Fund on the acquisition of shares in companies that are either incorporated in the UK or that maintain a share register there. This liability will arise in the course of the Fund's normal investment activity and on the acquisition of investments from subscribers on subscription for Shares.

In the absence of an exemption applicable to a prospective Shareholder (such as that available to intermediaries under section 88A of the Finance Act 1986) stamp duty reserve tax (or stamp duty) at the same rate as above will also be payable by prospective Shareholders on the acquisition of shares in companies incorporated in the UK or which maintain a share register in the UK for the purpose of subsequent subscription for shares, and may arise on the transfer of investments to Shareholders on redemption.

*Shareholders should note that other aspects of United Kingdom taxation legislation may also be relevant to their investment in the Fund.*

## ***Mandatory Disclosure Rules***

### **EU DAC6**

DAC6 imposes mandatory reporting requirements on EU-based tax advisors, accountants, lawyers, banks, financial advisors and other intermediaries who design, market, organise, make available for implementation or manage the implementation of potentially aggressive cross-border tax planning schemes. It also covers persons who provide aid, assistance or advice in relation to potentially aggressive cross-border tax-planning schemes, where they can be reasonably expected to know that they have performed that function. If the intermediary is located outside the EU or is bound by legal professional privilege, the obligation to report can pass to the Fund in certain instances, as the taxpayer.

An arrangement is reportable if it falls within certain hallmarks. These hallmarks are very broadly defined and have the potential to capture a wide range of transactions.

DAC6 was transposed into Irish law by Chapter 3A, Part 33, Taxes Consolidation Act 1997, which was introduced by section 67 of Finance Act 2019. Reportable transactions, where the first implementation step of a cross-border arrangement occurs between 1 July 2020 and 31 December 2020, is required to be reported by 31 January 2021. Reportable transactions, where the first implementation step of a cross-border arrangement occurred between 25 June 2018 and 1 July 2020, is required to be reported by 28 February 2021.

Any reportable transactions that occur from 1 January 2021 are required to be reported within 30 days.

### **Indian Income Tax Considerations**

The discussion of Indian tax matters contained herein is based on existing law, including the provisions of the Indian Income Tax Act, 1961 (“ITA”), the Income tax Rules, 1962 (the “Rules”), various circulars and notifications issued thereunder from time to time and the provisions of the Double Tax Avoidance Agreement between India and Ireland (the “Tax Treaty”). The ITA is amended every year by the Finance Act of the relevant year and this summary reflects the amendments made up to Finance Act, 2021. The rates specified in this section are as applicable for the Financial Year 2021-2022 under the ITA and should be increased by applicable surcharge and cess, if any, as currently leviable<sup>1</sup>. The tax rates applicable pursuant to the Tax Treaty will generally not be subject to surcharge or cess.

This summary is not intended to constitute a complete analysis of the Indian income-tax implications as applicable and does not constitute legal, professional or tax advice. The relevant tax provisions are subject to change. This section has been prepared to give an overview of the expected tax implications in connection with the income accruing to the Fund. No assurance can be given that future legislation, administrative rulings or court decisions will not significantly modify the conclusions set forth in this summary, possibly with retroactive effect. Additionally, the discussion of Indian tax matters contained

<sup>1</sup> Surcharge – Nil, where taxable income does not exceed INR 10 million; 2% (two percent) where taxable income exceeds INR 10 million but does not exceed INR 100 million and 5% (five percent) where taxable income exceeds INR 100 million. Health and Education cess – 4% (four percent) of the income tax plus applicable surcharge.

herein does not address the tax consequences to investors arising from the acquisition, holding or disposition of interests in their respective local jurisdictions.

### *General*

The Fund is an open-ended investment company with variable capital incorporated with limited liability in Ireland 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). The investment objective of the Fund is to invest primarily in Indian fixed income securities ("debt securities").

### *Residency in India*

The Fund will be subject to taxation in India only if: (1) it is regarded as a tax resident of India; or (2) being a non-resident, has an Indian source of income, including income arising through a permanent establishment or a business connection in India; or has received or deemed to have received income or earned income (whether accrued or otherwise) in India.

The income earned by the Fund from investments in India should generally be regarded as Indian sourced income. Such income should be taxable in India as per provisions of the ITA.

As per provisions of the ITA, a foreign company is regarded as a tax resident in India if its place of effective management ("POEM") is in India in that year. POEM has been defined to mean a place where key management and commercial decisions that are necessary for the conduct of the business of an entity as a whole are, in substance made.

The Central Board of Direct Taxes ("CBDT") has vide its circular no. 6 of 2017 dated January 24, 2017 issued guiding principles for determination of POEM. The POEM guidelines emphasise on principle of 'substance over form' while determining POEM. As per the said guidelines, the POEM in case of foreign company engaged in active business outside India shall be presumed to be outside India, if the majority of the meetings of the board of directors (with de facto power of control and management with the board of directors) of such company are held outside India. For foreign companies not engaged in active business outside India, determination of POEM would be two stage process, i.e. (1) First stage would be identification or ascertaining the person or persons who actually make the key management and commercial decisions for the conduct of the company's business as a whole and (2) Second stage would be determination of place where these decisions are in fact made (rather than implemented). The POEM of the foreign company is to be determined on a year on year basis and is based on all relevant facts related to the management and control of the foreign company and is not to be determined on the basis of isolated facts.

Further, the CBDT issued a circular dated February 23, 2017 to clarify that the POEM provisions to determine the tax residency of a company would not be applicable to companies having turnover or gross receipts of INR 500 million or less in a financial year.

If any non-resident entity is treated as resident of India, then its global income could be subject to tax in India as per the provisions of the ITA. The CBDT has issued a notification dated June 22, 2018 prescribing special provisions with respect to certain computational and procedural aspects of foreign companies which are regarded as residents in India on account of its POEM being in India.

The Fund has appointed the Investment Manager, a company incorporated in Singapore as its investment manager to provide investment management services to the Fund. The investment manager on day to day basis, subject to overall control of the Directors of the Fund, has discretion to purchase and sell securities and otherwise manage Fund's Portfolio. It is expected that the Fund will be wholly managed and controlled from outside India and hence will not be treated as resident in India. Accordingly, the place of effective management of the Fund is not expected to be in India. Hence, the Fund is expected to be regarded as a non-resident for the purposes of the ITA.

The Fund is expected to earn the following streams of income from investment in debt securities in India:

1. Capital gains on transfer of debt securities in India
2. Interest income from investment in debt securities in India
3. Income from cancellation of foreign exchange forward contracts

#### *Accrual / Receipt of Income*

Since the Fund would be regarded as a non-resident in India, it will be subject to taxation in India if (a) receives, or is deemed to receive, income in India, (b) the income accrues or arises in India or (c) the income is deemed to accrue or arise in India. Income is deemed to accrue or arise in India if it accrues or arises, whether directly or indirectly (i) through or from any "business connection" in India, (ii) through or from any property in India, (iii) through or from any asset or source of income in India or (iv) through the transfer of a capital asset situated in India.

#### *Tax Treaty Regime*

The ITA provides that where the Indian Government has entered into a tax treaty with any other country for avoidance of double taxation or granting relief of tax, then the provisions of ITA would apply to the extent they are more beneficial. Therefore, provisions of the Tax Treaty ought to apply to the Fund to the extent they are more beneficial to the Fund provided the Fund is a tax resident of Ireland and it fulfils the eligibility criteria to claim benefits under the Tax Treaty.

If the Fund is able to obtain satisfy the eligibility criteria under the Treaty, furnish a tax residency certificate from the Ireland Revenue Authorities in its own name, furnish a declaration in Form No.10F along with supporting documents and if its place of effective management is not in India, then the benefit of the Tax Treaty should generally be available to the Fund in respect of its Indian investments and India sourced income. While it is assumed that the Fund would be entitled to the benefits accorded by the Tax Treaty, no assurance can be provided that the Indian tax authorities will not challenge the eligibility of the Fund for benefits of the Tax Treaty. This would be subject to the Indian General Anti – Avoidance Rules ("GAAR") which are effective from April 01, 2017 and application of Principal Purpose Test ("PPT") under the Multilateral Instrument ("MLI") which is effective from April 01, 2020. If the GAAR

and MLI provisions are held to be applicable, benefits under the Tax Treaty could be potentially denied (for more details on GAAR and MLI provisions, please refer to discussion in paragraphs below).

Details of taxation relating to the Fund's investments are set out below.

*Characterisation of Income:*

Traditionally, the issue of characterisation of income on transfer of securities (whether taxable as 'Business Income' or 'Capital Gains') has been the subject matter of litigation with the tax authorities.

However, various recent in the context of FPIs suggest that FPIs are only allowed to undertake portfolio investment activities in India and hence their income is necessarily to be characterised as 'capital gains'. Historically also most of the FPIs have offered to tax their income from transfer of securities in India as 'Capital Gains'.

In order to end this uncertainty, the Indian Government has vide the Finance Act (No.2), 2014 (No. 25 of 2014) (The Finance Act, 2014') amended the definition of 'Capital Asset' to include that any security held by a FPI which has invested in such security in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992. Accordingly, all income from transactions in securities held by the FPI shall be treated as capital gains.

Another issue with respect to characterisation is on whether income arising from cancellation of foreign exchange forward contracts undertaken for hedging investment in Indian debt securities is taxable as 'Capital Gains' or as 'Income from other sources'. It has been the subject matter of litigation with the tax authorities. A recent ruling by a Tribunal in respect of a FII has held such income is to be characterised as 'Capital Gains' on the basis that underlying securities are held as capital assets.

*Taxability of Income under the India – Ireland tax treaty:*

In case income of the Fund is characterised as 'capital gains', the Fund will not be subject to tax in India on income arising from transfer of debt securities in India.

In case income of the Fund is characterised as 'business income', it will not be taxable in India, unless it has a permanent establishment in India. Certain factors that may result in the Fund being considered as conducting business through a permanent establishment in India include the maintenance by the Fund of a branch or an office or a place of management in India, the physical presence of the Fund's employees or directors in India (beyond a prescribed time period) and the existence of dependent agents in India with authority to conclude contracts in India on behalf of the Fund. Although the Fund is expected to operate in a manner that will not cause it to be treated as having a permanent establishment in India, there can be no assurances made in this regard.

The general understanding is that the terms not defined in the treaty will have the same meaning as given under the Income-tax Act. However, the meaning of the term capital gains and therefore the characterisation under the treaty would have to be same as the Act. The Fund's income is therefore likely to be regarded as capital gains under the treaty also.

There is no reference in Finance Act, 2014 relating to creation of Permanent Establishment, however, once the gains are treated as capital gains and not as business or trading profits, the issue of taxation of FPIs in India on account of creation of a Permanent Establishment in India gets diluted.

If the Fund does not have a permanent establishment in India, then the capital gains earned on transfer of debt securities in India by the Fund would not be taxed in India by virtue of Article 13 of the India – Ireland tax treaty and the interest income earned by the Fund from investment in debt securities in India would be subject to tax at 10% in terms of Article 11 the India – Ireland tax treaty provided the Fund is ‘beneficial owner’ of such interest income.

Income arising to the Fund on cancellation of foreign exchange forward contracts characterised as ‘Income from other sources’, would not be subject to tax in India by virtue of Article 22 of the India-Ireland tax treaty.

The ITA provides that where the Indian Government has entered into a tax treaty with any other country for avoidance of double taxation or granting relief of tax, then the provisions of ITA would apply to the extent they are more beneficial. Therefore, provisions of the Tax Treaty ought to apply to the Fund to the extent they are more beneficial to the Fund provided the Fund is a tax resident of Ireland and it fulfils the eligibility criteria to claim benefits under the Tax Treaty.

If the Fund is able to obtain satisfy the eligibility criteria under the Treaty, furnish a tax residency certificate from the Ireland Revenue Authorities in its own name, furnish a declaration in Form No.10F along with supporting documents and if its place of effective management is not in India, then the benefit of the Tax Treaty should generally be available to the Fund in respect of its Indian investments and India sourced income. While it is assumed that the Fund would be entitled to the benefits accorded by the Tax Treaty, no assurance can be provided that the Indian tax authorities will not challenge the eligibility of the Fund for benefits of the Tax Treaty. This would be subject to the Indian General Anti – Avoidance Rules (“GAAR”) which are effective from April 01, 2017 and application of Principal Purpose Test (“PPT”) under the Multilateral Instrument (“MLI”) which is effective from April 01, 2020. If the GAAR and MLI provisions are held to be applicable, benefits under the Tax Treaty could be potentially denied (for more details on GAAR and MLI provisions, please refer to discussion in paragraphs below).

Details of taxation relating to the Fund’s investments are set out below.

#### **Gains arising on transfer of debt securities:**

##### **Under the ITA:**

The definition of ‘capital asset’ includes any security held by an FPI<sup>2</sup>, which has invested in such security in accordance with the regulations made under the Securities and Exchange Board of India (SEBI) Act, 1992.

The Fund will obtain FPI registration in accordance with the FPI Regulations and invest in debt

2 Vide Notification No. 9/2014 dated January 22, 2014, the Indian Government has extended the benefits available to Foreign Institutional Investors under section 115AD of the ITA to FPIs in India. A similar notification is yet awaited for FPIs registered under the FPI Regulations.

securities. Accordingly, debt securities held by the Fund should be regarded as 'capital assets' and income earned by the Fund on transfer of such debt securities should be regarded as capital gains.

Depending upon the period of holding of assets, capital gains arising on transfer of debt securities could be taxable either as short-term or long-term capital gains.

<b>Nature of Asset</b>	<b>Short-term capital asset</b>	<b>Long-term capital asset</b>
Debt securities listed on a recognised stock exchange in India	Held for not more than 12 (twelve) months	Held for more than 12 (twelve) months
Debt securities not listed on a recognised stock exchange in India	Held for not more than 36 (thirty six) months	Held for more than 36 (thirty six) months

The capital gains tax rates under the ITA are as under:

<b>Characterisation</b>	<b>Short-term</b>	<b>Long-term</b>
Tax rate	30% (thirty percent) on transfer of debt securities under the FPI route	10% (ten percent) on transfer of debt securities under the FPI route

#### **Under the Tax Treaty:**

As per the Tax Treaty, capital gains earned by the Fund on transfer of debt securities should not be subject to tax in India.

#### **Interest:**

#### **Under the ITA:**

As per the ITA, amongst others, interest on debt securities payable to an FPI should be subject to a withholding tax rate of 5% (five percent)\*, if such interest is payable on or before July 01, 2023. Interest on government securities payable after such period could be subject to withholding tax rate of 20% (twenty percent).

In view of the above, interest income payable to the Fund on or before July 01, 2023 from its investment in debt securities should be subject to tax at the rate of 5% (five percent).

\*The tax rate on such interest income is aligned with the withholding tax rate.

#### **Under the Tax Treaty**

As per Article 11 of the Tax Treaty, interest income arising to the Fund, being an Irish tax resident, shall

be charged to tax at the rate of 10% (ten percent) provided (i) the Fund is the “beneficial owner” of such interest income; and (ii) the Fund does not have a PE in India as per Article 5 of the Tax Treaty or a fixed base in India and the debt-claim in respect of which the interest is paid is effectively not connected with such PE or fixed base.

**Any other income:**

**Under the ITA**

Any other income is generally considered as income from other sources and could be taxable at the rate of 40% (forty percent).

**Under Tax Treaty**

As per the Tax Treaty, other income earned by the Fund should generally not be subject to tax in India.

**Other relevant tax considerations:**

**Provisions related to indirect transfer**

As per provisions of the ITA, capital gains on income arising from the transfer of shares or interest in a foreign company or entity registered outside India shall be taxable in India (subject to availability of Tax Treaty benefit, if any), if the shares or interest, directly or indirectly, derive their value substantially from assets located in India. The shares or interest shall be deemed to derive substantial value from the assets located in India, if on the specified date, the value of Indian assets –

- i. exceeds INR 100 million; and
- ii. represents at least 50% of the value of all the assets owned by the foreign company.

The capital gains will be taxable in India only to the extent that they are attributable to the Indian assets. Valuation rules have been prescribed in this regard.

Exemption to small shareholders - There would be no levy of Indian tax if the transferor, along with its related parties: (a) does not hold the right of management or control in the direct ordinary shareholder or indirect ordinary shareholder; and (b) holds less than or equal to 5% of the voting power or the share capital, directly or indirectly, in the company/entity organised outside India which holds the Indian assets directly.

As per the ITA, indirect transfer provisions are not applicable in the context of investments held directly or indirectly by non-residents in FPIs registered as Category I FPI in accordance with the FPI Regulations. In the current context, the Fund is expected to obtain Category I FPI registration and therefore indirect transfer provisions may not apply in the context of investments held directly or indirectly by non-residents in the Fund.

