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# **Pacific Asset Management Fund plc**

An investment company with variable capital incorporated in Ireland with registered number 543162 established as an umbrella fund with segregated liability between Sub-Funds.

## **PROSPECTUS**

25 January 2017

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## IMPORTANT INFORMATION

The Directors of the Company, whose names appear on pages 6 and 7, accept responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

**This Prospectus must be read in conjunction with the Supplement of the particular Sub-Fund in which an investor wishes to invest.**

**The Company has been authorised as a Qualifying Investor Alternative Investment Fund ("QIAIF") under the Central Bank's AIF Rulebook. Accordingly, the Company has been authorised by the Central Bank to market solely to Qualifying Investors. Further, while the Company is authorised by the Central Bank, the Central Bank has not set any limits or other restrictions on the investment objectives, the investment policies or on the degree of leverage which may be employed by the Company. The Company must comply with the aim of spreading investment risk in accordance with Section 1386(1)(a) of the Act.**

**The authorisation of the Company by the Central Bank as a QIAIF is not an endorsement or guarantee of the Company by the Central Bank nor is the Central Bank responsible for the contents of this Prospectus. The Central Bank shall not be liable by virtue of its authorisation of the Company or by reason of its exercise of the functions conferred on it by legislation in relation to the Company for any default of the Company. Authorisation does not constitute a warranty by the Central Bank as to the credit worthiness or the financial standing of the various parties to the Company.**

**The Company has appointed the AIFM to act as its EU authorised alternative investment fund manager in accordance with the requirements of the AIF Rulebook.**

**The AIFM will exercise its AIFMD marketing passport to market the Shares of the Company in certain EU jurisdictions. Within the EU the Shares may only be marketed to Professional Investors pursuant to the AIFM's marketing passport under AIFMD, unless the Member State in question permits, under the laws of that Member State, AIFs to be sold to other categories of investors and this permission encompasses investors set out in categories (b) and (c) of the definition of "Qualifying Investors" contained herein.**

With the exception of investors who qualify as "Knowledgeable Employees" (as defined herein), the minimum aggregate subscription amount is €100,000, or its equivalent in such other currencies in which Shares may be denominated. However, a higher minimum subscription amount may be set by the Directors in respect of any Sub-Fund or Class and details of such higher amount shall be set out in the applicable Supplement. Furthermore, an investment in the Company may only be made by an investor who meets the Qualifying Investor criteria and is aware of the risks involved in the proposed investment and of the fact that inherent in such investments is the potential to lose all of the sum invested.

**Investors should note that since securities may depreciate as well as appreciate in value, no assurance can be given by the Company or the Directors or any of the persons referred to in this Prospectus that the Company will attain its objectives. The price of Shares, in addition to the income therefrom, may decrease as well as increase. Accordingly, an investment should only be made where the investor is or would be in a position to sustain any loss on his or her investment.**

Investors' attention is drawn to the "Risk Factors" set out on pages 3 to 5. Investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or any other matters. Investors should inform themselves as to: (a) the legal requirements within their own jurisdictions for the purchase, holding or disposal of Shares; (b) any applicable foreign exchange restrictions; and (c) any income and other taxes which may apply to their purchase, holding or disposal of Shares or payments in respect of Shares. Investors should consult, and must rely on, their own independent

professional tax, legal and investment advisers as to matters concerning the Company and their investment in the Company.

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

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

**If investors are in any doubt regarding the action that should be taken, they should consult their stockbroker, bank manager, solicitor, accountant or other independent professional adviser.**

The distribution of this Prospectus and the offering of the Shares in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Company to inform themselves about and to observe any such restrictions. This Prospectus does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The Company shall, on request, supply Shareholders with copies of the most recent annual report (when available) free of charge. Such report and this document (and any Supplement attached hereto) together constitute the Prospectus for the issue of Shares in the Company.

**DISTRIBUTION IN THE EUROPEAN ECONOMIC AREA:**

IN RELATION TO EACH MEMBER STATE OF THE EEA WHICH HAS IMPLEMENTED AIFMD (AND FOR WHICH TRANSITIONAL ARRANGEMENTS ARE NOT/ NO LONGER AVAILABLE), THIS PROSPECTUS MAY ONLY BE DISTRIBUTED AND SHARES MAY ONLY BE OFFERED OR PLACED IN A MEMBER STATE TO THE EXTENT THAT: (1) THE FUND IS PERMITTED TO BE MARKETED TO PROFESSIONAL INVESTORS IN THE RELEVANT MEMBER STATE IN ACCORDANCE WITH AIFMD (AS IMPLEMENTED INTO THE LOCAL LAW/REGULATION OF THE RELEVANT MEMBER STATE); OR (2) THIS PROSPECTUS MAY OTHERWISE BE LAWFULLY DISTRIBUTED AND THE SHARES MAY OTHERWISE BE LAWFULLY OFFERED OR PLACED IN THAT MEMBER STATE (INCLUDING AT THE INITIATIVE OF THE INVESTOR).

IN RELATION TO EACH MEMBER STATE OF THE EEA WHICH, AT THE DATE OF THIS PROSPECTUS, HAS NOT IMPLEMENTED AIFMD, THIS PROSPECTUS MAY ONLY BE DISTRIBUTED AND SHARES MAY ONLY BE OFFERED OR PLACED TO THE EXTENT THAT THIS PROSPECTUS MAY BE LAWFULLY DISTRIBUTED AND THE SHARES MAY LAWFULLY BE OFFERED OR PLACED IN THAT MEMBER STATE (INCLUDING AT THE INITIATIVE OF THE INVESTOR).

**NOTICE TO RESIDENTS OF SWEDEN:**

TO ENSURE COMPLIANCE WITH CHAPTER 10 SECTION 1 OF THE SWEDISH ALTERNATIVE INVESTMENT FUND MANAGER ACT, POTENTIAL INVESTORS ARE HEREBY NOTIFIED THAT: (A) THE COMPANY IS AN INVESTMENT COMPANY WITH VARIABLE CAPITAL INCORPORATED IN IRELAND ESTABLISHED AS AN UMBRELLA FUND WITH SEGREGATED LIABILITY BETWEEN SUB-FUNDS, EACH OF WHICH ARE ALSO ESTABLISHED IN IRELAND UNLESS OTHERWISE INDICATED IN THE APPLICABLE SUPPLEMENT; (B) THE COMPANY IS NOT A FEEDER AIF; (C) THE COMPANY IS NOT A FUND OF FUNDS; (D) THE INVESTMENT MANAGER MAINTAINS PROFESSIONAL LIABILITY INSURANCE WITH A LIMIT OF LIABILITY OF USD 5,000,000 IN THE AGGREGATE AND A RETENTION OF USD 50,000 EACH AND EVERY CLAIM; (E) STATE STREET FUND SERVICES (IRELAND) LIMITED SERVES AS THE COMPANY'S ADMINISTRATOR, REGISTRAR AND TRANSFER AGENT; STATE STREET CUSTODIAL

SERVICES (IRELAND) LIMITED SERVES AS THE COMPANY'S DEPOSITORY; THE COMPANY DOES NOT HAVE A PRIME BROKER; AND (F) ANNUALLY INVESTORS WILL RECEIVE A COPY OF THE COMPANY'S AUDITED FINANCIAL STATEMENTS WHICH WILL CONTAIN THE INFORMATION REQUIRED UNDER ARTICLE 23 SECTION 4 AND 5 OF AIFMD AS WELL AS INFORMATION REGARDING NAV CALCULATION AND HISTORICAL PERFORMANCE.