**Minimum Alternate Tax (“MAT”)**

The provisions of the ITA provides for levy of MAT on all companies. Under these provisions, where income-tax payable by a company on its total income as computed under the ITA is less than 15% (fifteen percent) of its book profits (computed in a prescribed manner), then the book profit is deemed



to be total income and the tax is computed at 15% (fifteen percent) of its book profits.

Further, as per the ITA amended by the Finance Act 2016, MAT provisions should not be applicable to a foreign company, if:

1. it is resident of a country with which India has a tax treaty, and it does not have a permanent establishment in India, in accordance with the provisions of the relevant tax treaty; or
2. it is resident of a country with which India does not have a tax treaty, and it is not required to seek registration under Indian corporate laws.

In the current case, as the Fund is expected to be resident of Ireland with whom India has a tax treaty. Further, the Fund does not have a permanent establishment in India. Therefore, MAT provisions should not be applicable to the Fund.

### **General Anti-avoidance Rule**

The GAAR provisions are effective from April 01, 2017. GAAR may be invoked by the Indian tax authorities in case arrangements are found to be impermissible tax avoidance arrangements. A transaction can be declared as an impermissible tax avoidance arrangement, if the main purpose of the arrangement is to obtain a tax benefit and which also satisfies at least one of the four tests mentioned below:

1. Creates rights or obligations which are ordinarily not created between parties dealing at arm's length;
2. It results in directly / indirectly misuse or abuse of the ITA;
3. It lacks commercial substance or is deemed to lack commercial substance in whole or in part; or
4. It is entered into or carried out in a manner, which is not normally employed for bona fide business purposes.

In such cases, the Indian tax authorities are empowered to deny the benefits under a tax treaty, re-allocate the income from such arrangement, or re-characterize or disregard the arrangement. Some of the illustrative powers are:

- a. Disregarding or combining or re-characterizing any step of the arrangement or party to the arrangement;
- b. Ignoring the arrangement for the purpose of taxation law;
- c. Relocating place of residence of a party, or location of a transaction or situs of an asset to a place other than provided in the arrangement;
- d. Looking through the arrangement by disregarding any corporate structure; or
- e. Re-characterizing equity into debt, capital into revenue, etc.

The above terms should be read in context of the definitions provided under the ITA. Further, the onus

to prove that the main purpose of an arrangement was to obtain any tax benefit is on the Indian tax authorities. Also, any resident or non-resident may approach the Authority for Advance Rulings to determine whether an arrangement can be regarded as an impermissible avoidance arrangement. The GAAR provisions, if invoked, could result in denial of the beneficial provisions of the Tax Treaty.

The Rules have come out with few exceptions where the provisions of GAAR shall not apply. A summary of the key exceptions for application of GAAR provisions as provided under the Rules, are set out below:

- a. **Monetary Threshold Exemption:** The GAAR provisions should apply only where the tax benefit (to all the parties in aggregate) from an arrangement in a relevant year exceeds INR 30 million (rupees thirty million).
- b. **Exemption to FPIs and P-Note holders:** SEBI registered FPIs are excluded from applicability of GAAR provisions if they do not avail benefits under a tax treaty entered into by India. Investments in FPIs made by non-resident investors by way of offshore derivative instruments, directly or indirectly, are excluded from the ambit of the GAAR provisions.

Further, on January 27, 2017, the CBDT has issued clarifications<sup>3</sup> on implementation of GAAR provisions in response to various queries received from the stakeholders and industry associations. Amongst others, the following is clarified:

GAAR shall not be invoked merely on the ground that the entity is located in tax efficient jurisdiction. GAAR will not apply if the jurisdiction of FPI is finalised based on non-tax commercial considerations and the main purpose of the arrangement is not to obtain tax benefit;

Specific Anti-Avoidance Rules (SAAR) and GAAR can co-exist and may be applied depending on facts and circumstances of the case;

GAAR shall not be invoked in cases where the tax avoidance strategy is sufficiently addressed by the LOB clause in the tax treaty;

GAAR provisions shall not apply if the arrangement is held as permissible by the Authority for Advance Ruling or where the Court has explicitly and adequately considered the tax implication while sanctioning an arrangement; Two stage approval process will be followed for invoking GAAR.

#### **Avoidance of tax by certain transactions in securities**

As per the ITA, where the owner of any securities sells or transfers those securities, and buys back or reacquires the securities, then, if the result of the transaction is that any interest becoming payable in respect of the securities is receivable otherwise than by the owner, the interest payable as aforesaid (whether it would or would not have been chargeable to income tax) is deemed, to be the income of the owner and not to be the income of any other person. For this purpose, references to buying back or reacquiring the securities is deemed to include references to buying or acquiring similar securities.

<sup>3</sup> Circular no 7 of 2017

However, the above provisions do not apply if the owner or the person who has beneficial interest in the securities, as the case may be, proves to the satisfaction of the Indian tax authorities that there has been no avoidance of tax or the avoidance of tax was exceptional and not systematic and that there was no tax avoidance by a transaction of the nature referred herein in the case of the taxpayer in any of the three preceding years.

### **Multilateral Convention to implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Sharing**

The Organization for Economic Co-operation and Development (“OECD”) released the MLI to implement tax treaty related measures to prevent Base Erosion and Profit Shifting (“BEPS”). The introduction of MLI by the OECD is a recent global tax development. Once adopted, MLI will supplement the existing tax treaties that India has with several countries and incorporate anti-avoidance rules/Limitation of Benefit conditions. At the time of signing the MLI, countries are required to submit a list of their existing tax treaties that they would like to designate as Covered Tax Agreement (“CTA”) for the purpose of MLI application i.e., agreements to be amended through the MLI.

Both, India and Ireland, have listed their bilateral tax treaty with each other as CTA. Accordingly, MLI in the context of the Tax Treaty is effective from April 01, 2020. The MLI, amongst others, includes a PPT test. Indian Revenue authorities through application of PPT can seek to deny tax benefits to an arrangement or a transaction if the principal purpose or one of the principal purposes of the arrangement or transaction is to obtain tax benefits unless it is established that granting that benefit in these circumstances would be in accordance with the object and purpose of the relevant provisions of the Tax Treaty.

### **Capital losses**

As per the provisions of the ITA, short term capital loss can be set-off against both short term capital gains and long term capital gains but long term capital loss can be set-off only against long term capital gains. The unabsorbed short term and long term capital loss can be carried forward for 8 years.

It may be noted that, if any person has sustained a loss in any financial year under the head ‘capital gains’ and claims such loss or any part thereof to be carried forward under the provisions of ITA, then such person is required to furnish a return of loss within the prescribed due dates in order to set off the same against income earned in future assessment years.

Further as per provisions of the ITA, in the case of a company which is not a company in which the public are substantially interested (closely held company), the capital losses can be carried forward and set off only if on the last day of financial year shares of the company carrying at least 51% of voting power are beneficially held by persons who beneficially held shares carrying at least 51% of the voting power of the said company on the last day of the financial year or years in which the said losses have arisen.

## **6. GENERAL INFORMATION**

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

- (a) The Fund was incorporated in Ireland on 2 August, 2012 as an investment Fund with variable capital with limited liability under registration number 516063.
- (b) The registered office of the Fund is set out in the directory.
- (c) Clause 3 of the Articles of Association of the Fund provides that the Fund's sole object is the collective investment in transferable securities and/or other liquid financial assets referred to in Regulation 68 of the UCITS Regulations of capital raised from the public and the Fund operates on the principal of risk spreading in accordance with the UCITS Regulations.
- (d) The authorised share capital of the Fund is 300,000 redeemable non-participating shares of no par value and 500,000,000,000 participating Shares of no par value. Non-participating Shares do not entitle the holders thereof to any dividend and on a winding up entitle the holders thereof to receive the amount paid up thereon but do not otherwise entitle them to participate in the assets of the Fund. The Directors have the power to allot shares up to the authorised share capital of the Fund. As at the date of establishment there were 300,000 non-participating shares in issue two of which were taken by the subscribers to the Fund and transferred to the Investment Manager and the remainder of which were held by the Fund.  
Since the launch of the Fund, the Investment Manager has withdrawn the initial capital of EUR 300,000, however at all times the share capital of the Fund will remain above the EUR 300,000 minimum capital level required (or its currency equivalent). If at any time in the future redemptions or devaluation of the Fund's investment portfolio cause the value of the share capital to fall below the equivalent of EUR 300,000, the Directors will request that the Investment Manager procure that additional capital is subscribed to the Fund in order to increase the capital to its required level.
- (e) No share capital of the Fund has been put under option nor has any share capital been agreed (conditionally or unconditionally) to be put under option.

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

- (a) The rights attaching to the Shares issued in any Class may, whether or not the Fund is being wound up, be varied or abrogated with the consent in writing of the Shareholders of three-quarters of the issued Shares of that Class, or with the sanction of an ordinary resolution passed at a general meeting of the Shareholders of that Class.
- (b) A resolution in writing signed by all the Shareholders and holders of non-participating shares for the time being entitled to attend and vote on such resolution at a general meeting of the Fund shall be as valid and effective for all purposes as if the resolution had been passed at a general meeting of the Fund duly convened and held and if described as a special resolution shall be deemed to be a special resolution.

- (c) The rights attaching to the Shares shall not be deemed to be varied by the creation, allotment or issue of any further Shares ranking pari passu with Shares already in issue.
- (d) There are no rights of pre-emption upon the issue of Shares in the Fund.

### **3. Voting Rights**

The following rules relating to voting rights apply:-

- (a) Fractions of Shares do not carry voting rights.
- (b) Every Shareholder or holder of non-participating shares present in person or by proxy who votes on a show of hands shall be entitled to one vote.
- (c) The chairman of a general meeting of a Class or any Shareholder of a Class present in person or by proxy at a meeting of a Class may demand a poll. The chairman of a general meeting of the Fund or at least three members present in person or by proxy or any Shareholder or Shareholders present in person or by proxy representing at least one tenth of the Shares in issue having the right to vote at such meeting may demand a poll.
- (d) On a poll every Shareholder present in person or by proxy shall be entitled to one vote in respect of each Share held by him and every holder of non-participating shares shall be entitled to one vote in respect of all non-participating shares held by him. A Shareholder entitled to more than one vote need not cast all his votes or cast all the votes he uses in the same way.
- (e) In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.
- (f) Any person (whether a Shareholder or not) may be appointed to act as a proxy; a Shareholder may appoint more than one proxy to attend on the same occasion.
- (g) Any instrument appointing a proxy must be deposited at the registered office, not less than 48 hours before the meeting or at such other place and by such time as is specified in the notice convening the meeting. The Directors may at the expense of the Fund send by post or otherwise to the Shareholders instruments of proxy (with or without prepaid postage for their return) and may either leave blank the appointment of the proxy or nominate one or more of the Directors or any other person to act as proxy.
- (h) To be passed, ordinary resolutions of the Fund or of the Shareholders a Class will require a simple majority of the votes cast by the Shareholders voting in person or by proxy at the meeting at which the resolution is proposed. Special resolutions of the Fund or of the Shareholders of a Class will require a majority of not less than 75% of the Shareholders present in person or by proxy and voting in general meeting in order to pass a special resolution including a resolution

to amend the Articles of Association.

#### **4. Meetings**

- (a) The Directors may convene extraordinary general meetings of the Fund at any time. The Directors shall convene an annual general meeting within six months of the end of each Accounting Period.
- (b) Not less than twenty one days notice of every annual general meeting and any meeting convened for the passing of a special resolution must be given to Shareholders and fourteen days' notice must be given in the case of any other general meeting.
- (c) Two Members present either in person or by proxy shall be a quorum for a general meeting provided that the quorum for a general meeting convened to consider any alteration to the Class rights of Shares shall be two Shareholders holding or representing by proxy at least one third of the issued Shares of the Fund or Class. If within half an hour after the time appointed for a meeting a quorum is not present the meeting, if convened on the requisition of or by Shareholders, shall be dissolved. In any other case it shall stand adjourned to the same time, day and place in the next week or to such other day and at such other time and place as the Directors may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Members present shall be a quorum and in the case of a meeting of a Class convened to consider the variation of rights of Shareholders in such Class the quorum shall be one Shareholder holding Shares of the Class or his proxy. All general meetings will be held in Ireland.
- (d) The foregoing provisions with respect to the convening and conduct of meetings shall, save as otherwise specified, apply with respect to meetings of Classes and, subject to the Act, have effect with respect to separate meetings of such Class at which a resolution varying the rights of Shareholders in such Class is tabled.

#### **5. Reports and Accounts**

The Fund will prepare an annual report and audited accounts as of 31 October in each year and a half-yearly report and unaudited accounts as of 30 April in each year. The annual audited report and accounts of the Fund will be sent to the Central Bank and if a Class is listed, Euronext within 4 months of the end of the relevant financial period.

Copies of the annual audited and half-yearly unaudited accounts of the Fund will be made available to Shareholders in soft copy from the office of the Administrator, upon request.

#### **6. Communication and Notices to Shareholders**

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

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

## **7. Transfer of Shares**

- (a) Transfers of Shares may be effected in writing in any usual or common form, signed by or on behalf of the transferor and every transfer shall state the full name and address of the transferor and transferee.

The Directors may decline to register any transfer of Shares if:-

- (i) in consequence of such transfer the transferor or the transferee would hold a number of Shares less than the Minimum Holding;
- (ii) all applicable taxes and/or stamp duties have not been paid in respect of the instrument of transfer;
- (iii) the instrument of transfer is not deposited at the registered office of the Fund or such other place as the Directors may reasonably require, accompanied by the certificate for the Shares to which it relates, such evidence as the Directors may reasonably require to show the right of the transferor to make the transfer, such relevant information and declarations as the Directors may reasonably require from the transferee including, without limitation, information and declarations of the type which may be requested from an applicant for Shares in the Fund and such fee as may from time to time be specified by the Directors for the registration of any instrument of transfer; or
- (iv) they are aware or reasonably believe the transfer would result in the beneficial ownership of such Shares by a person in contravention of any restrictions on ownership

imposed by the Directors or might result in legal, regulatory, pecuniary, taxation or material administrative disadvantage to the relevant Class or Shareholders generally.

- (b) The registration of transfers may be suspended for such periods as the Directors may determine provided always that each registration may not be suspended for more than 30 days.

## **8. Directors**

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

- (a) Unless otherwise determined by an ordinary resolution of the Fund in general meeting, the number of Directors shall not be less than two nor more than nine.
- (b) A Director need not be a Shareholder.
- (c) The Articles of Association contain no provisions requiring Directors to retire on attaining a particular age or to retire on rotation.
- (d) A Director may vote and be counted in the quorum at a meeting to consider the appointment or the fixing or variation of the terms of appointment of any Director to any office or employment with the Fund or any company in which the Fund is interested, but a Director may not vote or be counted in the quorum on a resolution concerning his own appointment.
- (e) The Directors of the Fund for the time being are entitled to such remuneration as may be determined by the Directors and disclosed in the Prospectus and may be reimbursed all reasonable travel, hotel and other expenses incurred in connection with the business of the Fund or the discharge of their duties and may be entitled to additional remuneration if called upon to perform any special or extra services to or at the request of the Fund.
- (f) A Director may hold any other office or place of profit under the Fund, other than the office of Auditor, in conjunction with his office of Director on such terms as to tenure of office or otherwise as the Directors may determine.
- (g) No Director shall be disqualified by his office from contracting with the Fund as vendor, purchaser or otherwise, nor shall any contract or arrangement entered into by or on behalf of the Fund in which any Director is in any way interested be liable to be avoided, nor shall any Director who is so interested be liable to account to the Fund 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 proposal to enter into the contract or agreement is first considered or, if the Director in question was not at the date of that meeting interested in the proposed contract or arrangement, at the next Directors' meeting held after he becomes so interested. A general notice in writing given to the Directors by any Director to the effect that he is a member of any specified company or firm and is to be regarded as interested in any contract



or arrangement which may thereafter be made with that company or firm is deemed to be a sufficient declaration of interest in relation to any contract or arrangement so made.

- (h) A Director may not vote in respect of any resolution or any contract or arrangement or any proposal whatsoever in which he has any material interest or a duty which conflicts with the interests of the Fund and shall not be counted in the quorum at a meeting in relation to any resolution upon which he is debarred from voting unless the Directors resolve otherwise. However, a Director may vote and be counted in quorum in respect of any proposal concerning any other company in which he is interested directly or indirectly, whether as an officer or shareholder or otherwise, provided that he is not the holder of or beneficially interested in 5 per cent or more of the issued shares of any class of such company, or any third company through which his interest is derived, or of the voting rights available to members of such company. A Director may also vote in respect of any proposal concerning an offer of Shares or debentures or other securities in which he is interested as a participant in an underwriting or sub-underwriting arrangement and may also vote in respect of the giving of any security, guarantee or indemnity to him in respect of money lent by the Director to the Fund or obligations incurred by him at the request of or for the benefit of the Fund or any of its subsidiaries or associated companies or in respect of the giving of any security, guarantee or indemnify to a third party in respect of a debt or obligation of the Fund for which the Director has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security.
- (i) The office of a Director shall be vacated in any of the following events namely:-
- (a) if he resigns his office by notice in writing signed by him and left at the registered office of the Fund;
  - (b) if he becomes bankrupt or makes any arrangement or composition with his creditors generally;
  - (c) if he becomes of unsound mind;
  - (d) if he is absent from meetings of the Directors for six successive months without leave expressed by a resolution of the Directors and the Directors resolve that his office be vacated;
  - (e) if he ceases to be a Director by virtue of, or becomes prohibited or restricted from being a Director by reason of, an order made under the provisions of any law or enactment;
  - (f) if he is requested by a majority of the other Directors (not being less than two in number) to vacate office; or
  - (g) if he is removed from office by ordinary resolution of the Fund.