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## **DIRECTORY**

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### **Investment Manager**

Pacific Life Fund Advisors, LLC trading  
as Pacific Asset Management  
700 Newport Centre Drive  
Newport Beach, CA  
+1 949-219-3729

### **Directors of the Company**

Dominic Nolan  
Bronwyn Wright  
Máire O'Connor  
Mark R. Falk

### **Alternative Investment Fund Manager**

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

### **Depository**

State Street Custodial Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

### **Administrator**

State Street Fund Services (Ireland)  
Limited  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

### **Legal Advisers in Ireland**

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

### **Auditors**

Deloitte and Touche  
Earlsfort Terrace  
Dublin 2

### **Registered Office of the Company**

Riverside One  
Sir John Rogerson's Quay  
Dublin 2  
Ireland

### **Company Secretary**

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

## DEFINITIONS

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<b>“Acts”</b>	means the Companies Act 2014 and every statute or other provision of law modifying, extending or re-enacting them or any of them;
<b>“Administrator”</b>	means State Street Fund Services (Ireland) Limited or such other person or persons from time to time appointed by the Company as the administrator of the Company in accordance with the requirements of the Central Bank;
<b>“Administration Agreement”</b>	means the agreement appointing the Administrator dated 25 January 2017;
<b>“AIF”</b>	means an alternative investment fund as defined in AIFMD;
<b>“AIFM Agreement”</b>	means the alternative investment fund management agreement dated 25 January 2017 made between the Company, the Investment Manager and the AIFM;
<b>“AIF Rulebook”</b>	means the rulebook published by the Central Bank which sets out the operating conditions and rules applicable to AIFMs, depositaries and AIFs under AIFMD (including any amendments or updates made in relation thereto);
<b>“AIFM”</b>	means KBA Consulting Management Limited or any successor(s) thereto appointed by the Company as alternative investment fund manager in accordance with AIFMD;
<b>“AIFMD”</b>	means Directive 2011/61/EU on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1069/2009 and (EU) No 1095/2010 (“ <b>Level 1</b> ”), as supplemented by Commission Delegated Regulations (EU) No. 231/2013 of 19 December 2012 (“ <b>Level 2</b> ”) and implemented in Ireland pursuant to the European Union (Alternative Investment Fund Managers) Regulations 2013, as may be amended from time to time;
<b>“Articles of Association”</b>	means the articles of association of the Company;
<b>“Base Currency”</b>	means the base currency of a Sub-Fund as set out in the applicable Supplement;
<b>“Business Day”</b>	means, unless otherwise determined by the Directors and notified in advance to Shareholders, a day excluding Saturday or Sunday on which banks are normally open for business in Ireland and the U.S.;
<b>“Central Bank”</b>	means the Central Bank of Ireland or any successor thereto;
<b>“Class”</b>	means the different classes of Shares that may be issued within a Sub-Fund by the Directors in accordance with the requirements of the Central

Bank. Details of the different characteristics applicable to each Class of Shares may be set out in the relevant Supplement;

<b>“Closing Date”</b>	means the closing date of the Initial Offer in respect of a Sub-Fund as set out in the applicable Supplement;
<b>“Commitment Method”</b>	refers to the measure of calculating leverage that factors in the market risks of a Sub-Fund, including (i) financial derivatives converted into equivalent positions in the underlying assets of those derivatives (referred to as “notional exposure”), (ii) after netting and hedging arrangements where the market value of underlying security positions may be offset by other commitments related to the same underlying positions and taking into account (iii) the exposure created through the reinvestment of borrowings where such reinvestments increase the exposure as well as (iv) the positions within repurchase and reverse repurchase agreements, securities lending, convertible securities and securities borrowing arrangements;
<b>“Company”</b>	means Pacific Asset Management Fund plc;
<b>“Dealing Day”</b>	means any Business Day that is a Subscription Date and/or a Redemption Date;
<b>“Depositary”</b>	means State Street Custodial Services (Ireland) Limited, or such other person from time to time appointed to undertake depositary functions in respect of the Company in accordance with the AIF Rulebook;
<b>“Depositary Agreement”</b>	means the agreement appointing the Depositary dated 25 January 2017;
<b>“Directors”</b>	means the board of directors of the Company, whose names appear on pages 6 and 7;
<b>“EU”</b>	means the European Union;
<b>“Euro” or “€”</b>	means the currency referred to in the second sentence of Article 2 of the Council Regulation (EC) No. 974/98 of 3 May 1998 and as adopted as the single currency of the participating Member States of the European Union;
<b>“Exempt Irish Investor”</b>	means:  (a) a pension scheme which is an exempt approved scheme within the meaning of section 774 of the Taxes Act or a retirement annuity contract or a trust scheme to which section 784 or section 785 of the Taxes Act applies which has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event;

- (b) a company carrying on life business within the meaning of section 706 of the Taxes Act which has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event;
- (c) an investment undertaking within the meaning of section 739B of the Taxes Act which has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event;
- (d) a special investment scheme within the meaning of section 737 of the Taxes Act which has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event;
- (e) a charity being a person referred to in section 739D(6)(f)(i) of the Taxes Act which has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event;
- (f) a unit trust to which section 731(5)(a) of the Taxes Act applies which has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event;
- (g) a person who is entitled to exemption from income tax and capital gains tax under section 784A(2) of the Taxes Act, where the units held are assets of an approved retirement fund or an approved minimum retirement fund and the qualifying fund manager within the meaning of section 784A of the Taxes Act has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event;
- (h) a person who is entitled to exemption from income tax and capital gains tax under section 848E of the Taxes Act where the units held are assets of a special savings incentive account within the meaning of section 848C of the Taxes Act and the qualifying savings manager within the meaning of section 848B of the Taxes Act has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event;
- (i) a person who is entitled to exemption from income tax and capital gains tax by virtue of section 787I of the Taxes Act and the units are assets of a PRSA within the meaning of Chapter 2A of Part 30 of the Taxes Act and the PRSA administrator within the meaning of that Chapter has made a Relevant Declaration which is in the

- possession of the Company prior to the occurrence of a chargeable event;
- (j) a credit union within the meaning of section 2 of the Credit Union Act 1997 which has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event;
  - (k) a qualifying management company within the meaning of section 734(1) of the Taxes Act which has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event;
  - (l) a specified company within the meaning of section 734(1) of the Taxes Act which has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event;
  - (m) a company in respect of its investment in a money market fund within the meaning of Regulation (EC) No 2423/2001 of the European Central Bank of 22/11/2001, where such company is within the charge to corporation tax and has made a declaration to that effect to the Company and has supplied details of its corporation tax reference number to the Company;
  - (n) the National Treasury Management Agency or a Fund investment vehicle (within the meaning of section 37 of the National Treasury Management Agency (Amendment) Act 2014) of which the Minister for Finance is the sole beneficial owner, or the State acting through the National Treasury Management Agency, and the National Treasury Management Agency has made a declaration to that effect to the Company;
  - (o) the National Asset Management Agency (as established under the National Asset Management Agency Act 2009) which has made a declaration to that effect to the Company;
  - (p) a Qualifying Company that has made a declaration to that effect to the Company and has supplied details of its corporation tax reference number to the Company;
  - (q) an investment limited partnership within the meaning of section 739J of the Taxes Act which has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event; or
  - (r) an Intermediary acting on behalf of persons who are neither Resident in Ireland nor Ordinarily Resident in Ireland for tax purposes or an

Intermediary acting on behalf of the Irish Resident persons listed above which has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event; or

- (s) any other Irish Resident or person Ordinarily Resident in Ireland who may be permitted to own units under taxation legislation or by written practice or concession of the Revenue Commissioners without giving rise to a charge to tax in the Company or jeopardising tax exemptions associated with the Company giving rise to a charge to tax in the Company provided that they have completed the appropriate statutory declaration under Schedule 2B of the Taxes Act;

<b>“FATCA”</b>	means the Foreign Account Tax Compliance Act;
<b>“FFI”</b>	means a Foreign Financial Institution, as defined in FATCA;
<b>“Gross Method”</b>	refers to a method of calculating leverage exposure that (i) includes the sum of all assets purchased, plus the absolute value of all liabilities, (ii) excludes cash and cash equivalents which are highly liquid investments held in the base currency of a Sub-Fund, (iii) includes derivative instruments that are converted into equivalent positions in their underlying assets, (iv) excludes cash borrowings that remain in cash or cash equivalents, (v) includes exposures resulting from the reinvestment of cash borrowings, and (vi) includes positions within repurchase or reverse repurchase agreements and securities lending or convertible borrowing arrangements;
<b>“Initial Offer”</b>	means the initial offer of Shares in a Sub-Fund as set out in the applicable Supplement;
<b>“Intermediary”</b>	means a person who (a) carries on a business which consists of, or includes, the receipt of payment from an investment undertaking on behalf of other persons, or (b) holds units in an investment undertaking on behalf of other persons;
<b>“Investment Manager”</b>	means Pacific Life Fund Advisors, LLC trading as Pacific Asset Management or such other person or persons from time to time appointed by the AIFM as the investment manager of the Company in accordance with the requirements of the Central Bank;
<b>“Investment Management Agreement”</b>	means the agreement appointing the Investment Management dated 25 January 2017;
<b>“Investor Monies”</b>	means any unprocessed subscription monies received from investors, redemptions monies payable to investors and/or dividends due to investors;

**“Irish Resident”**

means any person who is a Resident of Ireland or Ordinarily Resident in Ireland for tax purposes;

**“Knowledgeable Employee”**

means an investor who has satisfied the following conditions:

- (a) the AIFM;
- (b) the investor is the Investment Manager or any sub-investment manager;
- (c) the investor is a director of the AIFM or the Investment Manager or any sub-investment manager appointed to provide investment management services to the Company; or
- (c) the investor is an employee of the AIFM or the Investment Manager or any sub-investment manager and is directly involved in the investment activities of the Company or is a senior employee of the AIFM or the Investment Manager or any sub investment manager appointed to provide investment management services to the Company and has experience in the provision of investment management services; and who certifies in writing to the Company that:
  - (i) they are availing of the exemption from the minimum initial subscription requirement of €100,000 on the basis that they are a “Knowledgeable Employee” as defined above;
  - (ii) they are aware that each Sub-Fund is normally marketed solely to Qualifying Investors who are subject to a minimum initial subscription of €100,000;
  - (iii) they are aware of the risk involved in the proposed investment; and
  - (iv) they are aware that inherent in such investment is the potential to lose all of the sum invested;

**“Member State”**

means a member state of the EU;

**“Minimum Holding”**

means the minimum holding in respect of any Sub-Fund as provided for in the applicable Supplement;

**“Minimum Initial Subscription”**

other than in the case of an investor availing of a relevant derogation, means the minimum initial subscription in respect of any Sub-Fund as provided for in the applicable Supplement, provided that such minimum initial subscription amount is not less than €100,000 (or the equivalent in a foreign currency) or such other amount specified by the Central Bank for funds such as the Company, as set out in the AIF Rulebook;

<b>“Minimum Redemption”</b>	means the minimum redemption amount in respect of any Sub-Fund as provided for in the applicable Supplement;
<b>“Net Asset Value”</b>	means the net asset value of the Company or of a Sub-Fund or of a Class of Shares of a Sub-Fund, as is relevant in the circumstances as more fully described in the section headed “Valuation” on page 17;
<b>“Ordinarily Resident in Ireland”</b>	<p>means, in the case of an individual, an individual who is ordinarily resident in Ireland for tax purposes; and in the case of a trust, a trust that is ordinarily resident in Ireland for tax purposes.</p> <p>An individual will be regarded as ordinarily resident in Ireland for a particular tax year if he/she has been an Irish Resident for the previous three tax years. An individual will remain ordinarily resident in Ireland until he/she has been non-Irish Resident for three consecutive tax years;</p>
<b>“Participating Share” or “Share”</b>	means a participating share in the capital of the Company of no par value, issued subject to, and in accordance with the Act and the Memorandum and Articles of Association of the Company;
<b>“Professional Investor”</b>	means an investor who is considered to be a professional client or may, on request, be treated as a professional client within the meaning of Annex II to Directive 2004/39/EC on markets in financial instruments (“ <b>MiFID</b> ”);
<b>“Qualifying Company”</b>	means a qualifying company within the meaning of section 110 of the Taxes Act;
<b>“Qualifying Investor”</b>	<p>means:</p> <ul style="list-style-type: none"> <li>(a) an investor who is a professional client within the meaning of Annex II of MiFID; or</li> <li>(b) an investor who receives an appraisal from an EU credit institution, a MiFID firm or a UCITS management company that the investor has the appropriate expertise, experience and knowledge to adequately understand the investment in the Company; or</li> <li>(c) an investor who certifies that they are an informed investor by providing the following: <ul style="list-style-type: none"> <li>(i) confirmation (in writing) that the investor has such knowledge of and experience in financial and business matters as would enable the investor to properly evaluate the merits and risks of the prospective investment; or</li> <li>(ii) confirmation (in writing) that the investor’s business involves, whether for its own account or the account of others, the</li> </ul> </li> </ul>

management, acquisition or disposal of property of the same kind as the property of the Company.

Within the EU, QIAIFs may only be marketed to professional investors as defined in the AIFMD unless the Member State in question permits, under the laws of that Member State, AIFs to be sold to other categories of investors and this permission encompasses investors set out in categories (b) and (c) above.

**“Recognised Clearing System”**

means any of the following clearing systems;

- (a) BNY Mellon Central Securities Depository SA/NV
- (b) Central Moneymarkets Office;
- (c) Clearstream Banking SA;
- (d) Clearstream Banking AG;
- (e) CREST;
- (f) Depository Trust Company of New York;
- (g) Deutsche Bank AG, Depository and Clearing System
- (h) Euroclear;
- (i) Hong Kong Securities Clearing Company Limited;
- (j) Japan Securities Depository Centre (JASDEC);
- (k) Monte Titoli SPA;
- (l) Netherlands Centraal Instituut voor Giraal Effectenverkeer BV;
- (m) National Securities Clearing System;
- (n) Sicovam SA;
- (o) SIS Sega Intersettle AG;
- (p) The Canadian Depository for Securities Ltd;
- (q) VPC AB; and
- (r) any other system for clearing securities which is designated by the Revenue Commissioners as a recognised clearing system; Commissioners as a recognised clearing system;

**“Redemption Date”**

means the relevant Business Day on which the Shares in a Sub-Fund can be redeemed as set out in the applicable Supplement;

**“Relevant Declaration”**

means the declaration relevant to the Shareholder as set out in Schedule 2B of the Taxes Act;

**“Relevant Period”**

means in relation to a Share in the Company, a period of eight years beginning with the acquisition of a Share by a Shareholder and each subsequent period of eight years beginning immediately after the end of the preceding Relevant Period for as long as the Shareholder holds that Share;

**“Resident in Ireland”**

means, for the present purposes:

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

An individual will be regarded as resident in Ireland for a particular tax year if he/she is present in Ireland: (a) for a period of at least 183 days in that tax year, or (b) for a period of at least 280 days taking into account the number of days present in Ireland in that tax year together with the number of days present in Ireland in the preceding tax year, provided that the individual is resident in Ireland for at least 31 days in each of those tax years.

In determining the number of days present in Ireland, an individual is deemed to be present in Ireland if he/she is in the country at any time during the day.

A trust will be Resident in Ireland and Ordinarily Resident in Ireland for the purposes of Irish capital gains tax unless the general administration of the trust is ordinarily carried on outside Ireland and the trustees (being a single and continuing body of persons) or a majority of them for the time being are not Resident in Ireland or Ordinarily Resident in Ireland.

A company incorporated in Ireland after 1 January 2015 will be regarded for all purposes of Irish tax legislation as being resident in Ireland unless it is regarded for the purposes of a double tax treaty in effect with Ireland as being resident in that other tax treaty territory and not in Ireland.