## **9. Directors' Interests**

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

Mr. Praveen Jagwani is employed by UTI International (Singapore) Private Limited which acts as Investment Manager of the Fund.

- (b) No present Director or any connected person has any interests beneficial or non-beneficial in the share capital of the Fund.
- (c) None of the Directors has a service contract with the Fund nor are any such service contracts proposed.
- (d) The Directors may hold Shares in the Fund from time to time.

## **10. Winding Up**

- (a) The Fund may be wound up if:
  - (i) at any time after the first anniversary of the incorporation of the Fund, the Net Asset Value of the Fund falls below EUR 10,000,000 on each Dealing Day for a period of six consecutive weeks and the Shareholders resolve by ordinary resolution to wind up the Fund;
  - (ii) The Shareholders resolve by ordinary resolution that the Fund by reason of its liabilities cannot continue its business and that it be wound up;
  - (iv) The Shareholders resolve by special resolution to wind up the Fund;
  - (v) If within a period of ninety days from the date on which (a) the Depositary notifies the Fund of its desire to retire in accordance with the terms of the Depositary Agreement and has not withdrawn notice of its intention to so retire; (b) the appointment of the Depositary is terminated by the Fund in accordance with the terms of the Depositary Agreement, or (c) the Depositary ceases to be approved by the Central Bank to act as a Depositary, no new Depositary has been appointed, the Secretary at the request of the Directors or the Depositary shall forthwith convene an extraordinary general meeting of the Fund at which there shall be proposed a Special Resolution to redeem all of the Shares in issue or appoint a liquidator to wind up the Fund;
  - (vi) When it becomes illegal or in the opinion of the Directors impracticable or inadvisable to continue operating the Fund.
- (b) In the event of a winding up, the liquidator shall firstly apply the assets of the Fund in satisfaction of creditors' claims in such manner and order as he thinks fit.

- (c) The assets available for distribution shall be applied as follows:-
- (i) firstly in the payment to the Shareholders of each Class a sum as nearly as possible equal to the Net Asset Value of the Shares held by such Shareholders as at the date of commencement of winding up;
  - (ii) secondly, in the payment to the holders of non-participating shares of sums up to the nominal amount paid thereof provided that if there are insufficient assets to enable such payment in full to be made, no recourse shall be had to the the Fund; and
  - (iii) thirdly, in the payment to the Shareholders of each Class of any balance then remaining in the Fund, in proportion to the number of Shares held in the relevant Class.
- (d) The liquidator may, with the authority of a Special Resolution of the Fund, divide among the Shareholders (pro rata to the value of their respective shareholdings in the Fund) in specie the whole or any part of the assets of the Fund and whether or not the assets shall consist of property of a single kind provided that any Shareholder shall be entitled to request the sale of any asset or assets proposed to be so distributed and the distribution to such Shareholder of the cash proceeds of such sale. The costs of any such sale shall be borne by the relevant Shareholder. The liquidator may, with like authority, vest any part of the assets in trustees upon such trusts for the benefit of Shareholders as the liquidator shall think fit and the liquidation of the Fund may be closed and the Fund dissolved, but so that no Shareholder shall be compelled to accept any asset in respect of which there is any liability. Further the liquidator may with like authority transfer the whole or part of the assets of the Fund to a Fund or collective investment scheme (the "Transferee Company") on terms that Shareholders in the Fund shall receive from the Transferee Company shares or units in the Transferee Company of equivalent value to their shareholdings in the Fund.
- (e) Notwithstanding any other provision contained in the Articles of Association of the Fund, should the Directors at any time and in their absolute discretion resolve that it would be in the best interests of the Shareholders to wind up the Fund, the Secretary shall forthwith at the Directors' request convene an extraordinary general meeting of the Fund at which there shall be presented a proposal to appoint a liquidator to wind up the Fund and if so appointed, the liquidator shall distribute the assets of the Fund in accordance with the Articles of Association of the Fund.

## **11. Indemnities**

The Directors (including alternates), Secretary and other officers of the Fund and its former directors and officers shall be indemnified by the Fund against losses and expenses to which any such person may become liable by reason of any contract entered into or any act or thing done by him as such officer in the discharge of his duties (other than in the case of fraud, negligence or wilful default). The Fund acting through the Directors is empowered under the Articles of Association to purchase and maintain for the benefit of persons who are or were at any time Directors or officers of the Fund insurance against

any liability incurred by such persons in respect of any act or omission in the execution of their duties or exercise of their powers.

## **12. General**

- (a) As at the date of this Prospectus, the Fund has no loan capital (including term loans) outstanding or created but unissued nor any mortgages, charges, debentures or other borrowings or indebtedness in the nature of borrowings, including bank overdrafts, liabilities under acceptances (other than normal trade bills), acceptance credits, finance leases, hire purchase commitments, guarantees, other commitments or contingent liabilities.
- (b) No share or loan capital of the Fund is subject to an option or is agreed, conditionally or unconditionally, to be made the subject of an option.
- (c) In accordance with Section 623 of the Act, any dividends which remain unclaimed for six years as from the date on which they become payable will be forfeited. On forfeiture such dividends will become part of the assets of the Fund. No dividend or other amount payable to any Shareholder shall bear interest against the Fund.

## **13. Material Contracts**

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

- (a) *Management Agreement* between the Fund and the Manager dated 29 October, 2021 as same may be amended from time to time, under which the Manager was appointed to provide certain management, marketing and investment management services to the Fund. The Management Agreement may be terminated by either party on giving not less than ninety days prior written notice to the other party or such shorter period as may be agreed by the Fund not less than thirty days. The Management Agreement may also be terminated forthwith by either party giving notice in writing to the other party upon certain breaches or upon the insolvency of a party (or upon the happening of a like event). The Management Agreement provides that the Fund shall hold harmless and indemnify the Manager, its employees, delegates and agents against all actions, proceedings, claims, damages, costs, demands and expenses including, without limitation, legal and professional expenses on a full indemnity basis which may be brought against, suffered or incurred by the Manager, its employees, delegates or agents in the performance of its duties under the terms of the agreement other than due to the wilful default, bad faith, recklessness, fraud or negligence of the Manager, its employees, delegates or agents in the performance of the Manager's obligations thereunder and / or the performance of its regulatory obligations in its capacity as manager of the Fund.
- (b) *Investment Management Agreement* between the Fund, the Manager and the Investment Manager dated 29 October, 2021, as may be amended from time to time, under which the Investment Manager was appointed as investment manager of the Fund's assets subject to the overall supervision of the Manager. The Investment Management Agreement may be terminated

by either party on 90 days written notice or forthwith by notice in writing in certain circumstances such as the insolvency of either party or unremedied breach after notice. The Investment Manager has the power to delegate its duties in accordance with the requirements of the Central Bank. The Agreement provides that the Fund shall indemnify the Investment Manager and hold it harmless against all or any damages, liabilities, actions, proceedings, claims, costs and expenses which may be brought against, suffered or incurred by the Investment Manager by reason of the performance or non-performance of its duties other than in the circumstances set out in the Investment Management Agreement pursuant to which the Investment Manager will be required to indemnify the Fund.

- (c) *Administration Agreement* between the Fund, the Manager and the Administrator dated 29 October, 2021 as may be amended from time to time, under which the latter was appointed as Administrator to administer the affairs of the Fund on behalf of the Fund, subject to the terms and conditions of the Administration Agreement and subject to the overall supervision of the Manager. The Administration Agreement may be terminated by either party on 6 months' prior written notice or forthwith by either party by giving notice in writing to the other party in certain circumstances such as the insolvency of either party or unremedied material breach after notice. The Fund shall hold harmless and indemnify out of the assets of the Fund, the Administrator on its own behalf of its permitted delegates, servants and agents against all actions, proceedings and claims (including claims of any person purporting to be the beneficial owner of any part of the investments or shares) and against all costs, demands and expenses (including legal and professional expenses) arising therefrom which may be made or brought against, suffered or incurred by the Administrator, its delegates, servants or agents in the performance or non-performance of its obligations and duties under the Administration Agreement and from and against all taxes on profits or gains of the Fund which may be assessed upon or become payable by the Administrator or its permitted delegates, servants or agents provided that such indemnity shall not be given where the Administrator its delegates, servants or agents is or are guilty of negligence, fraud or wilful default in the performance or non-performance of its duties under the Administration Agreement.
- (d) *Depositary Agreement* between the Fund, the Manager and the Depositary dated 29 October, 2021, as may be amended from time to time, pursuant to which the Depositary was appointed by the Fund as Depositary of the Fund's assets subject to the overall supervision of the Fund. The Depositary Agreement may be terminated by either party on 6 months' written notice or forthwith by notice in writing in certain circumstances such as an unremedied breach after service of written notice provided that the Depositary shall continue to act as depositary until a successor depositary approved by the Central Bank is appointed by the Fund or the Fund's authorisation by the Central Bank is revoked. The Depositary has the power to delegate its duties but its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping.

The Depositary Agreement provides that the Fund shall indemnify and keep indemnified and hold harmless the Depositary from and against any and all third party actions, proceedings claims, costs, demands and expenses which may be brought against suffered or incurred by the Depositary other than in circumstances where the Depositary is liable by reason of (i) loss of

financial instruments held in custody (unless the loss has arisen as a result of an external event beyond the control of the Depositary) and/or (ii) the Depositary's negligent or intentional failure to properly fulfil its obligations under the UCITS Regulations.

- (e) *Distribution Agreement* between the Fund, the Manager and the Distributor dated 29 October, 2021, as may be amended from time to time, under which the Distributor was appointed as distributor of the Fund's assets subject to the overall supervision of the Manager. The Distribution Agreement may be terminated by either party on 90 days written notice or forthwith by notice in writing in certain circumstances such as the insolvency of either party or unremedied breach after notice. The Distributor has the power to delegate its duties in accordance with the requirements of the Central Bank. The Agreement provides that the Fund shall indemnify the Distributor and hold it harmless against all or any damages, liabilities, actions, proceedings, claims, costs and expenses which may be brought against, suffered or incurred by the Distributor by reason of the performance or non-performance of its duties other than in the circumstances set out in the Distribution Agreement pursuant to which the Distributor will be required to indemnify the Fund.

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

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

- (a) The Articles of Association of the Fund (copies may be obtained free of charge from the Manager or the Administrator).
- (b) The Act and the UCITS Regulations.
- (c) The material contracts detailed above.
- (d) Once published, the latest annual and half yearly reports of the Fund (copies of which may be obtained from either the Distributor or the Administrator free of charge).

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

## Appendix I – Permitted Investments and Investment Restrictions

<b>1</b>	<b>Permitted Investments</b>
	Investments of a UCITS are confined to:
<b>1.1</b>	Transferable securities and money market instruments which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State.
<b>1.2</b>	Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.
<b>1.3</b>	Money market instruments other than those dealt on a regulated market.
<b>1.4</b>	Units of UCITS.
<b>1.5</b>	Units of AIFs.
<b>1.6</b>	Deposits with credit institutions.
<b>1.7</b>	Financial derivative instruments.
<b>2</b>	<b>Investment Restrictions</b>
<b>2.1</b>	A UCITS may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.
<b>2.2</b>	<p><b>Recently Issued Transferable Securities</b></p> <p>Subject to paragraph (2) a responsible person shall not invest any more than 10% of assets of a UCITS in securities of the type to which Regulation 68(1)(d) of the UCITS Regulations apply.</p> <p>- Paragraph (1) does not apply to an investment by a responsible person in US Securities known as “ Rule 144 A securities” provided that;</p> <p>(a) the relevant securities have been issued with an undertaking to register the securities with the SEC within 1 year of issue; and</p> <p>(b) the securities are not illiquid securities i.e. they may be realised by the UCITS within 7 days at the price, or approximately at the price, at which they are valued by the UCITS.</p>
<b>2.3</b>	A UCITS may invest no more than 10% of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.

<b>2.4</b>	The limit of 10% (in 2.3) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a UCITS invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of the UCITS. This restriction need not be included unless it is intended to avail of this provision and reference must be made to the fact that this requires the prior approval of the Central Bank.
<b>2.5</b>	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.
<b>2.6</b>	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.
<b>2.7</b>	A UCITS shall not invest more than 20% of its assets in deposits made with the same body.
<b>2.8</b>	The risk exposure of a UCITS to a counterparty to an OTC derivative may not exceed 5% of net assets.
	This limit is raised to 10% in the case of a credit institution authorised in the EEA or a credit institution authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988; or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.
<b>2.9</b>	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:
	<ul style="list-style-type: none"> <li>- investments in transferable securities or money market instruments;</li> <li>- deposits, and/or</li> <li>- counterparty risk exposures arising from OTC derivatives transactions.</li> </ul>
<b>2.10</b>	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.
<b>2.11</b>	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.
	A UCITS may invest up to 100% of net assets in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international body of which one or more Member States are members.
	The individual issuers must be listed in the prospectus and may be drawn from the following list:



	<p>OECD Governments (provided the relevant issues are investment grade), Government of the People's Republic of China, Government of Brazil (provided the issues are of investment grade), Government of India (provided the issues are of investment grade), Government of Singapore, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority, Straight-A Funding LLC, Export-Import Bank.</p>
<b>2.12</b>	The UCITS must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of net assets.
<b>3</b>	<b>Investment in Collective Investment Schemes ("CIS")</b>
<b>3.1</b>	A UCITS may not invest more than 20% of net assets in any one CIS.
<b>3.2</b>	Investment in AIFs may not, in aggregate, exceed 30% of net assets.
<b>3.3</b>	The CIS are prohibited from investing more than 10 per cent of net assets in other open-ended CIS.
<b>3.4</b>	When a UCITS invests in the units of other CIS that are managed, directly or by delegation, by the UCITS management company or by any other company with which the UCITS management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription, conversion or redemption fees on account of the UCITS investment in the units of such other CIS.
<b>3.5</b>	Where by virtue of investment in the units of another investment fund, a responsible person, an investment manager or an investment advisor receives a commission on behalf of the UCITS (including a rebated commission), the responsible person shall ensure that the relevant commission is paid into the property of the UCITS.
<b>4</b>	<b>Index Tracking UCITS</b>
<b>4.1</b>	A UCITS may invest up to 20% of net assets in shares and/or debt securities issued by the same body where the investment policy of the UCITS is to replicate an index which satisfies the criteria set out in the CBI UCITS Regulations and is recognised by the Central Bank.
<b>4.2</b>	The limit in 4.1 may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.

<b>5</b>	<b>General Provisions</b>
<b>5.1</b>	An investment company, ICAV or management company acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
<b>5.2</b>	<p>A UCITS may acquire no more than:</p> <ul style="list-style-type: none"> <li>(i) 10% of the non-voting shares of any single issuing body;</li> <li>(ii) 10% of the debt securities of any single issuing body;</li> <li>(iii) 25% of the units of any single CIS;</li> <li>(v) 10% of the money market instruments of any single issuing body.</li> </ul> <p>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.</p>
<b>5.3</b>	<p>5.1 and 5.2 shall not be applicable to:</p> <ul style="list-style-type: none"> <li>(i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;</li> <li>(ii) transferable securities and money market instruments issued or guaranteed by a non-Member State;</li> <li>(iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;</li> <li>(iv) shares held by a UCITS in the capital of a company incorporated in a non-member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the UCITS can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed.</li> <li>(v) shares held by an investment company or investment companies or ICAV or ICAVs in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at unit-holders' request exclusively on their behalf.</li> </ul>
<b>5.4</b>	UCITS need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.