A company incorporated in Ireland prior to 1 January 2015 will be similarly treated for the purposes of ascertaining tax residency after 1 January 2020 or if earlier, from the date of a major change of ownership of the company where there is a major change in the nature or conduct of the business of the company within the relevant period. Relevant period for this purpose means a period beginning not later than 1 January 2015 or the date which occurs one year before the date of the change in ownership of the company

and ending 5 years after the date of that change in ownership. Otherwise, a company incorporated in Ireland prior to 1 January 2015 will be regarded as being resident in Ireland unless it is a 'relevant company' and it either carries on a trade in Ireland or it is related to a company that carries on a trade in Ireland or, if pursuant to the terms of a double taxation treaty between Ireland and another territory, the company is regarded as resident in a territory other than Ireland and as not resident in Ireland. A relevant company is a company:

- (a) that is under the "control", directly or indirectly, of a person or persons who is or are:
  - resident for the purposes of tax, in either an EU member state or in a territory with which Ireland has a double taxation treaty (a "treaty territory") (together a "relevant territory") under the law of that relevant territory, and
  - not under the control, directly or indirectly, of a person who is, or persons who are, not so resident; or
- (b) that is, or is related to, a company the principal class of shares of which is substantially and regularly traded on one or more recognised stock exchanges in a relevant territory or territories.

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

**"Revenue Commissioners"**

means the Revenue Commissioners of Ireland;

**"Share(s)"**

means the Participating Shares of no par value in the capital of the Company;

**"Shareholder"**

means a holder of Shares in the Company;

**"State"**

means Ireland;

**"Sub-Fund"**

means any separate fund or funds from time to time established and maintained by the Company with the prior approval of the Central Bank;

**"Subscription Date"**

means the relevant Business Day on which Shares in a Sub-Fund can be purchased as set out in the applicable Supplement;

**"Subscriber Share"**

means a subscriber share of €1 each in the capital of the Company;

**"Supplement"**

means a supplement to this Prospectus containing information relating to a particular Sub-Fund;

**“Taxes Act”**

means the Taxes Consolidation Act 1997 (as amended) of Ireland;

**“Valuation Date”**

means the relevant Business Day on which the Net Asset Value of a Sub-Fund and its Sub-Fund (if applicable), as is relevant in the circumstances is calculated as set out in the applicable Supplement. For the avoidance of doubt, there will be a Valuation Date in respect of each Subscription Date and Redemption Date; and

**“Valuation Point”**

means the relevant time in respect of each Valuation Date at which the Net Asset Value of a Sub-Fund and its Sub-Fund (if applicable) is calculated as set out in the applicable Supplement.

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## THE COMPANY

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The Company is established as an umbrella investment company with variable capital organised under the laws of Ireland as a public limited company authorised pursuant to Part 24 of the Act and the AIF Rulebook. The Company was incorporated on 29 April 2014 under registration number 543162. The liability of the Shareholders is limited.

The Company is organised in the form of an umbrella fund with segregated liability between Sub-Funds. Each Sub-Fund will have a distinct portfolio of investments. Separate books and records will be maintained for each Sub-Fund.

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

The Company may from time to time create additional Classes of Shares within a Sub-Fund in accordance with the requirements of the Central Bank. The Directors may, in their absolute discretion, differentiate between the rights attaching to the different Classes of Shares within a particular Sub-Fund including, without limitation, liquidity rights, the dividend policy, the level of fees, the currencies and the hedging policy in respect of each Class.

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

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

The assets of each Sub-Fund will be invested in conformity with the investment objectives, policies and restrictions of that Sub-Fund as set out in the applicable Supplement. The Company and its Directors, in consultation with the Investment Manager and the AIFM, are responsible for the formulation of the investment policy of each Sub-Fund and any subsequent change to that policy. Each Sub-Fund is subject to the general investment restrictions as described below. Any additional investment restrictions relevant to each Sub-Fund will be as set out in the applicable Supplement.

The Company is categorised as Qualifying Investor Alternative Investment Fund (“**QIAIF**”) and is governed by the AIF Rulebook applicable to this category of fund. Accordingly, the Central Bank has not set any limits or other restrictions on the investment objectives, the investment policies or on the degree of leverage which may be employed by the Company. However, under the Act, the Company must manage its assets with the aim of spreading investment risk.

The Directors will ensure that the Company will not acquire any securities carrying voting rights of any issuer of its underlying investments if such voting rights would enable it to exercise a significant influence over the management of any such issuer.

The investment restrictions in respect of a Sub-Fund shall be set out in the applicable Supplement. If such investment restrictions and condition are subsequently exceeded for reasons beyond control of the Company, or as a result of the exercise of subscription rights, the Company in consultation with the AIFM will adopt as a priority objective the remedying of that situation, taking due account of the interests of its Shareholders.

A Sub-Fund may invest in other collective investment schemes, subject to limitations, if any, set out in the applicable Supplement. Additional fees may arise from this investment policy.

## **Changes in Investment Objectives or Policies**

Any change in the investment objective or material change to the investment policy of a Sub-Fund will only be made with the prior approval of the AIFM and a majority of the Shareholders of that Sub-Fund as stipulated in the Supplement for the relevant Sub-Fund. A reasonable notification period will be provided by the Company to enable Shareholders to redeem their shares prior to implementation of these changes. In the event of a non-material change to investment policy of a Sub-Fund, Shareholders will be notified of such change.

## **Borrowing and Leverage Policy**

Where specified in the relevant Supplement, a Sub-Fund may borrow from brokers, banks and others on a secured or unsecured basis, and may employ leverage to the extent deemed appropriate by the Investment Manager in consultation with the AIFM. Leverage may take the form of loans and investments in derivative instruments that are inherently leveraged, in addition to other forms of direct or indirect borrowings. A Sub-Fund may also borrow for cash management or other temporary purposes. The borrowing and leverage limits will be set out in the relevant Supplement for each Sub-Fund. The maximum leverage to be employed by a Sub-Fund, as set out in the relevant Supplement, will be calculated in accordance with the "Gross Method" and "Commitment Method."

## **Counterparty Exposure**

A Sub-Fund may be required, from time to time, to post margin or collateral with a counterparty (including but not limited to derivatives, repo or stocklending counterparties or entities who may provide certain financing or brokerage services in respect of a Sub-Fund) (each a "Financing Counterparty") in order to secure the Sub-Fund's obligations to that Financing Counterparty. Generally, such margin or collateral will be required to be transferred outside the Sub-Fund's depository network. The Company may also have other exposures to such Financing Counterparty (for example, deposits or direct investments).

In accordance with Article 20 of Level 2, the AIFM in consultation with the Investment Manager shall exercise due skill, care and diligence in the selection and appointment of any Financing Counterparty and on an on-going basis thereafter taking into account the full range and quality of the Financing Counterparty's services. Furthermore, the AIFM in consultation with the Investment Manager shall ensure that the Financing Counterparty fulfils all of the following conditions:-

- (a) they are subject to on-going supervision by a public authority;
- (b) they are financially sound (taking into account whether or not the Financing Counterparty is subject to prudential regulation, including sufficient capital requirements, and effective supervision); and
- (c) they have the necessary organisational structure and resources for performing the services which are to be provided by them to the AIFM, Investment Manager or the Company.

## **Dividend Policy**

Any dividend payment in respect of a Sub-Fund shall be made in accordance with the dividend policy of that Sub-Fund as set out in the applicable Supplement.

## **Risk Factors**

Potential investors in the Company should understand that all investments involve risks and any person considering an investment in the Company must have the financial sophistication and

expertise to evaluate the merits and risks of investing in the Company. Prospective investors should consider seeking independent professional advice before deciding to invest in the Company.

The following list of principal risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Company. In addition to the risks set out below, any additional risks specific to a particular Sub-Fund may be set out in the applicable Supplement.

#### *Active Management Risk*

There is no guarantee that the Investment Manager's principal investment strategies and techniques, as well as particular investment decisions, will achieve the investment goal of a particular Sub-Fund, which could have an adverse impact on such Sub-Fund's performance generally, relative to other funds with similar investment goals or relative to its benchmark.

#### *Credit Risk*

An issuer or guarantor of a debt instrument might be unable or unwilling to meet its financial obligations and might not make interest or principal payments on an instrument when those payments are due.

#### *Debt Securities Risk*

The values of debt securities are affected by many factors, including prevailing interest rates, market conditions and market liquidity.

#### *Floating Rate Loan Risk*

Floating rate loans (or bank loans) are usually rated below investment grade. The market for floating rate loans may be subject to irregular trading activity, wide bid/ask spreads and extended trade settlement periods. Investments in floating rate loans are typically in the form of an assignment or participation. Investors in a loan participation assume the credit risk associated with the borrower and may assume the credit risk associated with an interposed financial intermediary. Accordingly, if a lead lender becomes insolvent or a loan is foreclosed, a Sub-Fund could experience delays in receiving payments or suffer a loss. In an assignment, a Sub-Fund effectively becomes a lender under the loan agreement with the same rights and obligations as the assigning bank or other financial intermediary. Accordingly, if the loan is foreclosed, a Sub-Fund could become part owner of any collateral, and would bear the costs and liabilities associated with owning and disposing of the collateral. Due to their lower place in the borrower's capital structure and possible unsecured status, junior loans involve a higher degree of overall risk than senior loans of the same borrower. In addition, the floating rate feature of loans means that floating rate loans will not generally experience capital appreciation.

#### *Foreign Markets Risk*

Exposure to foreign markets through issuers can involve additional risks relating to market, economic, political, regulatory, geopolitical, or other conditions. Markets and economies throughout the world are becoming increasingly interconnected, and conditions or events in one market, country or region may adversely impact investments or issuers in another market, country or region.

#### *High-Yield or "Junk" Securities Risk*

High yield securities are typically issued by companies that are highly leveraged, less creditworthy or financially distressed and are considered to be mostly speculative in nature (high risk), potentially less liquid, and subject to a greater risk of loss, that is they are more likely to default than higher rated

securities. Volatility of these securities (including loans) may be relatively greater than for investment grade securities.

#### *Interest Rate Risk*

The value of bonds, fixed rate loans and short-term money market instruments may fall when interest rates rise. Debt securities with longer durations tend to be more sensitive to changes in interest rates, making them more volatile than debt securities with shorter durations or money market instruments. Given the historically low interest rate environment in the U.S, risks associated with rising interest rates are heightened. Floating or adjustable rate securities (such as most loans) typically have less exposure to interest rate fluctuations and their exposure to interest rate fluctuations will generally be limited to the period of time until the interest rate on the security is reset. There is a risk of lag in the adjustment of interest rates between the periods when these interest rates are reset.

#### *Issuer Risk*

The value of a security or instrument may decline for reasons directly related to the issuer, such as management, performance, financial leverage and reduced demand for the issuer's goods or services.

#### *Liquidity Risk*

Liquidity is the ability to sell securities or other investments within a reasonable amount of time at approximately the price at which a Sub-Fund has valued the securities or other investments, which relies on the willingness of market participants to buy and sell securities. Certain investments may be difficult to purchase and sell, particularly during adverse market conditions, because there is a limited market for the investment or there are restrictions on resale. If a Sub-Fund holds illiquid securities, it may be unable to take advantage of market opportunities or it may be forced to sell other, more desirable, liquid securities or sell illiquid securities at a loss if it is required to raise cash to conduct its operations.

The Investment Manager will monitor the liquidity of the investments held by a Sub-Fund and will seek to ensure that, together with the use of borrowing and redemption deferrals, if these are deemed necessary, redemption requests are always capable of being met as they fall due.

#### *Market and Regulatory Risk*

Events in the financial markets and economy may cause volatility and uncertainty and may affect performance of a Sub-Fund. Events in one market may adversely impact other markets. Future events may impact a Sub-Fund in unforeseen ways. Traditionally liquid investments may experience periods of diminished liquidity. During a general downturn in the financial markets, multiple asset classes may decline in value simultaneously. Governmental and regulatory actions, including tax law changes, may impair portfolio management and have unexpected consequences on particular markets, strategies, or investments.

#### *Price Volatility Risk*

The market value of a Sub-Fund's investments will go up or down, sometimes rapidly or unpredictably, or may fail to rise, as a result of market conditions or for reasons specific to a particular issuer. The volatility of non-investment grade debt securities (including loans) may be greater than for investment grade securities.

#### *Taxation*

Any change in the Company's tax status or in legislation could affect the value of investments held by the Company and affect the Company's ability to provide a return to investors. Potential investors and Shareholders should note that the statements on taxation, which are set out herein and in each Supplement, are based on advice which has been received by the Directors regarding the law and practice in force in the relevant jurisdiction as at the date of this Prospectus and each Supplement. As is the case with any investment, there can be no guarantee that a tax position or proposed tax position prevailing at the time an investment is made in the Company will endure indefinitely. The attention of potential investors is drawn to the tax risks associated with investing in the Company, particularly the section headed "Taxation" starting on page 26.

#### *Cyber-Security Risk*

Cyber-security breaches may occur allowing an unauthorised party to gain access to assets of the Sub-Funds, Shareholder data, or proprietary information, or may cause the Company, the AIFM, the Investment Manager, the Administrator or the Depositary to suffer data corruption or lose operational functionality.

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

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

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

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

Monies attributable to any other Sub-Funds will also be held in the umbrella fund cash accounts. In the event of the insolvency of a Sub-Fund (an "Insolvent Sub-Fund"), the recovery of any amounts to which another Sub-Fund (the "Beneficiary Sub-Fund") is entitled, but which may have transferred in

error to the Insolvent Sub-Fund as a result of the operation of the umbrella fund cash account, will be subject to applicable law and the operational procedures for the umbrella fund cash account. There may be delays in effecting, and/or disputes as to the recovery of, such amounts, and the Insolvent Sub-Fund may have insufficient funds to repay amounts due to the Beneficiary Sub-Fund.

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

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

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

#### *Changes in the UK Political Environment*

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

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

In addition, following the results of the UK Referendum the financial markets, including currency exchange rates, have experienced volatility and disruption. It is not possible to predict whether such volatility and disruption will continue. Investors should be aware that the result of the 23 June 2016 Referendum and any subsequent negotiations, notifications, withdrawal and changes to legislation may introduce potentially significant new uncertainties and instabilities in the financial markets. These uncertainties and instabilities could have an adverse impact on the business, financial condition, results of operations and prospects of the Company and certain of its service providers and counterparties, and could therefore also be detrimental to Shareholders



## MANAGEMENT AND ADMINISTRATION

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### The Directors of the Company

The Directors of the Company are responsible, *inter alia*, for establishing the investment objectives and policies of the Company and each Sub-Fund, for monitoring the Company's performance and for the overall management and control of the Company.

The following are the Directors of the Company:

#### **Dominic Nolan**

Mr Nolan is a Senior Managing Director for Pacific Asset Management and a member of the firm's Executive Investment Committee. He is head of product and investment strategy design, business development and account management. Prior to this, he was the director of institutional business at Lombardia Capital Partners. Prior to Lombardia Capital, he was Vice President and Product Manager for LM Capital Group, an institutional global fixed income manager. Prior to LM Capital, Mr Nolan worked at Fidelity Investments. Mr Nolan has over 15 years of industry and investment experience. He holds a bachelor's degree in business from CSU Fullerton and an MBA from the Anderson School of Management at the University of California, Los Angeles. He is a CFA Charterholder and a member of the CFA Society of Los Angeles.