<p><b>5.5</b></p> <p><b>5.6</b></p> <p><b>5.7</b></p> <p><b>5.8</b></p>	<p>The Central Bank may allow recently authorised UCITS to derogate from the provisions of 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading.</p> <p>If the limits laid down herein are exceeded for reasons beyond the control of a UCITS, or as a result of the exercise of subscription rights, the UCITS must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its unitholders.</p> <p>Neither an investment company, ICAV nor a management company or a trustee acting on behalf of a unit trust or a management company of a common contractual fund, may carry out uncovered sales of:</p> <ul style="list-style-type: none"> <li>- transferable securities;</li> <li>- money market instruments*;</li> <li>- units of investment funds; or</li> <li>- financial derivative instruments.</li> </ul> <p>A UCITS may hold ancillary liquid assets.</p>
<p><b>6</b></p>	<p><b>Financial Derivative Instruments ('FDIs')</b></p>
<p><b>6.1</b></p> <p><b>6.2</b></p> <p><b>6.3</b></p> <p><b>6.4</b></p>	<p>The UCITS' global exposure relating to FDI must not exceed its total net asset value.</p> <p>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 Central Bank UCITS Regulations).</p> <p>UCITS may invest in FDIs dealt in over-the-counter (OTC) provided that</p> <ul style="list-style-type: none"> <li>- The counterparties to over-the-counter transactions (OTCs) are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.</li> </ul> <p>Investment in FDIs are subject to the conditions and limits laid down by the Central Bank.</p>

The Fund will adhere to any investment or borrowing restrictions imposed by Euronext for so long as the Shares in a Class are listed on Euronext and any criteria necessary to obtain and/or maintain any credit rating in respect of any Shares or Class in the Fund, subject to the UCITS Regulations.

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

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

## Appendix II - Recognised Exchanges

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

(i) any 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, Iceland and Liechtenstein); or
- located in any of the following countries:-
  - Australia
  - Canada
  - Japan
  - Hong Kong
  - New Zealand
  - Switzerland
  - United Kingdom
  - United States of America

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

- |                                 |   |                                   |
|---------------------------------|---|-----------------------------------|
| Argentina                       | - | Bolsa de Comercio de Buenos Aires |
| Argentina                       | - | Mercado Abierto Electronico S.A.  |
| Bahrain                         | - | Bahrain Bourse                    |
| Bangladesh                      | - | Dhaka Stock Exchange              |
| Bangladesh                      | - | Chittagong Stock Exchange         |
| Bermuda                         | - | Bermuda Stock Exchange            |
| Bosnia                          |   |                                   |
| Botswana                        | - | Botswana Stock Exchange           |
| Brazil                          | - | BM&F BOVESPA S.A.                 |
| Chile                           | - | Bolsa de Comercio de Santiago     |
| Chile                           | - | Bolsa Electronica de Chile        |
| Chile                           |   | Bolsa de Valparaiso               |
| China                           |   |                                   |
| Peoples' Rep. of –<br>Shanghai) | - | Shanghai Securities Exchange      |

China (Peoples' Rep. of – Shenzhen)	-	Shenzhen Stock Exchange
Clearstream (ICSD)		
Colombia	-	Bolsa de Valores de Colombia
Costa Rica	-	Bolsa Nacional de Valores
Croatia	-	Zagreb Stock Exchange
Egypt	-	Egyptian Exchange
Euroclear	-	ICSD
Euroclear	-	United Kingdom & Ireland - ICSD
Ghana	-	Ghana Stock Exchange
Georgia		
India	-	BSE
India	-	National Stock Exchange
Indonesia	-	Indonesia Stock Exchange
Israel	-	Tel-Aviv Stock Exchange
Iceland	-	Citibank is a direct member of Clearstream Banking S.A., which is an ICSD
Jamaica	-	Jamaica Stock Exchange
Jordan	-	Amman Stock Exchange
Kenya	-	Nairobi Securities Exchange
Korea South		
Kazakhstan (Rep. Of)	-	Kazakhstan Stock Exchange
Kuwait		
Macedonia		
Malaysia	-	Bursa Malaysia Securities Berhad
Malaysia		Bursa Malaysia Derivatives Berhad
Mauritius	-	Stock Exchange of Mauritius
Mexico	-	Bolsa Mexicana de Valores
Mexico		Mercado Mexicano de Derivados
Morocco	-	Bourse de Casablanca
New Zealand	-	NZX Stock Exchange
Nigeria	-	Nigeria Stock Exchange
Oman		
Pakistan	-	Islamabad Stock Exchange
Pakistan	-	Karachi Stock Exchange
Pakistan	-	Lahore Stock Exchange
Panama		
Peru	-	Bolsa de Valores de Lima
Philippines	-	Philippine Stock Exchange
Qatar		
Russia		
Saudi Arabia		
Serbia		
Singapore	-	Singapore Stock Exchange

Singapore		CATALIST
South Africa	-	JSE Limited
South Africa		South African Futures Exchange
South Korea	-	Korea Exchange
Sri Lanka	-	Colombo Stock Exchange
Taiwan		
(Republic of China)	-	Taiwan Stock Exchange
Taiwan		
(Republic of China)		GreTai Securities Market
Taiwan		
(Republic of China)		Taiwan Futures Exchange
Thailand	-	Stock Exchange of Thailand
Thailand		Market for Alternative Investment
Thailand		Bond Electronic Exchange
Thailand		Thailand Futures Exchange
Tunisia	-	Bourse des Valeurs Mobilieres de Tunis
Turkey	-	Istanbul Stock Exchange
Turkey		Turkish Derivatives Exchange
Ukraine	-	Persha Fondova Toegovelna Systema
Ukraine		Ukrainian Interbank Currency Exchange
Uruguay	-	Bolsa de Valores de Montevideo
Uruguay		Bolsa Electronica de Valores del Uruguay SA
UAE ADX		
UAE DFM		
UAE NASDAQ Dubai		
Vietnam		

(iii) any of the following markets:

MICEX (equity securities that are traded on level 1 or level 2 only);  
RTS1 (equity securities that are traded on level 1 or level 2 only);  
RTS2 (equity securities that are traded on level 1 or level 2 only);

the market organised by the International Capital Market 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 from time to time;

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 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 Exchanges Commission and by the National Association of Securities Dealers (and by banking institutions regulated by the US Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);

The French market for Titres de Créances Négociables (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.

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

(iv) All derivatives exchanges on which permitted financial derivative instruments 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 of Trade
- Chicago Board Options Exchange;
- Chicago Mercantile Exchange;
- Eurex US;
- New York Futures Exchange.
- New York Board of Trade;
- New York Mercantile Exchange;

in China, on the Shanghai Futures Exchange;

in Hong Kong, on the Hong Kong Futures Exchange;

in the United Kingdom, on the London Stock Exchange Derivatives Market;

in Japan, on the

- Osaka Securities Exchange;



- Tokyo International Financial Futures Exchange;
- Tokyo Stock Exchange;

in New Zealand, on the New Zealand Futures and Options Exchange;

in Singapore, on the

- Singapore International Monetary Exchange;
- Singapore Commodity Exchange.

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

## Appendix III – FPI Regime

### Investment Restrictions applicable to FPIs

Under the FPI Regulations, FPIs are permitted to invest in the following instruments subject to conditions as may be specified by the RBI or SEBI from time to time:

- securities in the primary and secondary markets including shares, debentures and warrants of companies listed or to be listed on a recognised stock exchange in India;
- units of schemes floated by domestic mutual funds;
- units of schemes floated by a collective investment scheme;
- dated Government securities;
- listed non-convertible debentures (“NCDs”)/bonds issued by an Indian company;
- derivatives traded on a recognised stock exchange in India;
- commercial papers issued by Indian companies;
- INR denominated credit enhanced bonds;
- security receipts issued by Asset Reconstruction Companies (ARCs);
- Indian depository receipts;
- to be listed NCDs / bonds, only if the listing of such NCDs/ bonds is committed to be done within 15 days of such investment;
- listed and unlisted NCDs/ bonds issued by companies in the infrastructure sector. Infrastructure sector companies are companies that are engaged in activities pertaining to (i) power, (ii) telecommunication, (iii) railways, (iv) roads including bridges, (v) sea port and airport, (vi) industrial parks, (vii) urban infrastructure (water supply, sanitation and sewage projects), (viii) mining, exploration and refining and (ix) cold storage or cold room facility, including for farm level pre-cooling, for preservation or storage of agricultural and allied produce, marine products and meat;
- NCDs/bonds issued by non-banking financial companies categorised as infrastructure finance companies by the RBI;
- Rupee denominated bond/units issued by infrastructure debt funds;
- Perpetual debt instruments and debt capital instruments, as specified by the RBI from time to time.

### RBI – monitoring agency

Investments by FPIs in debt instruments in India are regulated by RBI as well. The type of fixed income securities where FPI's can invest are: Government Securities having residual maturity of one year and above, Commercial Paper, Corporate Bonds and Debentures and Public Sector Undertaking (PSU) Bonds. PSUs are government-owned corporations, these are termed as Public Sector Undertakings (PSUs) in India. In a PSU the majority (51% or more) of the paid up share capital is held by the central government or by any state government or partly by the central governments and partly by one or more state governments. The RBI is the primary agency for the purposes of monitoring and regulating foreign and debt investments made by FPIs. The RBI monitors the ceilings on such investments on a daily basis, and for the purpose of facilitating such examination, the AD Banks (through which the FPI hold

the designated bank/cash accounts) and domestic depositaries (through which FPI are required to make investments in India) are required to monitor the investment limits on each portfolio and submit a report to the RBI to ensure that the prescribed investment limits are not breached.

### Debt Investment Restrictions

There are limits on the overall investments that all FPI's can make in Indian debt instruments. SEBI and RBI issue incremental notifications, circulars and publications on [www.sebi.gov.in](http://www.sebi.gov.in) and [www.rbi.org.in](http://www.rbi.org.in) in respect of these investment restrictions. Following the issuance of this Prospectus, Shareholders can access these updates at the above websites. Any update to these investment restrictions following the issuance of the Prospectus will be reflected in the revised Prospectus when this document is next updated. Any change to the investment policy of the Fund will require shareholder notification or approval as appropriate pursuant to the Central Bank UCITS Regulations.

### Debt Investment Limits

As at 15 July, 2021, there is a maximum cap of approximately USD 139 billion on investments in Government debt securities by FPIs. The breakdown of the above mentioned limits (USD 139 billion) that govern the investments in Indian government debt instruments by FPIs are as follows:

Type of Instrument	Overall Limit	Eligible Investors	Remarks
Government debt (Central government and State government)	USD 33 billion for central government securities and USD 9.33 billion for state government loans	FPIs (including existing FIs, QFIs) and other and long term investors registered with SEBI – Sovereign Wealth Funds (SWFS), Multilateral Agencies, Pension Funds, Insurance Funds, Endowment Funds and Foreign Central Banks	Eligible investors may invest only in dated government securities of residual maturity of one year and above.
	USD 15 billion for Central government securities and 0.98 for state government securities	FPIs which are registered with DPP under the categories of SWFS, Multilateral Agencies, Pension Funds, Insurance Funds, Endowment Funds and Foreign Central Banks	
	USD 10 billion	State development Bonds limits available to FPIs, (including existing FIs, QFIs) and other and long term investors	
Corporate	USD 79.9	FIs, QFIs and other and	Eligible investors may invest in

debt		long term investors registered with SEBI - SWFS, Multilateral Agencies, Pension Funds, Insurance Funds, Endowment Funds and Foreign Central Banks	commercial papers only up to USD 2 billion within the overall limit of USD 79.51 billion
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### Investment Requirements

In order to gain access to the Indian debt market, currently the Fund must have the following:

1. FPI registration with the designated depository participant;
2. PAN card issued by Indian Income Tax department. The PAN card means the Permanent account number. This is a ten-digit alphanumeric number, issued in the form of a laminated card, by the Income Tax Department in India, to any "person" who applies for it or to whom the department allots the number without an application;
3. NSCCL/BSE codes for facilitating the trading in both the exchanges;
4. Appointment of an compliance officer;
5. Custody account with the Indian depository bank acting as sub-depository to the Depository; and
6. Special non-resident rupee account with an AD Bank in India.

#### **Appendix IV – United States Matters**

The Fund is making a private placement (the “**Offering**”) of participating shares (the “**Shares**”) on the terms and conditions of this United States appendix (this “**U.S. Appendix**” or this “**Appendix**”) and the Prospectus of the Fund dated 29 October, 2021 delivered herewith.

This Appendix only addresses matters of particular concern to United States investors and does not purport to be a complete description of the Fund or the Shares.

Shares will be offered and sold pursuant to the exemption from the registration requirements of the United States Securities Act of 1933, as amended (the “**1933 Act**”), provided by Rule 506 under the 1933 Act. Shares of the Fund may only be purchased by eligible United States investors that are “accredited investors,” (as defined in Rule 501(a) under the 1933 Act).

THE SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE 1933 ACT OR THE SECURITIES LAWS OF ANY STATE OR OTHER POLITICAL SUBDIVISION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, TRANSFERRED OR DELIVERED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE 1933 ACT) EXCEPT TO ELIGIBLE PERSONS PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE 1933 ACT AND ANY APPLICABLE STATE LAWS.

THE SHARES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE. SEE “UNITED STATES SECURITIES LAW CONSIDERATIONS -- RESTRICTIONS ON TRANSFER”. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

THE SHARES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (THE “**SEC**”) OR ANY STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE FUND IS NOT AND WILL NOT BE REGISTERED UNDER THE 1940 ACT. BASED ON INTERPRETATIONS OF THE 1940 ACT BY THE STAFF OF THE SEC, THE FUND WOULD BE REQUIRED TO REGISTER UNDER THE 1940 ACT IF MORE THAN 100 BENEFICIAL OWNERS OF ITS SHARES WERE U.S. PERSONS, CALCULATED IN ACCORDANCE WITH SECTION 3(c)(1) OF THE 1940 ACT. THE DIRECTORS MAY AT ANY TIME IN THEIR SOLE DISCRETION DECLINE TO REGISTER ANY TRANSFER OF SHARES OR COMPULSORILY REDEEM SHARES AS THE DIRECTORS CONSIDER NECESSARY FOR THE PURPOSES OF COMPLIANCE WITH THE 1940 ACT AND OTHER UNITED STATES LAWS.

UTI INTERNATIONAL (SINGAPORE) PRIVATE LIMITED (THE “**INVESTMENT MANAGER**”), IS EXEMPT FROM REGISTRATION WITH THE U.S. COMMODITY FUTURES TRADING COMMISSION

(THE “**CFTC**”) AS A COMMODITY POOL OPERATOR WITH RESPECT TO THE FUND PURSUANT TO RULE 4.13(a)(3) UNDER THE COMMODITY EXCHANGE ACT, AS AMENDED (THE “**COMMODITY ACT**”). THIS EXEMPTION IS BASED UPON THE FACT THAT (i) SHARES OF THE FUND ARE EXEMPT FROM REGISTRATION UNDER THE 1933 ACT AND ARE OFFERED AND SOLD WITHOUT MARKETING TO THE PUBLIC IN THE UNITED STATES, (ii) PARTICIPATION IN THE FUND IS LIMITED TO CERTAIN CLASSES OF INVESTORS RECOGNISED UNDER U.S. FEDERAL SECURITIES AND COMMODITIES LAWS, (iii) THE SHARES ARE NOT MARKETED AS OR IN A VEHICLE FOR TRADING IN THE COMMODITY FUTURES OR COMMODITY OPTIONS MARKETS, AND (iv) AT ALL TIMES, THE FUND WILL MEET AT LEAST ONE OF THE TWO FOLLOWING TESTS WITH RESPECT TO ITS COMMODITY INTEREST POSITIONS:

- (A) THE AGGREGATE INITIAL MARGIN, PREMIUMS, AND REQUIRED MINIMUM SECURITY DEPOSIT FOR RETAIL FOREX TRANSACTIONS REQUIRED TO ESTABLISH THOSE POSITIONS, DETERMINED AT THE TIME THE MOST RECENT POSITION WAS ESTABLISHED, WILL NOT EXCEED 5% OF THE LIQUIDATION VALUE OF THE FUND'S PORTFOLIO, AFTER TAKING INTO ACCOUNT UNREALISED PROFITS AND UNREALISED LOSSES ON ANY SUCH POSITIONS IT HAS ENTERED INTO, PROVIDED THAT IN THE CASE OF AN OPTION THAT IS IN-THE-MONEY AT THE TIME OF PURCHASE, THE IN-THE-MONEY AMOUNT AS DEFINED IN THE CFTC REGULATIONS MAY BE EXCLUDED IN COMPUTING SUCH 5%; AND
- (B) THE AGGREGATE NET NOTIONAL VALUE OF THOSE POSITIONS, DETERMINED AT THE TIME THE MOST RECENT POSITION WAS ESTABLISHED IN ACCORDANCE WITH RULE 4.13(a)(3), DOES NOT EXCEED 100% OF THE LIQUIDATION VALUE OF THE FUND'S PORTFOLIO, AFTER TAKING INTO ACCOUNT UNREALISED PROFITS AND UNREALISED LOSSES ON ANY SUCH POSITIONS IT HAS ENTERED INTO.