#### **Bronwyn Wright (Irish resident)**

Ms Wright is a former Managing Director and was Head of Securities and Fund Services for Citi Ireland. In that position, she was responsible for the management and strategic direction of the securities and fund services business which included funds, custody, security finance and global agency and trust. Due to her role in managing Citi's European fiduciary business, Ms Wright has extensive knowledge of regulatory requirements and best market practice in the UK, Luxembourg, Jersey, Germany and Ireland. Ms Wright holds a degree in Economics and Politics as well as a Masters degree in Economics from University College Dublin. Ms Wright is past chairperson of the Irish Funds Industry Association committee for Trustee Services

#### **Máire O'Connor (Irish resident)**

Ms O'Connor is a solicitor and a former Partner of McCann FitzGerald, where she was head of the firm's Investment Management Group from August 2004 until April 2008. Prior to joining McCann FitzGerald, Máire was a partner at Ernst & Young where she headed up the Investment Funds Regulatory and Stock Exchange Listing practice, a practice which she established at the start of 2000.

Since moving to the private sector from the Civil Service (in 1989), Máire has been a key figure in the development of Ireland's International Financial Services Centre (IFSC), and the international investment funds industry in Ireland, in particular. She chaired the Taoiseach's IFSC Investment Funds Group for seven years and was a member of the Company Law Review Group for eight years. She is a director of a number of other companies, including investment funds and registered charities.

#### **Mark R. Falk**

Mr Falk is a Vice President for Pacific Life Insurance Company, the parent company of the Investment Manager. Mr Falk is a seasoned business executive with over 34 years of experience. He has held positions related to technology, operations, financial reporting, expense management and long-term business planning. He currently oversees, among other things, the provision of operational support

to Pacific Life's various investment adviser subsidiaries. Mr Falk holds a degree in economics from the University of California, Irvine.

### **The AIFM**

Pursuant to the AIFM Agreement, the Company has appointed KBA Consulting Management Limited as the alternative investment fund manager of the Company. The AIFM will be responsible for the management and general administration of the Company with power to delegate such functions subject to the overall supervision and control of the AIFM. In accordance with the requirements of the Central Bank, the AIFM delegates certain of its fund administration duties and some of its portfolio management functions to the Investment Manager in accordance with AIFMD. The liability of the AIFM to the Company will not be affected by the fact that it has delegated certain of its functions.

The AIFM was incorporated in Ireland on 4 December 2006 as a private company with limited liability under registration number 430897. The AIFM will at all times maintain a level of minimum capital in accordance with the requirements of AIFMD. In addition, the AIFM maintains professional indemnity insurance against liability arising from professional negligence which is appropriate to the risk covered as well as additional own funds appropriate to cover professional indemnity insurance excess amount. The AIFM has an authorised share capital of €1,000,000 of which €655,000 is paid up. The AIFM is wholly owned by Clifton Directors Ltd. Mike Kirby owns 100% of Clifton Directors Ltd.

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

The Directors of the AIFM are described below:

*Mike Kirby (Irish Resident)* is Chairman of KBA Consulting Management Limited and is Managing Principal at KB Associates a firm which provides a range of advisory and project management services to the promoters of offshore mutual funds. He has previously held senior positions at Bank of New York (previously RBS Trust Bank) (1995-2000) where he was responsible for the establishment and ongoing management of its Dublin operations. He has also held senior positions in the custody and fund administration businesses of JP Morgan in London and Daiwa Securities in Dublin. Mr. Kirby holds a Bachelor of Commerce (Honours) Degree from University College Dublin and is a Fellow of the Institute of Chartered Accountants in Ireland.

*Peadar De Barra (Irish Resident)* is an executive director of KBA Consulting Management Limited and a Senior Consultant with KB Associates. 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 and Boston (1998 to 2002) and was an assistant manager at AIB/BNY Fund Management (Ireland) Ltd (2002 to 2003) with responsibilities for statutory reporting. Since joining KB Associates in 2008, Mr. De Barra provides project management services to asset managers of funds of hedge funds including assistance with the financial statement process, advising clients on a range of fund restructuring and termination issues with particular focus on the valuation of illiquid assets and the liquidation of investment structures. He has particular expertise in relation to how asset managers and investment funds meet the operational requirements relating to the Alternative Investment Fund Managers Directive. He also fulfils the designated person role for a number of UCITS funds. In addition Peadar also acts as a director to a number of investment funds, investment managers and management companies. Mr. De Barra holds a Bachelor of Commerce Degree from University College Galway and is a Fellow of the Institute of Chartered Accountants in Ireland.

*Maurice Murphy (Irish Resident)* is an executive director of KBA Consulting Management Limited and a Senior Consultant with KB Associates. Mr Murphy has been active in the financial services industry

since 1997. His main area of expertise is in alternative investment fund portfolio risk management. He has significant experience of risk managing alternative investment fund portfolios following a variety of investment strategies and under both normal and dislocated market conditions. He has also designed and implemented back-testing and stress-testing programmes in relation to alternative investment fund portfolios. Prior to joining KB Associates, Maurice was at Credit Suisse where he was Head of the Fund Linked Products desk in Dublin. Previously he spent a number of years with ABN Amro Bank (Ireland) Limited as Head of Risk Management. He began his career in London, working for Morgan Stanley and UBS. Mr Murphy holds a Bachelor of Commerce degree (Hons) and a Post Graduate Master of Business Studies (Hons) from University College Dublin. He is a certified Financial Risk Manager (FRM) by the Global Association of Risk Professionals (GARP) and a Chartered Alternative Investment Analyst (CAIA) Charterholder. He is also an Associate Member (ACSI) of the Chartered Institute for Securities & Investment (CISI).

*John Oppermann (Irish Resident)* has been involved in the financial services industry since 1987, experience with international funds domiciled in various locations across a variety of asset classes and investment strategies. Since 2008, Mr Oppermann acts as a consultant within the hedge fund industry providing fund consultancy, advisory, non-executive directorships, administration and accounting services to the international investment community. Mr Oppermann served as General Manager of Olympia Capital Ireland Limited from 2004 to July 2008, a fund administration company based in Dublin. Previously he was Accounting Manager at RMB International in Dublin from 2003 to 2004 and a Fund Accounting Manager at International Fund Services in Dublin from 2001-2002. Prior to that role he established Capita's registrars operation in Ireland, Capita Registrars (Ireland) Limited, and was its Senior Country Manager from 1999 to 2001. He was a member of the senior management team at Mellon Fund Administration from 1995 to 1998. He also held a number of senior positions with The Prudential Corporation from 1987 to 1996 in London. Mr Oppermann is a Fellow of the Association of Chartered Certified Accountants and holds a Masters of Business Administration from the Michael Smurfit Graduate Business School, University College Dublin. John has received the accreditation of Certified Investment Fund Director from the Institute of Banking School of Professional Finance. He is also a director for a number of companies.

*Samantha McConnell (Irish Resident)* has been involved in the financial services industry since 1991. Currently chief investment officer of Towers Watson Ireland, formally IFG Ireland, she has overall responsibility for investments, operations, trustee services and marketing in Towers Watson Ireland. Her team create the investment strategies followed by Towers Watson Ireland clients and also ensure those are implemented correctly. She is a member of the Taoiseach's committee on asset management, a member of the IAPF investment subcommittee and a Director of CFA Ireland. She is a well-known industry commentator and has contributed widely to both print and broadcast media. She has worked in investments for over 17 years in a large variety of roles with Ulster Bank Investment Managers, KBC Asset Managers and Fexco. Samantha holds a first class honours degree in commerce from UCD and graduated first in Ireland in the ACCA exams. She is a CFA Charterholder and holds a certificate in Company Direction from the IoD. She is a non-executive director for a number of companies.