THEREFORE, UNLIKE A REGISTERED COMMODITY POOL OPERATOR, THE INVESTMENT MANAGER IS NOT REQUIRED TO DELIVER A DISCLOSURE DOCUMENT AND A CERTIFIED ANNUAL REPORT TO PARTICIPANTS IN THE FUND MEETING THE REQUIREMENTS OF THE CFTC RULES APPLICABLE TO REGISTERED COMMODITY POOL OPERATORS.

THESE SECURITIES INVOLVE A HIGH DEGREE OF RISK. SEE “RISK FACTORS” IN THE PROSPECTUS. THIS OFFERING IS SPECULATIVE, AND THESE SECURITIES SHOULD BE PURCHASED ONLY BY PERSONS WHO CAN AFFORD THE RISK OF LOSS OF THEIR ENTIRE INVESTMENT.

No person has been authorised to give any information or to make any representations other than those contained in this Prospectus in connection with any offering and sale of Shares, and, if given or made, such information and representations must not be relied upon as having been authorised by the Fund.

The contents of this Prospectus should not be considered to be legal or tax advice and each prospective investor should consult with its own legal counsel and advisers as to all matters concerning an investment in the Shares.

The delivery of this Prospectus shall not, under any circumstances, create any implication that any information contained herein or therein is correct as of any time subsequent to the respective dates hereof and thereof.

The Fund is an open-ended investment company with variable capital incorporated with limited liability in Ireland under the Companies Act, 2014 with registration number 516063 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 or supplemented from time to time and any notices or regulations that may from time to time be issued by the Central Bank). Such entities and other entities and persons referred to in the Prospectus are located outside of the United States, and all or a substantial portion of the assets of the Fund and said entities and persons are located outside of the United States. As a result, it may be difficult for purchasers of the Shares to effect service of process within the United States upon the Fund or such other persons or entities, or to realise against them civil liabilities under United States securities laws. Moreover, there is doubt whether courts outside the United States would enforce judgments of United States courts predicated solely on United States securities laws or would entertain actions brought before them in the first instance on the basis of liabilities predicated solely upon such laws.

The types of investments that the Fund anticipates making involve a high degree of risk and can result in substantial or total capital losses. The Investment Manager is unable to provide assurance that the Fund will be able to choose, make or realize a return in any particular investment. Additionally, there can be no assurance the Fund will be able to obtain the expected financial terms on the targeted investments, and changes in political, social and economic conditions could have substantial impact on the Fund's investments. Also, there is a risk that epidemics, pandemics, outbreaks of disease and other public health issues would materially adversely affect the business, financial condition, operations and liquidity management of the Investment Manager and the Fund. **THE PAST INVESTMENT PERFORMANCE, IF ANY, OF THE INVESTMENT MANAGER, ITS AFFILIATES, AND ANY ENTITIES WITH WHICH IT HAS BEEN ASSOCIATED MAY NOT BE INDICATIVE OF THE FUTURE RESULTS OF AN INVESTMENT IN THE FUND, AND, WITH RESPECT TO ANY "FORWARD-LOOKING STATEMENTS" IN THIS PROSPECTUS, INCLUDING STATEMENTS ABOUT THE INVESTMENT MANAGER'S PLANS, BELIEFS AND STRATEGIES AND ABOUT THE FUND'S PROSPECTS, THE INVESTMENT MANAGER CAN GIVE NO ASSURANCE THAT THE FUND WILL ACHIEVE THEM.**

Please see the sections entitled "Risk Factors" and "Conflicts of Interest" in this Prospectus.

## UNITED STATES SECURITIES LAW CONSIDERATIONS

### *United States Securities Act of 1933*

The Shares have not been, nor will they be, registered under the U.S. Securities Act of 1933, as amended (the “**1933 Act**”), or registered or qualified under the securities laws of any state or other political subdivision of the United States. Except as specified herein, the Shares may not be offered, sold, transferred, or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. Person (as defined below under “Definition of U.S. Person”). Notwithstanding the foregoing, (a) Shares may be offered and sold by the Fund to U.S. Persons that are “accredited investors” within the meaning of Rule 501(a) under the 1933 Act in reliance upon the exemption from the registration requirements of the 1933 Act provided in Rule 506 under the 1933 Act and (b) once issued, Shares may be transferred or sold to U.S. Persons, subject to the limitations set forth in “Restrictions on Transfer” below, in transactions that are exempt from the registration requirements of the 1933 Act and applicable state and other securities laws.

The following investors qualify as “accredited investors”:

- (i) Any natural person whose individual net worth, or joint net worth with that person’s spouse, at the time of his purchase of Shares, exceeds \$1,000,000 (not including that person’s primary residence as an asset and not including as a liability debt secured by the primary residence, up to the estimated fair market value of the primary residence, other than debt incurred in the prior 60 days not as a result of acquiring the primary residence);
- (ii) Any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person’s spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;
- (iii) Any corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the Shares, with total assets in excess of \$5,000,000;
- (iv) Any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the Shares, whose purchase is directed by a sophisticated person who has such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of an investment in Shares;
- (v) Any plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees provided the plan has total assets in excess of \$5,000,000;
- (vi) Any employee benefit plan within the meaning of the ERISA, if the decision to purchase Shares is made by a plan fiduciary, as defined in Section 3(21) of ERISA, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, if investment decisions are made solely by persons that are accredited investors;
- (vii) Any organisation described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “**Code**”), not formed for the specific purpose of acquiring the Shares, with total assets in excess of \$5,000,000;
- (viii) Any bank as defined in Section 3(a)(2) of the 1933 Act or a savings and loan association or other institution as defined in Section 3(a)(5)(A) of the 1933 Act acting for its own account or for the account of an accredited investor;



- (ix) Any broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934, as amended, acting for its own account or the account of an accredited investor;
- (x) Any insurance company as defined in Section 2(13) of the 1933 Act;
- (xi) Any investment company registered under the 1940 Act, or a business development company as defined in Section 2(a)(48) of the 1940 Act that was not formed for the specific purpose of acquiring the Shares;
- (xii) Any small business investment company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958, as amended;
- (xiii) A private business development company as defined in Section 202(a)(22) of the U.S. Investment Advisers Act of 1940, as amended;
- (xiv) Any director, executive officer, or general partner of the Fund;
- (xv) A person that holds in good standing a Series 7, Series 65 or Series 82 license;
- (xvi) A “knowledgeable employee,” as defined in rule 3c-5(a)(4) under the Investment Company Act of 1940, as amended, of the issuer of the securities being offered or sold where the Partnership would be an investment company, as defined in section 3 of the Investment Company Act of 1940, as amended, but for the exclusion provided by either section 3(c)(1) or section 3(c)(7) of the Investment Company Act of 1940, as amended;
- (xvii) an investment adviser registered pursuant to section 203 of the Investment Advisers Act of 1940, as amended, or registered pursuant to the laws of a state;
- (xviii) any investment adviser relying on the exemption from registering with the Securities and Exchange Commission under section 2(a)(13) of the Investment Advisers Act of 1940, as amended;
- (xix) any Rural Business Investment Company as defined in section 384A of the Consolidated Farm and Rural Development Act;
- (xx) An entity that is not formed for the specific purpose of acquiring the securities offered hereby, and that owns investments, as defined under rule 2a51-1(b) of the Investment Company Act of 1940, in excess of \$5,000,000;
- (xxi) A “family office” as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940, as amended, (i) with assets under management in excess of \$5,000,000, (ii) not formed for the specific purpose of acquiring the securities offered, and (iii) whose prospective investments are directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investments;
- (xxii) A “family client,” as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940, as amended, of a family office meeting the requirements in paragraph (18) above and whose prospective investments in the Partnership is directed by such family office as described in paragraph (xxi) above; or
- (xxiii) Any entity in which all of the equity owners are accredited investors, as described above.
- (xxiv) Any entity in which all of the equity owners are accredited investors, as described above.

### ***U.S. Application Form***

In order to apply for Shares in the Offering, investors that are U.S. Persons as defined in “Definition of U.S. Person” below must complete and execute a U.S. Application Form containing additional representations and covenants designed to address specific U.S. regulatory and tax requirements.

Investors should consult their own counsel if they have any questions concerning the representations and warranties in the U.S. Application Form.

### ***Restrictions on Transfer***

The Shares may not be offered, sold, transferred, or delivered, directly or indirectly, in the United States or to, or for the account of, any U.S. Person, as defined in “Definition of U.S Person” below, except, with the consent of the Directors, to one or more persons each of whom is an “accredited investor” (as that term is defined under Rule 501 under the 1933 Act) in a transaction exempt from the registration requirements of the 1933 Act and applicable state and other securities laws. Any such consent may be granted or withheld in the sole discretion of the Directors.

U.S. Persons that acquire Shares in the Offering will be required to execute a U.S. Application Form in the same form as investors applying to the Fund for Shares in the Offering. Among other things, the U.S. Application Form provides that the Shares may not be offered, sold, transferred, or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. Persons without the prior written consent of the Fund and unless:

- (a) such offer, sale, transfer or delivery is duly registered under the 1933 Act and any applicable state securities laws, or the transferor provides the Fund with an opinion of counsel, satisfactory in form and substance to the Fund, to the effect that such offer, sale, transfer or delivery is exempt from the registration requirements of the 1933 Act and any applicable state securities laws;
- (b) the transferee provides the Fund with evidence, satisfactory in form and substance to the Fund, to the effect that the transferee will, for the purposes of determining whether the Fund may rely on the exemption from the 1940 Act registration under Section 3(c)(1) of the 1940 Act, be counted as not more than one beneficial owner of the Shares;
- (c) the transferee provides the Fund with evidence satisfactory in form and substance to the Fund that (i) the transferee is not purchasing the transferred Shares on or through an “established securities market” (as such term is used in Section 7704(b) of the Code and applicable U.S. Treasury regulations and (ii) the transferee is not purchasing the transferred Shares on or through a “secondary market or the substantial equivalent thereof” (as such term is used in Section 7704(b) of the Code and the Treasury regulations thereunder); and
- (d) the transferee undertakes to comply with these restrictions in respect of any further transfers of the Shares.

The Fund has no obligation to register the Shares under the 1933 Act or any state securities laws or to assist any investor in effecting any such registration. As a result, U.S. Persons that invest in Shares may have to bear the economic risk of an investment in the Shares for an indefinite period of time. Any certificate or any other document evidencing Shares issued to U.S. Persons will bear a legend stating that the Shares have not been registered or qualified under the 1933 Act and any applicable state securities laws and that the Fund is not registered under the 1940 Act and referring to the foregoing restrictions on transfer and sale.

No public market in the United States is expected to develop for the Shares.

### ***Mandatory Transfers***

The U.S. Application Form provides that the Directors may at any time impose such restrictions as they may think necessary for the purpose of ensuring that no Shares in the Fund are acquired or held directly or beneficially by any person in breach of the law or requirements of any country or governmental authority by virtue of which such person is not qualified to hold Shares. Any such transfer shall have, as the Directors may determine, such retroactive effect as may be required for the purposes of compliance with United States law.

### ***Definition of U.S. Person***

In this Prospectus (other than the discussion of “Certain United States Federal Tax Considerations”, below), U.S. Person means a person who is (i) included in the definition of “U.S. person” under Rule 902 of Regulation S under the 1933 Act and (b) excluded from the definition of a “Non-United States person” as used in CFTC Rule 4.7 under the Commodity Act.

“U.S. person” under Rule 902 means the following:

- (a) any natural person resident in the United States;
- (b) any partnership or corporation organised or incorporated under the laws of the United States;
- (c) any estate of which any executor or administrator is a U.S. Person;
- (d) any trust of which any trustee is a U.S. Person;
- (e) any agency or branch of a non-U.S. entity located in the United States;
- (f) 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;
- (g) 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; or
- (h) 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.

Notwithstanding the foregoing “U.S. Person” does not include: (a) a 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; (b) 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; (c) 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; (d) 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; (e) 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 (f) 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 under the Commodity Act currently provides in relevant part that the following persons are considered "Non-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 non-U.S. jurisdiction and which has its principal place of business in a non-U.S. jurisdiction;
3. an estate or trust, the income of which is not subject to United States income tax regardless of source;
4. an entity organised principally for passive investment such as a commodity 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" (as defined in Rule 4.7(a)(2) under the Commodity Act) represent in the aggregate less than ten per cent 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 CFTC's regulations by virtue of its participants being Non-United States persons;  
or
5. a pension plan for the employees, officers or principals of an entity organised and with its principal place of business outside the United States.

## CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

THE DISCUSSION HEREIN IS FOR INFORMATIONAL PURPOSES ONLY AND IS A DISCUSSION OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF AN INVESTMENT IN THE FUND TO PROSPECTIVE SHAREHOLDERS ACQUIRING SHARES IN THE FUND PURSUANT TO THE PROSPECTUS DATED 29 OCTOBER, 2021. EACH PROSPECTIVE SHAREHOLDER SHOULD CONSULT ITS PROFESSIONAL TAX ADVISOR WITH RESPECT TO THE TAX ASPECTS OF AN INVESTMENT IN THE FUND. TAX CONSEQUENCES MAY VARY DEPENDING UPON THE PARTICULAR STATUS OF A PROSPECTIVE SHAREHOLDER. IN ADDITION, SPECIAL CONSIDERATIONS (NOT DISCUSSED HEREIN) MAY APPLY TO PERSONS WHO ARE NOT DIRECT SHAREHOLDERS IN THE FUND BUT WHO HOLD SHARES THROUGH AN ENTITY THAT IS TREATED AS A PARTNERSHIP OR OTHER PASS-THROUGH ENTITY FOR U.S. FEDERAL INCOME TAX PURPOSES, OR WHO ARE DEEMED TO OWN SHARES AS A RESULT OF THE APPLICATION OF CERTAIN ATTRIBUTION RULES. MOREOVER, THIS DISCUSSION DOES NOT ADDRESS ANY TAX CONSIDERATIONS THAT MAY BE SPECIFICALLY RELEVANT TO A SHAREHOLDER SUBJECT TO SPECIAL TAX RULES, INCLUDING, WITHOUT LIMITATION, A SHAREHOLDER THAT IS A DEALER IN SECURITIES (OR OTHER PERSON NOT HOLDING SHARES IN THE FUND AS CAPITAL ASSETS OR THAT HAS ELECTED MARK-TO-MARKET TREATMENT), A SHAREHOLDER RECEIVING SHARES AS COMPENSATION, A SHAREHOLDER THAT IS A REGULATED INVESTMENT COMPANY, REAL ESTATE INVESTMENT TRUST, S CORPORATION, FINANCIAL INSTITUTION OR INSURANCE COMPANY, A SHAREHOLDER TREATED AS A PARTNERSHIP FOR U.S. FEDERAL INCOME TAX PURPOSES, A SHAREHOLDER THAT IS A GOVERNMENT OR AN AGENCY OR INSTRUMENTALITY THEREOF, A SHAREHOLDER THAT HAS A "FUNCTIONAL CURRENCY" OTHER THAN THE US DOLLAR, A SHAREHOLDER THAT ACQUIRES SHARES AS PART OF A STRADDLE, HEDGE, CONVERSION TRANSACTION OR OTHER INTEGRATED INVESTMENT, A SHAREHOLDER THAT IS SUBJECT TO THE ALTERNATIVE MINIMUM TAX, A SHAREHOLDER THAT IS SUBJECT TO THE RULES THAT APPLY TO EXPATRIATES UNDER THE CODE, A SHAREHOLDER THAT IS NOT A U.S. PERSON (AS DEFINED BELOW) OR (EXCEPT TO THE LIMITED EXTENT EXPRESSLY SET FORTH BELOW) A TAX-EXEMPT ENTITY, OR A SHAREHOLDER THAT OWNS, OR IS CONSIDERED AS OWNING, SHARES REPRESENTING 10 PER CENT OR MORE OF THE COMBINED VOTING POWER OF THE FUND OR STOCK REPRESENTING 10 PER CENT OR MORE OF THE COMBINED VOTING POWER OF ANY ENTITY IN WHICH THE FUND INVESTS.

The discussion contained herein is not a full description of all of the U.S. federal income tax consequences of an investment in the Fund and is based upon the Code, existing judicial decisions and temporary and permanent U.S. Treasury Regulations (the "Treasury Regulations"), and published U.S. Internal Revenue Service ("IRS") rulings and procedures, all of which are subject to change, retroactively as well as prospectively. This discussion does not address any state, local, non-U.S. or non-income tax matters, nor does it discuss any tax consequences that may result from the application of any tax treaty. A decision to invest in the Fund should be based upon an evaluation of the merits of the Fund's investment objective and approach, and not upon any anticipated U.S. tax benefits.

CIRCULAR 230 DISCLOSURE: THIS APPENDIX WAS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING ANY FEDERAL TAX PENALTIES THAT THE IRS MAY ATTEMPT TO IMPOSE. BECAUSE THIS DISCUSSION COULD BE VIEWED AS

A “MARKETED OPINION” UNDER THE TREASURY REGULATIONS, WE INFORM YOU THAT IT WAS WRITTEN TO SUPPORT THE “PROMOTION OR MARKETING” OF THE MATTERS SET FORTH IN THIS APPENDIX. EACH RECIPIENT OF THIS PROSPECTUS SHOULD SEEK ADVICE BASED ON THAT PERSON’S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

For the purposes of this discussion, the term “U.S. Person” means a Shareholder that is, for U.S. federal income tax purposes, (A) with respect to individuals, a U.S. citizen or “resident alien” within the meaning of the U.S. federal income tax laws, and, (B) with respect to persons other than individuals, (i) a corporation (including any entity treated as a corporation for U.S. federal income tax purposes) created or organized in the U.S. or under the laws of the U.S. or any state (including the District of Columbia), (ii) a trust if (a) a U.S. court is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust or (b) the trust has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person or (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source.

#### Classification of the Fund for United States Federal Income Tax Purposes

The Fund is and expects that it will continue to be classified as a corporation that is a “passive foreign investment company” (a “PFIC”) for U.S. federal income tax purposes. A non-U.S. entity treated as a corporation for U.S. federal income tax purposes will generally be classified as a PFIC if (i) 75 per cent or more of its gross income in a taxable year is passive income, or (ii) 50 per cent or more of its assets held during the taxable year produce, or are held for the production of, passive income. Passive income generally includes, among other items, and subject to certain exceptions, dividends, interest, rents, royalties, and gains from the disposition of passive assets. Passive income also generally includes (i) the excess of foreign currency gains over foreign currency losses from transactions in currencies other than the entity’s functional currency, (ii) the excess of gains over losses from some commodities transactions, and (iii) net income from notional principal contracts. For the purposes of determining whether an entity is classified as a PFIC, if the entity owns (directly or indirectly) 25 per cent or more of the value of the stock of another corporation, the entity will be treated as if it received its proportionate share of the income of the other corporation and as if it held its proportionate share of the assets of the other corporation. If the entity holds (directly or indirectly) positions equal to or exceeding 25 per cent of the equity interests in companies that do not earn solely passive income or that do not hold solely assets that produce (or are held to produce) passive income, such positions might cause the entity not to be classified as a PFIC.

The Fund will monitor through the Investment Manager its Shareholders in an attempt to ensure that at all times the ownership of the Fund by “United States persons” (as defined for the purposes of the “controlled foreign corporation” rules) is below the threshold amounts set forth in Code Section 957 and that the Fund therefore will not be classified as a “controlled foreign corporation” as defined in Code Section 957. There can be no assurance, however, that the Fund and entities in which the Fund invests will not be classified as controlled foreign corporations.

## United States Federal Income Taxation of the Fund

The Directors intend to conduct the affairs of the Fund in such a manner as will not result in the Fund being treated as engaged in a trade or business in the United States or otherwise being subject to United States federal income taxation on a net income basis on its income and gains. While the Fund believes that it will not be treated as engaged in a trade or business in the United States, this test is applied annually based on the activities of the Fund and the activities of any entity in which the Fund invests that is not classified as a corporation for United States federal income tax purposes (whether the Fund's investment is made directly or indirectly through one or more other entities that are not themselves classified as corporations for United States federal income tax purposes). There can be no assurance that the IRS will not contend that the Fund is engaged in a trade or business in the United States in any one or more of its tax years.

If the Fund were deemed to be engaged in a trade or business in the United States, the Fund would be subject to United States federal income tax and branch profits tax on its income that is effectively connected with that trade or business. Even if the Fund is not engaged in a United States trade or business, it may nevertheless be subject to United States withholding taxes at a rate of up to 30 per cent on certain income, if any, realised from sources within the United States.

### Tax-Exempt U.S. Persons

For the purposes of this discussion, a "Tax-Exempt U.S. Person" is a U.S. Person that is generally exempt from payment of U.S. federal income tax. Generally, a Tax-Exempt U.S. Person is exempt from federal income tax on certain categories of income, such as dividends, interest, capital gains and similar income realised from securities investment or trading activity. This general exemption from tax does not, however, apply to the "unrelated business taxable income" ("UBTI") of a Tax-Exempt U.S. Person. Generally, except as noted above with respect to certain categories of exempt trading activity, UBTI includes income or gain derived from a trade or business, the conduct of which is substantially unrelated to the exercise or performance of the Tax-Exempt U.S. Person's exempt purpose or function. UBTI also includes (i) income derived by a Tax-Exempt U.S. Person from debt-financed property and (ii) gains derived by a Tax-Exempt U.S. Person from the disposition of debt-financed property.

While the Fund may borrow money or otherwise utilise leverage, under current law that leverage should not be attributed to, or otherwise flow through to, Tax-Exempt U.S. Persons that invest in the Fund. Accordingly, any dividends from the Fund or gain on the sale or redemption of Shares in the Fund should not constitute UBTI to a Tax-Exempt U.S. Person, assuming the Tax-Exempt U.S. Person does not borrow money or otherwise utilise leverage in purchasing its Shares in the Fund.

Tax-Exempt U.S. Persons may be subject to certain IRS tax return filing requirements in the U.S. as a result of their investments in the Fund, and are urged to consult with their own tax advisors concerning those requirements.

**TAX-EXEMPT U.S. PERSONS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS CONCERNING THE U.S. TAX CONSEQUENCES OF AN INVESTMENT IN THE FUND.**

## Taxable U.S. Persons

If a U.S. Person other than a Tax-Exempt U.S. Person (a “Taxable U.S. Person”) invests directly or indirectly in the Fund, that person may suffer adverse tax consequences.

Since the Fund is and expects to continue to be treated as a PFIC under the Code, Taxable U.S. Persons are expected to be subject to U.S. federal income taxation with respect to any investment in the Fund under certain special rules. If the Fund is a PFIC, then, under the “interest charge” rules, a Taxable U.S. Person holding Shares is generally liable for tax at ordinary income rates plus an interest charge (which is not deductible by an individual) reflecting the deferral of tax liability when it sells its Shares at a gain or receives an “excess distribution” from the Fund. Furthermore, the estate of a deceased individual Taxable U.S. Person will be denied a tax-free “step-up” in the tax basis to fair market value for Shares held by that deceased individual that were subject to the “interest charge” rules.

If the Fund is a PFIC, a Taxable U.S. Person holding Shares may be able to make an election to have the Fund treated as a qualified electing fund (“QEF”) with respect to its Shares. A Taxable U.S. Person that holds Shares and has made the QEF election, which may only be revoked with the consent of the IRS, is generally taxed each year on its proportionate share of the ordinary earnings and net long-term capital gains of the Fund, whether or not the earnings or gains are distributed, assuming that the Fund is not a “controlled foreign corporation”; actual cash distributions by the Fund paid out of earnings and profits that have already been included in taxable income will not be taken into account in determining the taxable income of the Taxable U.S. Person. A Taxable U.S. Person that timely makes a QEF election with respect to its Shares for the first taxable year in which such Taxable U.S. Person holds such Shares (or that subsequently makes such an election and also makes a so-called “purging” election for the same tax year, which would result in a taxable deemed sale of the Taxable U.S. Person’s Shares for fair market value) will not be subject to the “interest charge” rules discussed above with respect to its Shares. In order for a Taxable U.S. Person holding Shares to be eligible to make a QEF election, the Fund would have to agree to provide certain tax information to such Taxable U.S. Person on an annual basis. The Fund will use commercially reasonable efforts to provide such information if reasonably available to it.

Finally, if the Fund is a PFIC and the Fund’s Shares are considered to be “marketable stock” within applicable definitions, a Taxable U.S. Person holding Shares will be eligible to elect to mark those Shares to market at the end of every year, and thereby avoid the application of the “interest charge” rules described above. Under the applicable Treasury Regulations, however, the Fund does not believe that its Shares will be treated as “marketable stock”.

A Taxable U.S. Person that invests in Shares, or a shareholder or beneficiary of such an investor, may also suffer adverse tax consequences if the Fund is a “controlled foreign corporation” under the “Subpart F” or “global intangible low-taxed income” (or “GILTI”) rules of the Code. If the Fund is a “controlled foreign corporation”, Taxable U.S. Persons that hold or that are treated under certain attribution rules as holding Shares representing at least 10 per cent of the combined voting power of all classes of Fund stock entitled to vote or at least 10 per cent of the total value of shares of all classes of Fund stock may under certain circumstances be required to include in gross income for U.S. federal income tax purposes amounts attributable to some or all of the earnings of the Fund in advance of the receipt of cash attributable to those earnings. A foreign entity treated as a corporation for U.S. federal income tax



purposes generally will be a controlled foreign corporation if the direct and indirect ownership of the entity by “United States persons” (as defined for the purposes of the “controlled foreign corporation” rules) each of whom owns (taking certain constructive ownership rules into account) at least 10 per cent of the combined voting power of all classes of the entity’s stock entitled to vote or at least 10 per cent of the total value of shares of all classes of Fund stock exceeds in the aggregate 50 per cent of the combined voting power or total value of the entity’s equity interests. Amounts so taken into account under the “Subpart F” or “GILTI” rules may generally be applied by such Taxable U.S. Persons to reduce the amount required to be taken into account as a dividend upon the receipt of any distributions from the Fund. Taxable U.S. Persons required to include such amounts will generally not be subject to the PFIC rules described in the preceding paragraphs with respect to the Fund. A Taxable U.S. Person that is a corporation and that is required to include such amounts in its taxable income may be entitled to a foreign tax credit on a pro rata basis with respect to some or all of the income taxes, if any, paid by the Fund to non-U.S. jurisdictions.

Subject to the Subpart F and GILTI rules described in the preceding paragraph, if the Fund is not, in fact, classified as a PFIC, a Taxable U.S. Person receiving a distribution in respect of Shares will be required to include such distribution in gross income as a taxable dividend to the extent that the distribution is paid from the current or accumulated earnings and profits of the Fund as determined under U.S. federal income tax law. Distributions in excess of those earnings and profits of the Fund will first be treated, for U.S. federal income tax purposes, as a non-taxable return of capital to the extent of (and in reduction of) the Taxable U.S. Person’s basis in the Shares and then as a gain from the sale or exchange of a capital asset, provided that the Shares constituted a capital asset in the hands of the Taxable U.S. Person. Dividend income in respect of Shares will generally be foreign-source income subject to the separate limitation for “passive income” for the purposes of the foreign tax credit limitation. If the Fund is not classified as a PFIC, Shareholders may be eligible for a dividends-received deduction with respect to dividends paid by the Fund. Additionally, if the Fund is not classified as a PFIC or if a Taxable U.S. Person has validly made a QEF election (discussed above) that is in effect for all years in the Taxable U.S. Person’s holding period in its Shares (or since it made the “purging” election described above), then, with certain exceptions, any gain or loss on the sale, redemption or other taxable exchange of Shares will be treated as capital gain or loss (if the Shares are held as capital assets). Such capital gain or loss will be long-term capital gain or loss if the Taxable U.S. Person has held the Shares for more than one year at the time of the sale, redemption or other taxable exchange. Net capital gains of Taxable U.S. Persons that are not corporations are subject to tax at lower rates than items of ordinary income. The deductibility of capital losses is subject to certain limitations.

A 3.8 per cent Medicare contribution tax generally applies to all or a portion of the net investment income of a Shareholder who is an individual and not a non-resident alien for federal income tax purposes and who has an adjusted gross income (subject to certain adjustments) that exceeds a threshold amount (US\$250,000 if married filing jointly or if considered a “surviving spouse” for federal income tax purposes, US\$125,000 if married filing separately, and US\$200,000 in other cases). This 3.8 per cent tax also applies to all or a portion of the undistributed net investment income of certain U.S. Persons that are estates and trusts. For these purposes, dividends and certain capital gains are generally taken into account in computing a Shareholder’s net investment income.

In general, payments on the Shares and proceeds of the sale of the Shares to Shareholders that are Taxable U.S. Persons other than corporations or other exempt recipients may be subject to information

reporting requirements. Such payments may also be subject to backup withholding tax at the applicable rate (currently 24%) if such a holder among other things: fails to furnish a social security number or other taxpayer identification number (TIN) certified under penalties of perjury within a reasonable time after the request therefor; furnishes an incorrect TIN; is subject to backup withholding because it previously failed to properly report interest or dividends; or under certain circumstances, fails to provide a certified statement, signed under penalties of perjury, that the TIN furnished is the correct number and that such U.S. holder is not subject to backup withholding.

Shareholders that are not Taxable U.S. Persons may be required to comply with applicable certification procedures to establish that they are not Taxable U.S. Persons in order to avoid the application of such information reporting requirements and backup withholding. Information reporting and backup withholding may apply to the proceeds of a sale of Shares made within the United States or conducted through certain U.S. related financial intermediaries, unless the payor receives the statement that establishes that the Shareholder is not a Taxable U.S. Person or Shareholder otherwise establishes an exemption.

Backup withholding is not an additional tax. The amount of any backup withholding collected from a payment will be allowed as a credit against the recipient's U.S. federal income tax liability and may entitle the recipient to a refund, so long as the required information is properly furnished to the IRS. Shareholders should consult their own tax advisors about any additional reporting requirements that may arise as a result of their purchasing, holding or disposing of Shares.

IN AS MUCH AS TAXABLE U.S. PERSONS ARE SUBJECT TO POTENTIALLY ADVERSE TAX CONSEQUENCES IF THEY INVEST IN THE FUND AND THE FOREGOING SUMMARY IS ONLY A BRIEF OVERVIEW OF HIGHLY COMPLEX RULES, SUCH POTENTIAL INVESTORS ARE STRONGLY URGED TO CONSULT WITH THEIR OWN TAX ADVISORS BEFORE INVESTING IN THE FUND.

### Reporting

If the Fund is classified as a PFIC, a U.S. Person holding Shares will generally have to file IRS Form 8621 for some or all of the tax years in which such U.S. Person holds such Shares.

Any United States person within the meaning of the Code owning 10% or more (taking certain attribution rules into account) of either the combined voting power or total value of the shares of a non-U.S. corporation such as the Fund may be required to file an information return with the IRS containing certain disclosures concerning the filing shareholder, other shareholders and the corporation. The Fund has not committed to provide the information about the Fund or its Shareholders needed to complete the return.

A U.S. Person (and, in certain cases, a non-U.S. person who is engaged in business in the U.S.) who owns an interest in certain foreign financial accounts that, when aggregated with the value of certain other foreign financial accounts, are worth more than US\$10,000 during any part of a calendar year is generally required to file FinCEN Form 114, "Report of Foreign Bank and Financial Accounts" (an "FBAR") with respect to such accounts by April 15 following the close of such calendar year. It is not clear whether a U.S. Person's investment in the Fund, itself, would be treated as a foreign financial

account for the purposes of the FBAR filing requirements. The penalties for failing to file an FBAR when required can be severe.

In addition, in general, an individual who is a U.S. Person and who owns an interest in a foreign entity such as the Fund that, when aggregated with the value of certain other foreign assets, is worth more than US\$50,000 on the last day of a taxable year or more than US\$75,000 at any time during a taxable year must attach a disclosure statement (IRS Form 8938) to his or her tax return for that taxable year. For married taxpayers filing jointly, the general disclosure statement filing thresholds are US\$100,000 on the last day of a taxable year or US\$150,000 at any time during the taxable year. The filing thresholds are higher for U.S. Persons whose tax homes are in countries other than the United States and who meet one of two "presence abroad" tests. For an individual who meets these requirements, the filing thresholds are US\$200,000 on the last day of a taxable year or US\$300,000 at any time during the taxable year. For married taxpayers filing jointly who meet these requirements, the filing thresholds are US\$400,000 on the last day of a taxable year or US\$600,000 at any time during the taxable year. Treasury Regulations require certain U.S. entities to file disclosure statements as though the entities were individuals. The filing of a disclosure statement will not satisfy an FBAR filing requirement, and the filing of an FBAR will not eliminate any requirement to file IRS Form 8938.

The FATCA provisions of the HIRE Act were enacted to identify U.S. persons either directly investing outside the U.S. or indirectly earning income inside or outside the U.S. through foreign entities. Under those provisions, unless the Fund timely agrees to collect and disclose to the U.S. Treasury certain information with respect to Shareholders and Shareholders' investments, or collects and discloses such information to Ireland pursuant to the IGA, and meets certain other conditions, any payment to the Fund on or after 1 July 2014 (or, in certain cases, on or after later dates) of dividends, interest, and certain other categories of income from sources within the U.S., and any payments made on or after 1 January 2017 of proceeds from the sale of property that can produce dividends, interest and certain other categories of income from sources within the U.S., will generally (subject to certain exceptions) be subject to a 30% U.S. federal withholding tax.