For the purposes of this Prospectus, the address of all of the Directors of the AIFM is the registered office of the AIFM. The company secretary of the AIFM is Lisa O'Neill.

## **The Investment Manager**

The Investment Manager is Pacific Life Fund Advisors, LLC trading as Pacific Asset Management, formed on 30 May 2007 and specializing in institutional fixed income asset management. The Investment Manager is a wholly owned subsidiary of Pacific Life Insurance Company. The Investment Manager is also affiliated with various other companies including; investment advisers, insurance and re-insurance, broker/dealer, aircraft leasing, and real estate ventures. Pacific Life Fund

Advisors LLC conducts its fixed income asset management business under the name Pacific Asset Management and has been, since its inception, registered with the US Securities and Exchange Commission (the “SEC”) under the US Investment Advisers Act of 1940, as amended (the “Advisers Act”) although it is subject to only a limited subset of Advisers Act regulations with respect to the Company and the Sub-Funds.

The AIFM has appointed the Investment Manager to provide or procure the provision of investment management services and distribution services to the Company and the AIFM hereby delegates to the Investment Manager or its duly appointed nominee such of the powers and discretions vested in the AIFM under the AIFM Agreement as may be necessary for the proper discharge of its functions and duties hereunder.

The Investment Management Agreement allows the Investment Manager, with the prior approval of the Central Bank and the AIFM and in accordance with the AIF Rulebook, to delegate its investment management duties to other parties.

The Investment Manager may from time to time and with the prior approval of the AIFM, appoint a sub-investment manager to provide discretionary investment management services to a Sub-Fund and/or an investment adviser to provide investment advisory services to a Sub-Fund or to the Investment Manager. Any such appointment will be in accordance with the requirements of the Central Bank and details will be as set out in the applicable Supplement.

#### **The Administrator**

The Company and the AIFM have appointed State Street Fund Services (Ireland) Limited as administrator, registrar and transfer agent pursuant to the Administration Agreement. The Administrator will have responsibility for the administration of the Company’s affairs including the calculation of the Net Asset Value and preparation of the Company’s accounts and annual report, subject to the overall supervision of Directors and the AIFM.

The Administrator is a limited liability company incorporated in Ireland on 23 March 1992 with registered number IE 186184 and is ultimately owned by State Street Corporation. The authorised share capital of the Administrator is GBP 5,000,000 with an issued and paid up share capital of GBP 350,000.

State Street Corporation is a leading world-wide specialist in providing sophisticated global investors with investment servicing and investment management. State Street Corporation is headquartered in Boston, Massachusetts, U.S.A., and trades on the New York Stock Exchange under the symbol “STT”.

#### **The Depositary**

The Company has appointed State Street Custodial Services (Ireland) Limited, as depositary in respect of its assets pursuant to the Depositary Agreement. The Depositary will have responsibility for the safe-keeping of all of the assets of the Company delivered to it or to any sub-custodian appointed by it, and will carry out the other functions and obligations required to be performed by it as Depositary pursuant to the provisions of the Depositary Agreement.

The Depositary is a limited liability company incorporated in Ireland on the 22 May 1991 and is, like the Administrator, ultimately owned by the State Street Corporation. Its authorised share capital is GBP 5,000,000, and it has an issued and paid-up capital of GBP200, 000. As at February 2013, the Depositary held funds under custody in excess of US\$440 billion. The Depositary’s principal business is the provision of custodial and Depositary services for collective investment schemes and other portfolios.

## Potential Conflicts of Interest

The Company, in consultation with the AIFM, and the Investment Manager will at all times ensure that Shareholders are treated fairly by ensuring that all Shareholders within the same Sub-Fund (or, if applicable, the same Class within a Sub-Fund) are accorded equal treatment, the same rights and interests. Such treatment will be ensured as part of the conflicts of interest policies and procedures adopted by the Company and the AIFM.

Due to the operations which are or may be undertaken by the AIFM, the Investment Manager, the Administrator, the Depositary and the Directors and their respective holding companies, subsidiaries and affiliates (each an "interested party") conflicts of interest may arise.

The AIFM, the Investment Manager, the Administrator, the Depositary and the Directors may provide similar services to others, provided that the services they provide to the Company are not impaired thereby. An interested party may acquire or dispose of any investment notwithstanding that the same or similar investments may be owned by or for the account of or otherwise connected with the Company. Furthermore, an interested party may acquire, hold or dispose of investments notwithstanding that such investments had been acquired or disposed of by or on behalf of the Company by virtue of a transaction effected by or on behalf of the Company in which the interested party was concerned, provided that the acquisition or disposal by an interested party of such investments are effected on normal commercial terms as if negotiated on an arm's length basis and the investments held by the Company are acquired with reasonable care having regard to the best interests of the Shareholders.

The Investment Manager and/or its affiliates may invest, directly or indirectly, or manage or advise other investment funds or accounts which invest in assets which may also be purchased or sold by the Company. Neither the Investment Manager nor any of its affiliates is under any obligation to offer investment opportunities of which any of them becomes aware to the Company or to account to the Company in respect of (or share with the Company or inform the Company of) any such transaction or any benefit received by any of them from any such transaction, but will allocate any such opportunities on an equitable basis between the Company and other clients.

The Company may undertake transactions with or through an interested party. Such transactions must be in the best interests of the Shareholders and are permitted, subject to:

- (i) certified valuation by a person appointed by the Directors and approved by the Depositary as independent and competent; or
- (ii) execution on best terms on an organised exchange under its rules; or
- (iii) where (i) and (ii) are not practical, execution on terms which the Depositary is satisfied are normal commercial terms, negotiated at arm's length and in the best interests of Shareholders.

In the event that a conflict of interest does arise, the Directors and each relevant party will endeavour, so far as they are able (in view of the frequency of trading and the importance of the timely execution of trades), to ensure that any such conflict is resolved fairly and in the best interests of the Shareholders.

Pursuant to AIFMD, the AIFM and the Investment Manager will at all times ensure that Shareholders are treated fairly and in accordance with the terms of the Sub-Fund or, if applicable, the Class of Shares within a relevant Sub-Fund, in which a Shareholder has invested. The AIFM and the Investment Manager will ensure such fair treatment through its decision-making procedures and organisational structure which identify any differential treatment, or the right thereto, accorded to any Shareholder. In addition, the AIFM and the Investment Manager will monitor the terms of any

side arrangements (if any) entered into with Shareholders in relation to their investment in the Company to seek to ensure the fair treatment of Shareholders.

Subject to the AIFM's and the Investment Manager's obligation to treat investors fairly, a Sub-Fund, through the establishment of a separate Class or entering into a separate agreement or some other mechanism, may enter into an arrangement with one or more Shareholders that has the effect of establishing rights under, or altering or supplementing the terms of, this Prospectus, the Articles of Association or the relevant Shareholder's subscription documents solely with respect to that or those Shareholders. This type of arrangement may grant a Shareholder preferential rights with regard to, for example: timing of redemptions; prior notice period for redemptions; notice of certain events affecting, or information regarding, the AIFM and/or the Investment Manager and its affiliates, any of their principals, the Sub-Fund or the Directors; management fees; the extent of any direct indemnification of any Sub-Fund by a Shareholder; or other matters. A Sub-Fund will not enter into this type of arrangement if the AIFM, the Investment Manager or the Directors determine that the arrangement would have a material adverse effect on other Shareholders. Furthermore, details of the terms of such differential treatment, together with details of any economic or legal links which such investor may have with the Company, the AIFM or the Investment Manager will be made available to investors, upon request, before they invest in such Sub-Fund.

## **SUBSCRIPTIONS, TRANSFERS AND REDEMPTIONS**

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### **Subscriptions**

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

After the relevant Closing Date for each Sub-Fund, the Company may offer Shares in such Sub-Funds on each Subscription Date at an issue price equal to the Net Asset Value per Share of the relevant Sub-Fund as at the Valuation Point on the Valuation Date immediately preceding the Relevant Subscription Date.