The obligations of Irish financial institutions under FATCA will be covered by the provisions of the IGA (signed in December 2012) and supporting Irish legislation/regulations (draft released May 2013). Under the IGA, any Irish financial institutions as defined under the IGA will be required to report annually to Irish Revenue (commencing in 2015) details on their U.S. account holders, including names, addresses, taxpayer identification numbers, and certain other details. Such institutions will also be required to amend their account on-boarding procedures with effect from 1 July 2014 in order to easily identify new U.S. account holders and report this information to Irish Revenue. The Fund, with assistance from its service providers where necessary, will endeavour to ensure that it satisfies any obligations imposed on it by the IGA.

The Fund's ability to satisfy its obligations under the IGA will depend on each Shareholder in the Fund providing the Fund with any information (including, in the case of each corporate Shareholder, information concerning the direct or indirect owners of such Shareholder) that the Fund determines is necessary to satisfy such obligations. Each Shareholder will agree in its Application Form to provide such information upon request from the Fund and the Administrator. If the Fund fails to satisfy its obligations under the IGA, it may, in certain circumstances, be treated as a "nonparticipating financial institution" by the U.S. tax authorities and may therefore be subject to a 30% withholding on certain

types of U.S. source income and any proceeds from the sale of property that could give rise to certain types of U.S. source income. Shareholders are encouraged to consult with their own tax advisors regarding the possible implications of FATCA on their interest in the Fund.

The foregoing is not intended to constitute an exhaustive description of all reporting requirements that may apply to an investment in the Fund. Shareholders are urged to consult their own tax advisors or return preparers concerning the application of these and any other reporting requirements. A failure to satisfy certain reporting requirements may result in an extension of the time period during which the IRS can assess a tax, and under certain circumstances, such an extension may apply to assessments of amounts unrelated to any unsatisfied reporting requirement.

### **ERISA AND OTHER BENEFIT PLAN CONSIDERATIONS**

CIRCULAR 230 DISCLOSURE: THIS APPENDIX WAS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING ANY FEDERAL TAX PENALTIES THAT THE IRS MAY ATTEMPT TO IMPOSE. BECAUSE THIS DISCUSSION COULD BE VIEWED AS A “MARKETED OPINION” UNDER THE TREASURY REGULATIONS, WE INFORM YOU THAT IT WAS WRITTEN TO SUPPORT THE “PROMOTION OR MARKETING” OF THE MATTERS SET FORTH IN THIS APPENDIX. PROSPECTIVE INVESTORS SHOULD CONSULT THEIR OWN INDEPENDENT TAX ADVISORS WITH RESPECT TO AN INVESTMENT IN THE FUND AND SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES AS TO THE SPECIFIC CONSEQUENCES TO THEM UNDER UNITED STATES FEDERAL TAX LAW, AND UNDER OTHER TAX LAWS, SUCH AS STATE, LOCAL AND NON-U.S. TAX LAWS.

THE FOLLOWING SUMMARY OF CERTAIN ASPECTS OF ERISA AND OF THE CODE, IS BASED UPON ERISA, THE CODE, JUDICIAL DECISIONS, AND DEPARTMENT OF LABOR REGULATIONS AND RULINGS IN EXISTENCE ON THE DATE HEREOF. THIS SUMMARY IS GENERAL IN NATURE AND DOES NOT ADDRESS EVERY ERISA ISSUE THAT MAY BE APPLICABLE TO THE FUND OR A PARTICULAR INVESTOR. ACCORDINGLY, EACH PROSPECTIVE INVESTOR SHOULD CONSULT WITH ITS OWN COUNSEL IN ORDER TO UNDERSTAND THE ERISA AND CODE ISSUES AFFECTING THE FUND AND THE INVESTOR.

Subject to the limitations applicable to investors generally, Shares may be purchased using assets of employee benefit plans, including benefit plans subject to the provisions of Title I of ERISA (“**ERISA Plans**”), or of retirement plans subject to the prohibited transaction provisions of Section 4975 of the Code, such as individual retirement accounts and plans covering only self-employed individuals (“**Qualified Plans**” and, together with ERISA Plans, “**Plans**”). However, neither the Fund, the Investment Manager, nor any of their agents, employees, or affiliates, makes any representation with respect to whether the Shares are a suitable investment for any benefit plan, including an ERISA Plan or Qualified Plan. **All investors are urged to consult their legal advisors before investing assets of a benefit plan in the Fund, and must make their own independent decisions.**

#### ***In General***

In considering whether to invest assets of any benefit plan in the Fund, the persons acting on behalf of the plan should consider in the plan’s particular circumstances whether the investment will be consistent with their responsibilities and any special constraints imposed by the terms of the plan and by applicable

U.S., state or other law, including ERISA and the Code. Some of the responsibilities and constraints imposed by ERISA on employee benefit plans subject to the fiduciary responsibility provisions of the ERISA Plans and by the Code on Plans are summarised below. The following is merely a summary of those particular laws, however, and should not be construed as legal advice or as complete in all relevant respects. In addition, governmental plans, certain church plans, non-U.S. plans and other benefit plans not subject to ERISA or the prohibited transaction provisions of the Code may nevertheless be subject to similar federal, state, foreign or other laws.

### ***Fiduciary Responsibilities With Respect to ERISA Plans***

Persons acting as fiduciaries on behalf of an ERISA Plan are subject to specific standards of behavior in the discharge of their responsibilities pursuant to Section 404(a)(1) of ERISA. Consequently, in determining whether to invest assets of a Plan in the Fund, an ERISA Plan's fiduciaries must conclude that an investment in the Fund would be prudent and in the best interests of Plan participants and their beneficiaries. They must also determine that any such investment would be in accordance with the documents and instruments governing the ERISA Plan, would satisfy applicable diversification requirements and would provide the Plan with sufficient liquidity given the limitations upon an investor's ability to redeem or transfer Shares. In making those determinations, such persons should take into account that the Fund will invest its assets in accordance with the investment objectives and policies expressed in the Prospectus without regard to the particular objective or investment policies of any class of investors, including ERISA Plans and Qualified Plans. Such persons should also take into account, as discussed below, that it is not expected that the Fund's assets will constitute the "plan assets" of any investing ERISA Plan or Qualified Plan, so that neither the Fund, the Directors, the Investment Manager, nor any of their principals, agents, employees, or affiliates, will be a fiduciary as to any investing ERISA Plan or Qualified Plan. See also "Identification of Plan Assets" below.

### ***Prohibited Transactions***

ERISA Plans and Qualified Plans are subject to special rules limiting direct and indirect transactions involving the assets of the Plan and certain persons related to the Plan, termed "parties in interest" under ERISA and "disqualified persons" under the Code. Disqualified persons and parties in interest include any fiduciary to a Plan, any service provider to a Plan, the employer sponsoring a Plan, and certain persons affiliated with a fiduciary, service provider or employer. In addition, ERISA and the Code prohibit fiduciaries of a Plan from engaging in various acts of self-dealing. A party in interest engaging in a "prohibited transaction" may be subject to substantial excise tax penalties and possibly personal liability. Further, any fiduciary to an ERISA Plan taking or permitting any action which the fiduciary knows or should know constitutes a "prohibited transaction" may be personally liable for any loss resulting to the ERISA Plan from such transaction, and subject to forfeiture of any gain derived by the fiduciary from the transaction. The persons acting on behalf of an investing Plan should consider whether an investment of Plan assets in the Fund might constitute a prohibited transaction, as might occur for example if the Investment Manager or one of its affiliates were a fiduciary to the investing Plan in connection with its purchase of Shares.

### ***Identification of Plan Assets***

Under Section 3(42) of ERISA and U.S. Department of Labor Regulations Section 2510.3-101, as modified by Section 3(42) of ERISA (together, the "**Plan Asset Rules**"), the fiduciary, prohibited

transaction and other provisions of ERISA and the Code, including the rules for determining who is a party in interest or disqualified person, would generally be applied by treating an investing Plan's assets as including its investment in the Fund but not including any of the underlying assets of the Fund. Under the Plan Asset Rules, however, assets of the Fund may be considered to include assets of the investing Plans if, immediately after any acquisition of an equity interest in the Fund, 25% or more (or any higher percentage which may be specified by regulation) of the value of any class of equity interests in the Fund is held by "Benefit Plan Investors". For this purpose, a Benefit Plan Investor means an ERISA Plan, a Qualified Plan, or an entity deemed to hold plan assets under the Plan Asset Rules by reason of investment in the entity by ERISA Plans or Qualified Plans. However, entities which hold plan assets are generally considered to be Benefit Plan Investors only to the extent that their equity interests are held by Benefit Plan Investors, although special rules apply to certain entities, including insurance companies investing assets of their separate accounts and bank collective trust funds. In performing the 25% calculation, Shares held by persons (and their affiliates) who provide investment advice to the Fund for a fee, direct or indirect (including the Investment Manager), or have discretionary authority over the Fund's assets, are disregarded.

### ***Consequences of Plan Asset Status***

Under ERISA and the Code, a person who exercises any discretionary authority or discretionary control respecting the management or disposition of the assets of a Plan or who renders investment advice for a fee to a Plan is generally considered to be a fiduciary of such Plan. Consequently, should the 25% threshold be exceeded as to any class of equity interests in the Fund, the Investment Manager could be characterised as a fiduciary of the investing Plans. As a result, various transactions between the Fund on the one hand and the Investment Manager, its affiliates, or other parties in interest or disqualified persons with respect to the investing Plans on the other hand could constitute prohibited transactions under ERISA or the Code. In addition, the prudence standards and other provisions of Title I of ERISA applicable to investments by ERISA Plans and their fiduciaries would extend to investments made by the Fund, and the ERISA Plan fiduciaries who made a decision to invest the Plan's assets in the Fund could, under certain circumstances, be liable as co-fiduciaries for actions taken by the Fund or the Investment Manager. Finally, certain other requirements of ERISA, such as the requirement that the indicia of ownership of a Plan's assets be held within the U.S., may become applicable to, but not be satisfied as to, the assets of the Fund.

### ***Limitation on Investment by Benefit Plan Investors***

In order that the assets of the Fund are not deemed to be plan assets under ERISA and the Code, the Fund does not currently intend to permit the investment by Benefit Plan Investors in any class of the Fund's equity interests to equal or exceed 25% percent (or any higher percentage prescribed by the Plan Asset Rules) at any time. Accordingly, the Directors of the Fund have the right, in their sole and absolute discretion, to reject any proposed investment by a prospective or existing investor, to deny approval for any transfer of Shares and to require that a Shareholder redeem all or part of its Shares. Consequently, the Fund does not anticipate that its assets will be deemed to include the plan assets of any Benefit Plan Investor in the Fund under ERISA and the Code. However, the Fund reserves the right, in its sole discretion, to permit investment by Benefit Plan Investors in the Fund to exceed the 25% threshold and to comply thereafter with the applicable provisions of ERISA and the Code.

### ***Representations by Benefit Plan Investors***

Fiduciaries proposing to invest the assets of an ERISA Plan or a Qualified Plan in the Fund will be required to represent that they have been informed of and understand the Fund's investment objectives, policies and strategies and that the decision to invest such Plan's assets in the Fund is consistent with the Plan's terms and the applicable provisions of ERISA and the Code, including, without limitation, terms and provisions that require diversification of Plan assets and impose other fiduciary responsibilities. The fiduciaries of investing Plans will also be required to represent that they are not relying upon the investment or other advice of the Investment Manager or its affiliates in investing in the Fund and that the acquisition and holding of Shares will not constitute a non-exempt "prohibited transaction" under ERISA or the Code. Finally, any entity that is a Benefit Plan Investor immediately prior to its acquisition of any Shares or at any time thereafter while it continues to hold any Shares must notify the Fund of its status as a Benefit Plan Investor prior to its initial acquisition of any Shares, or, if it first becomes a Benefit Plan Investor after its initial acquisition of any Shares, immediately upon becoming a Benefit Plan Investor. Each entity that is a Benefit Plan Investor must also advise the Fund of the percentage of its assets which are considered to constitute "plan assets," and must notify the Fund promptly in the event of any change in such percentage.

### **SUBSCRIPTION PROCEDURE**

Shares will be offered subject to prior sale and to withdrawal, cancellation or modification of the Offering. The Fund reserves the right to accept or reject any offer to purchase Shares, in whole or in part, at any time prior to the completion of the Offering.

In order to apply for Shares in the Offering, investors that are U.S. Persons as defined in "Definition of U.S. Person" above must complete and execute the U.S. Application Form.

Investors should carefully review the U.S. Application Form before subscribing for Shares. It contains, among other things, a number of representations and warranties by the investor required for the purposes of compliance with various legal requirements and an indemnity from the investor. The investor should consult its own counsel if it has any questions concerning the representations, warranties, and indemnity in the U.S. Application Form.

The U.S. Application Form should be completed and executed and signed copies of the Form should be faxed to the Fund at + 353 1 438 9536. Hard copies of the signed U.S. Application Form should be sent to:

UTI International (Singapore) Private Limited  
UTI INDIAN FIXED INCOME FUND PLC  
Transfer Agent, Citibank Europe plc,  
1 North Wall Quay,  
Dublin 1,  
Ireland.

## **ADDITIONAL INFORMATION**

This Prospectus may not contain all of the information concerning the Fund and the Shares which is available. The Fund will make available to each prospective investor at a reasonable time prior to the purchase by such prospective investor of Shares the opportunity to ask questions and receive answers concerning the terms and conditions of the Offering and to obtain any additional information which the Fund possesses or can obtain without unreasonable effort or expense that is necessary to verify the accuracy of information contained in this Prospectus. The Fund will make copies of all applicable documents available to potential investors upon request. Requests for further information should be directed to the Investment Manager.



**Appendix V – Third parties appointed by the Depositary**

<b>Country</b>	<b>Citibank NA Sub-Custodians</b>
<b>Argentina</b>	The Branch of Citibank, N.A. in the Republic of Argentina
<b>Australia</b>	Citigroup Pty. Limited
<b>Austria</b>	Citibank Europe plc
<b>Bahrain</b>	Citibank, N.A., Bahrain Branch
<b>Bangladesh</b>	Citibank, N.A., Bangladesh Branch
<b>Belgium</b>	Citibank Europe plc
<b>Bermuda</b>	The Hong Kong & Shanghai Banking Corporation Limited acting through its agent, HSBC Bank Bermuda Limited
<b>Bosnia-Herzegovina (Sarajevo)</b>	UniCredit Bank d.d.
<b>Bosnia-Herzegovina: Srpska (Banja Luka)</b>	UniCredit Bank d.d.
<b>Botswana</b>	Standard Chartered Bank of Botswana Limited
<b>Brazil</b>	Citibank, N.A., Brazilian Branch
<b>Bulgaria</b>	Citibank Europe plc Bulgaria Branch
<b>Canada</b>	Citibank Canada
<b>Chile</b>	Banco de Chile
<b>China B Shanghai</b>	Citibank, N.A., Hong Kong Branch (For China B shares)
<b>China B Shenzhen</b>	Citibank, N.A., Hong Kong Branch (For China B shares)
<b>China A Shares</b>	Citibank (China) Co., Ltd ( China A shares)
<b>China Hong Kong Stock Connect</b>	Citibank, N.A., Hong Kong Branch

<b>Clearstream ICSD</b>	
<b>Colombia</b>	Cititrust Colombia S.A. Sociedad Fiduciaria
<b>Costa Rica</b>	Banco Nacional de Costa Rica
<b>Croatia</b>	Privedna Banka Zagreb d.d.
<b>Cyprus</b>	Citibank Europe plc, Greece branch
<b>Czech Republic</b>	Citibank Europe plc, organizacni slozka
<b>Denmark</b>	Citibank Europe plc
<b>Egypt</b>	Citibank, N.A., Egypt
<b>Estonia</b>	Swedbank AS
<b>Euroclear</b>	Euroclear Bank SA/NV
<b>Finland</b>	Citibank Europe plc
<b>France</b>	Citibank Europe plc
<b>Georgia</b>	JSC Bank of Georgia
<b>Germany</b>	Citibank Europe plc
<b>Ghana</b>	Standard Chartered Bank of Ghana Limited
<b>Greece</b>	Citibank Europe plc, Greece Branch
<b>Hong Kong</b>	Citibank N.A., Hong Kong Branch
<b>Hungary</b>	Citibank Europe plc, Hungarian Branch Office
<b>Iceland</b>	Citibank is a direct member of Clearstream Banking S.A., which is an ICSD/ Islandsbanki hf
<b>India</b>	Citibank, N.A. Mumbai Branch

<b>Indonesia</b>	Citibank, N.A., Jakarta Branch
<b>Ireland</b>	Citibank N.A., London Branch
<b>Israel</b>	Citibank, N.A., Israel Branch
<b>Italy</b>	Citibank Europe plc
<b>Jamaica</b>	Scotia Investments Jamaica Limited
<b>Japan</b>	Citibank N.A., Tokyo Branch
<b>Jordan</b>	Standard Chartered Bank Jordan Branch
<b>Kazakhstan</b>	Citibank Kazakhstan JSC
<b>Kenya</b>	Standard Chartered Bank Kenya Limited
<b>Korea (South)</b>	Citibank Korea Inc.
<b>Kuwait</b>	Citibank N.A., Kuwait Branch
<b>Latvia</b>	Swedbank AS, based in Estonia and acting through its Latvian branch, Swedbank AS
<b>Lithuania</b>	Swedbank AS, based in Estonia and acting through its Lithuanian branch "Swedbank" AB
<b>Luxembourg</b>	only offered through the ICSDs- Euroclear & Clearstream
<b>Macedonia</b>	Raiffeisen Bank International AG
<b>Malaysia</b>	Citibank Berhad
<b>Malta</b>	Citibank is a direct member of Clearstream Banking, which is an ICSD.
<b>Mauritius</b>	The Hong Kong & Shanghai Banking Corporation Limited
<b>Mexico</b>	Banco Nacional de Mexico, SA
<b>Morocco</b>	Citibank Maghreb S.A

<b>Netherlands</b>	Citibank Europe plc
<b>New Zealand</b>	Citibank, N.A., New Zealand Branch
<b>Nigeria</b>	Citibank Nigeria Limited
<b>Norway</b>	Citibank Europe plc
<b>Oman</b>	The Hong Kong & Shanghai Banking Corporation Limited acting through its agent, HSBC Bank Oman S.A.O.G
<b>Pakistan</b>	Citibank, N.A., Pakistan Branch
<b>Panama</b>	Citibank N.A., Panama Branch
<b>Peru</b>	Citibank del Peru S.A
<b>Philippines</b>	Citibank, N.A., Philippine Branch
<b>Poland</b>	Bank Handlowy w Warszawie SA
<b>Portugal</b>	Citibank Europe plc
<b>Qatar</b>	The Hong Kong & Shanghai Banking Corporation Limited acting through its agent, HSBC Bank Middle East Limited
<b>Romania</b>	Citibank Europe plc, Dublin - Romania Branch
<b>Russia</b>	AO Citibank
<b>Serbia</b>	UniCredit Bank Srbija a.d.
<b>Singapore</b>	Citibank, N.A., Singapore Branch
<b>Slovak Republic</b>	Citibank Europe plc pobočka zahraničnej banky
<b>Slovenia</b>	UniCredit Banka Slovenia d.d. Ljubljana
<b>South Africa</b>	Citibank N.A., South Africa Branch
<b>Spain</b>	Citibank Europe plc

<b>Sri Lanka</b>	Citibank, N.A. Sri Lanka Branch
<b>Sweden</b>	Citibank Europe plc, Sweden Branch
<b>Switzerland</b>	Citibank N.A., London Branch
<b>Taiwan</b>	Citibank Taiwan Limited
<b>Tanzania</b>	Standard Bank of South Africa acting through its affiliate Stanbic Bank Tanzania Ltd
<b>Thailand</b>	Citibank, N.A., Bangkok Branch
<b>Tunisia</b>	Union Internationale de Banques
<b>Turkey</b>	Citibank, A.S.
<b>Ukraine</b>	JSC Citibank
<b>UAE- Abu Dhabi Securities Exchange</b>	Citibank N.A., UAE
<b>United Arab Emirates DFM</b>	Citibank N.A., UAE
<b>United Arab Emirates NASDAQ Dubai</b>	Citibank N.A., UAE
<b>United Kingdom</b>	Citibank N.A., London Branch
<b>United States*</b>	Citibank N.A., New York offices
<b>Uruguay</b>	Banco Itau Uruguay S.A.
<b>Vietnam</b>	Citibank NA Hanoi Branch

## Appendix VI – SFDR Annex

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

Product name: UTI Indian Fixed Income Fund plc (the "Fund") Legal entity identifier: 635400VU3EAZ9ZPHL174

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

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

## Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

Yes

No

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

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

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

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

It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 0% of sustainable investments

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

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

with a social objective

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



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

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

The environmental characteristics promoted by the Fund are:

- carbon neutrality;
- Co2 emission reductions;
- decarbonisation efforts;
- use of renewable energy;
- electrification;
- water management; and
- toxic waste management.

The social characteristics promoted by the Fund are:

- employee health and safety;
- gender diversity; and
- product safety.

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

Please refer to the table below for the indicators that the Investment Manager tracks on an annual basis to measure the attainment of each of the environmental or social characteristics promoted by the Fund. Depending on the disclosures and progress of investee companies, the Investment Manager then actively engages with the relevant investee companies to discuss any deviations from set targets.

Environment Indicators	
Key Parameters	Datapoints
<b>Carbon Emissions &amp; Reduction Targets</b>	
	Scope 1 emission
	Scope 2 emission
	Scope 3 emission
	Direct GHG Emissions
	In-direct GHG Emissions
	Targets to reduce Co2e Emissions
<b>Water Consumption &amp; Reduction Targets</b>	
	Consumption (m3)
	Withdrawal (m3)
	% Water Recycled
	Water Intensity/Sales
	Targets to Reduce Water Consumption
	Rain Water Harvesting
<b>Toxic &amp; Hazardous Waste Emissions &amp; Reduction Targets</b>	
	Sox (tons)
	Nox (tons)
	Sox Intensity (tons/Rsmn)

	Nox Intensity (tons/Rsmn)
	Particulate Matter (tons)
	Ozone Depleting Substances (tons)
	Total Waste
	Hazardous Waste
	Targets to reduce Waste
<b>Opportunity in Clean Technology</b>	
	% Renewable Electricity Share
	% Electric/Hybrid/CNG vehicles in Portfolio
<b>Social Indicators</b>	
<b>Employee Health &amp; Safety</b>	<b>Datapoints</b>
	Employee Benefits
	Employee Engagement
	Employee Attrition Rate
	Women Workforce Participation Rate
	Fatalities
<b>Product Quality &amp; Safety</b>	
	Product Quality Control
	Product Recalls
	FDA Warning Letters



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

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



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

✘ Yes.

This Fund considers PAI on sustainability factors. This is done in a number of ways.

- A minimum portion of investments must promote E/S characteristics as defined by the Investment Manager which will be monitored using certain PAI indicators. The PAI indicators of the investment are considered, and where the adverse impact is considered to be excessive, in the judgement of the Investment Manager, such investments are not deemed to be sustainable investments.
- The Investment Manager’s decision on whether to make an investment in a company, and the size of that investment, takes into account a wide range of PAI Indicators relating to the social, environmental and governance characteristics of that company, including the adverse impact that the company is having on sustainability.
- The product does not invest in any companies engaged in certain activities which, in the opinion of the Investment Manager, are associated with a particularly adverse impact on sustainability. These include but are not limited to companies involved in the in the business of production, exploration, mining & processing of thermal coal.
- The Investment Manager engages with companies in which it invests on a range of issues, including engagement with companies which have high adverse impact, with a view to influencing the company to change its activities in a manner which will reduce the adverse impact.

The specific PAI indicators that are taken into consideration are subject to data availability and may evolve with improving data quality and availability. The Fund’s annual financial statements will disclose how PAI have been considered on sustainability factors.

No



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

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

## What investment strategy does this financial product follow?

The Fund's investment strategy is to generate total returns with moderate levels of credit risk by investing in a portfolio of fixed income securities issued by the Central Government of India (including green bonds issued by the Government of India), State Governments of India, Indian Public Sector Undertakings, and Indian companies or companies deriving a significant portion of their business in India. The Fund will invest in both local currency (INR) denominated debt as well as offshore, foreign currency debt of Indian issuers. Offshore, foreign currency debt of Indian issuers refers to bonds and debt instruments issued by Indian corporations and financial institutions in currencies other than INR. The Fund may invest some part of its assets in debt instruments, issued by Indian companies and banks, denominated in USD or other foreign currencies. This exposure to non-INR investments may be converted to INR exposure through the use of non-deliverable forward contracts. The Fund may also invest up to 10% of net assets in fixed deposits held with offshore branches of Indian banks, for ancillary liquidity purposes only, in accordance with the requirements of the Central Bank UCITS Regulations.

The Fund seeks to promote good environmental and social standards and invests in companies that apply good corporate governance practices, with a particular focus on the characteristics listed above under ***“What environmental and/or social characteristics are promoted by this financial product?”***.

To achieve this, the Fund pursues the following approaches in the investment process via exclusions, ESG integration, active ownership and positive screening, as further detailed below.

**Exclusions:** The Investment Manager, in consultation with the Investment Advisor, has determined that certain companies will be excluded from the Fund's investment universe where any one or more factors mentioned below are applicable to the relevant company. The exclusions are outlined in further detail above under ***“What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?”***.

Exclusion filters are also applied to the portfolio construction process to restrict investments in companies that are allegedly involved in breaches of international law and norms on environmental protection, human rights, labour standards and anti-corruption.

The Investment Manager, in consultation with the Investment Advisor, assesses the governance practices of issuers through active analysis of the relevant companies' financial and operational health. The Investment Manager, in consultation with the Investment Advisor, analyses companies as going concerns and evaluates companies' track records over a long period of time, in addition to using governance ratings provided by third party data providers to supplement their research. In addition, the Investment Manager, in consultation with the Investment Advisor, directly engages with management at regular intervals in order to satisfy itself that the relevant issuers follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. The Investment Manager, in consultation with the Investment Advisor, monitors investee companies and checks whether companies have policies in place on these factors. In addition, the Investment Manager, in consultation with the Investment Advisor, has adopted a stewardship code.

The Investment Manager, in consultation with the Investment Advisor, ensures that at least:

- 90% of debt securities and money market instrument with an investment grade credit rating, sovereign debt issued by developed countries, and
- 75% of debt securities and money market instruments with a high yield rating and sovereign debt issued by emerging countries,

held in the Fund's portfolio are rated against the sustainability criteria.

Positive screening: After potential investments are chosen through the Investment Manager's internal screening process, it then applies positive screening which reduces the Fund's investable universe by 7-8%.

Monitoring compliance: The Investment Manager, in consultation with the Investment Advisor, monitors compliance with the environmental and/or social characteristics outlined above on a regular basis through ongoing monitoring of sustainability indicators using company and third-party data providers. If the Investment Manager is not satisfied with a particular stock following engagement with the relevant investee company, it will adjust the Fund's portfolio to maintain alignment with the key indicators being monitored.

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

Exclusion Policy: The Investment Manager implements an exclusion policy which eliminates any company from the Fund's universe which may cause significant environmental or social harm.

The exclusion policy can be found on the Investment Manager's website and includes:

- Companies in the business of production, exploration, mining & processing of thermal coal.

- Companies that generate more than 75% of their captive power using thermal coal.
- Companies that derive more than 25% of their revenue from activities related to fossil fuels.
- Companies that derive more than 20% of their revenue from Alcohol, Tobacco or Gambling.
- Companies that are engaged in the manufacturing or distribution of controversial weapons, which include:
  - cluster bombs and munitions
  - landmines
  - chemical and biological weapons
  - nuclear weapons
  - depleted uranium
  - white phosphorous
  - blinding laser weapons
  - non-detectable fragments
- Companies that have been found guilty of exploiting children for labour.
- Companies that have been found guilty of the following in a persistent and systemic manner without any acceptable corrective actions taken and the issue is considered to be material in the context of the overall operations of the company:
  - Violating human rights
  - Involved in environmental pollution
  - Involved in systemic corruption

In addition to the Investment Manager's exclusion policy, the following binding elements are used by the Investment Manager to select the investments to attain each of the environmental and/or social characteristics promoted by the Fund:

- ESG due diligence assessing selected sustainability indicators; and
- ESG due diligence assessing good governance practices (including sound management structures, employee relations, remuneration of staff, and tax compliance).

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

Corporate governance factors are an integral component of the Investment Manager's investment philosophy and company selection process. The Investment Manager has an experienced investment team which enables it to incorporate insights on management track record on corporate governance, gained over decades, into its investment management process. This is described further above under "***What investment strategy does this financial product follow?***"

The Investment Manager also has a long-standing track record of engaging with investee companies on corporate governance issues such as capital allocation, related party transactions, board composition, board committees' composition, board gender diversity, management compensation (CEO remuneration) and compliance lapses.

Further, the Investment Manager aims to promote good governance practices through proxy

voting, for example, by voting against management resolutions that are not aligned with best practices or are not aligned with investors' interests.

The good governance practices only apply to investments in companies and do not apply to government bonds.

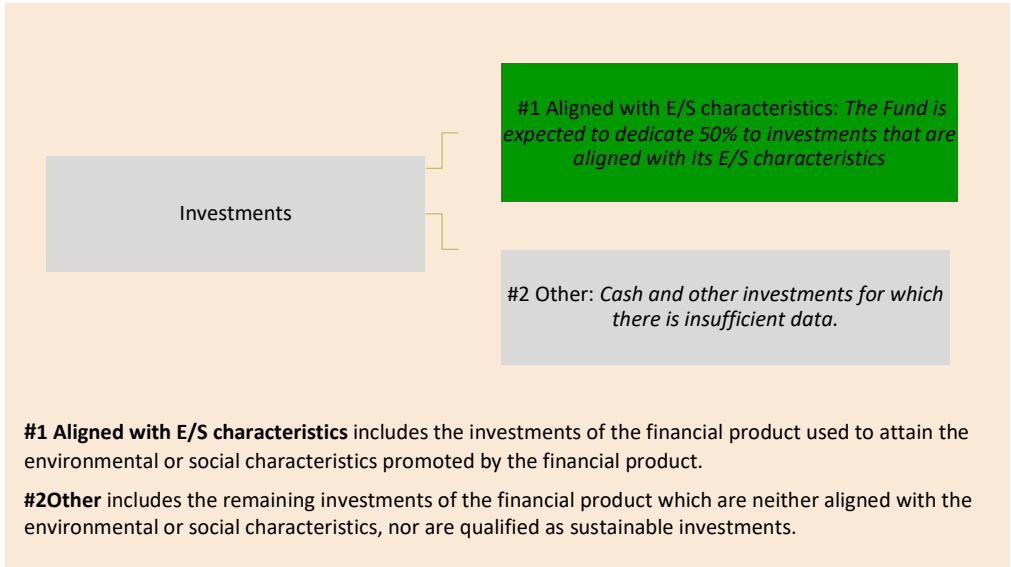
**Asset allocation** describes the share of investments in specific assets.



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

The minimum proportion of the investments of the financial product used to meet the environmental or social characteristics promoted by the Fund is 50%.

The remaining portion of investments is up to 50% and is made up of cash and other investments for which there is insufficient data i.e. securities issued by the Government of India.



To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

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

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



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

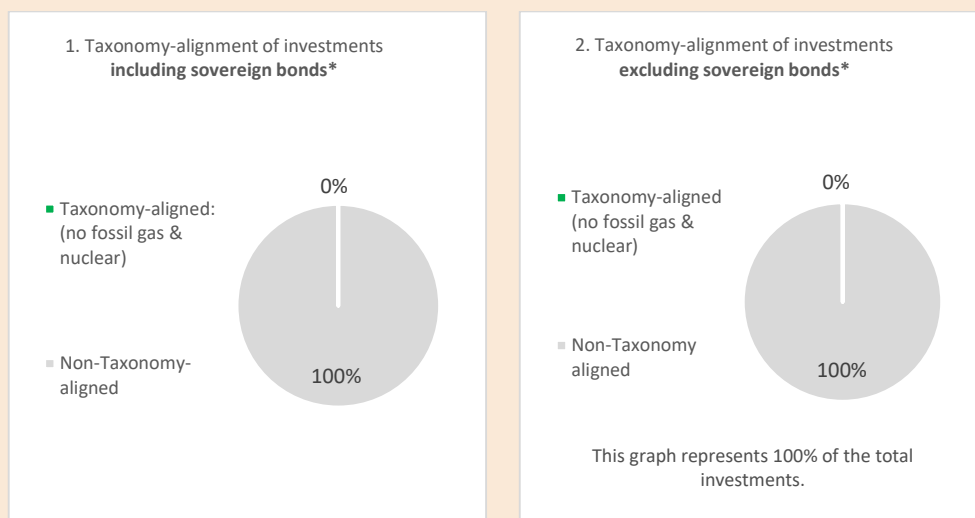
As at the date hereof, it is expected that the minimum proportion of investments of the product in environmentally sustainable economic activities aligned with the EU Taxonomy shall be 0%. The Investment Manager will disclose the actual proportion of investments aligned with EU Taxonomy on an annual basis on its website and in the periodic reporting of the product.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>4</sup>?**

Yes:  In fossil gas  In nuclear energy

No:

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



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

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

0% of Net Asset Value.



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

Cash for ancillary liquidity and other investments for which there is insufficient data i.e. securities issued by the Government of India in line with the Investment Policy of the Fund.

<sup>4</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



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

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

<https://utifunds.com/responsible-investing-policy/#>