The subscription procedures for each Sub-Fund, and the details of the subscription fee (if any), are set out in the applicable Supplement.

Before subscribing for Shares, an applicant who is not an Irish Resident or is an Exempt Irish Investor will be required to complete a declaration in a form prescribed by the Revenue Commissioners of Ireland. Such declaration will be included in the application form, which is available from the Administrator.

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

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

Shares will be issued in registered form. A contract note, which will constitute a written confirmation of ownership of the Shares to which it relates, will be sent to each successful applicant within 24 hours of the determination of the Net Asset Value in respect of the relevant Subscription Date on which the application is being processed. The contract note will detail the number of Shares to which it relates, the Class of Shares to which it relates, the Sub-Fund to which it relates and the price at which the Shares have been issued. Share certificates will not be issued.

No shares will be issued to investors if they subscribe for less than the Minimum Initial Subscription (or such other minimum amount as the Directors have in their absolute discretion determined, subject to such minimum amount being equal to €100,000 or its foreign currency equivalent unless the relevant applicant is a Knowledgeable Employee and has provided the Company with the relevant certification set out in the definition of "Knowledgeable Employee"). Investors must re-submit their application along with the Minimum Initial Subscription (or such other amount as the Directors have in their absolute discretion determined) in those circumstances.

Shares will be issued upon: (i) fulfilment of the conditions for acceptable subscriptions; (ii) the provision of all relevant money laundering documentation; and (iii) receipt of cleared funds by the Company and the Administrator in accordance with the terms and conditions of the Prospectus and Supplements in force at the time of the subscription. Failure by the Company to receive cleared funds within the relevant time limit as set out in the relevant Supplement will result in the cancellation of the subscription. In addition, where any subscription monies are not an exact multiple of the subscription price per Share, a fraction of a Share (not calculated to more than two decimal places) may be issued or alternatively, any excess subscription monies may be returned to the applicant.

Investors will be required to agree to indemnify and hold harmless the Company, the Directors, the AIFM, the Investment Manager, the Administrator and the Depositary for any losses, costs or expenses incurred by them as a result of the failure or default of the investor to transmit subscription

monies in immediately available funds to the account of the Company within the time specified in the applicable Supplement.

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

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

By submitting an application form to the Administrator, an investor makes an offer to subscribe for Shares which, once it is accepted by the Company, has the effect of a binding contract. Upon the issue of Shares, a prospective investor will become a Shareholder and will be bound by the terms of the Articles of Association pursuant to the Act. The Articles of Association are governed by, and construed in accordance with, the laws of Ireland and may only be amended by way of a special resolution in accordance with the Act. Pursuant to its terms, the application form is also governed by, and construed in accordance with, the laws of Ireland. The Company has separate legal personality and is a discrete legal entity which is the sole owner (whether directly or indirectly) of the investments in the Company's portfolio. Consequently, Shareholders have no direct legal or beneficial interest in those investments. A Shareholder's liability to the Company will generally be limited to the amount that they have paid for their Shares. A Shareholder's rights in respect of its investment in the Company are governed by the Articles of Association, the Act, the terms set out in this Prospectus, the relevant Supplement and the application form.

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

### **Anti-Money Laundering**

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

The Administrator reserves the right to request such information as is necessary to verify the identity, address and source of funds of the applicant. This information may also include details as to the tax residency of an applicant together with relevant documentary evidence. Depending on the circumstances of each application, a detailed verification of the source of funds might not be required where the application is made through a recognised intermediary. These exceptions will only apply if

the financial institution or intermediary referred to above is located within a country recognised in Ireland as having equivalent anti-money laundering regulations or satisfies other applicable conditions. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Administrator or the Directors may refuse to accept the application and all subscription monies. The Administrator may also refuse to process redemptions or pay out redemption proceeds if any requested information is not received.

The Administrator will notify applicants if additional proof of identity is required. By way of example, an individual will be required to produce a certified copy of a current passport or government issued identification card (which should show the signature and date of birth of the individual applicant) together with one piece of evidence of the applicant's address, such as an original or certified copy of a utility bill or bank statement (no more than six months old). In the case of corporate applicants, this will require production of certified copies of all documentation including the certificate of incorporation (and any change of name), bye-laws, memorandum and articles of association (or equivalent), and authorised signatories list together with the names, occupations, residential and business addresses and dates of birth of all directors, beneficial owners and authorised signatories. Detailed verification of directors' and substantial beneficial owners' identity and address may also be required.

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

### **In Specie Subscriptions**

The Directors may, in their absolute discretion, accept payment for Shares by a transfer in specie of assets, the nature of which shall be within the investment objective, policy and restrictions of the relevant Sub-Fund and the value of which (including the Net Asset Value per Share, thereof) shall be determined by the Administrator, having consulted with the AIFM and the Investment Manager and the Depositary, in accordance with the valuation principles governing such Sub-Fund and applicable law. The Directors, the AIFM and the Depositary will also ensure that the number of Shares issued in respect of any such in specie transfer will be the same amount which would have fallen to be allotted for settlement in cash. Any prospective investor wishing to subscribe for Shares by a transfer in specie of assets will be required to comply with any administrative and other arrangements (including any warranties to such Sub-Fund in relation to the title of such assets being passed to the Depositary, if applicable) for the transfer specified by the Depositary and the Administrator. The Directors, the AIFM and the Depositary must be satisfied that any such in specie transfer will not result in any material prejudice to existing Shareholders. No Shares shall be issued until the ownership of the securities or other assets shall have been transferred to the Sub-Fund and deposited with, and vested in, the Depositary or its agent to the Depositary's satisfaction.

### **Transfers**

A shareholder may transfer all or any of his shares by an instrument in writing provided to the Administrator or in any other form as the Directors may approve, provided that any shares may not be transferred to any person in violation of the restrictions set forth in section headed "Investor Restrictions" below.

The transferor shall be deemed to remain the beneficial holder of any Shares that it proposes to transfer until the name of the transferee is entered in the Company's register of members in respect of those Shares, at which point the transferee will become the beneficial holder of the Shares. In respect of the Shares, each transferee will be required to provide the same information (including anti-money laundering documentation), representations and warranties to the Company and the Administrator as are required from any applicant for Shares.

The Directors may decline to register any transfer of Shares in their absolute discretion without ascribing any reason therefor.

In particular, the Company and the Administrator may decline to register a transfer of a Share for any reason, including without limitation where it appears that such transfer would be likely to result in the legal or beneficial ownership of such Shares by a person who is not a Qualifying Investor or expose the Company to adverse tax or regulatory consequences.

The Company will be required to account for tax on any gain on the Shares transferred at the applicable rate unless it has received from the transferor a declaration in the prescribed form confirming that the Shareholder transferring its Shares is not an Irish Resident or is an Exempt Irish Resident. The Company and the Administrator reserve the right to redeem such number of Shares held by a transferor as may be necessary to discharge the tax liability arising. The Company and the Administrator reserve the right to refuse to register a transfer of Shares until it receives a declaration as to the transferee's status and residency in the form prescribed by the Revenue Commissioners of Ireland.

Any transfer request provided by a Shareholder will be deemed irrevocable, however, the Company may, in its sole discretion, allow a transfer request to be revoked.

### **Redemptions**

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

The procedure for redeeming Shares, and the details of the redemption fee (if any), will be as set out in the applicable Supplement.

Redemption requests may be sent by post, delivery or fax (or by any other method as agreed between the Company, the AIFM and the Administrator and notified to Shareholders in advance) but redemption proceeds will not be remitted until the Administrator has received the original application form used for the initial subscription and any relevant anti-money laundering documentation. Redemption payments will only be processed where payment is being made to a bank account in the name of the registered shareholder on record. Where payment is to be made to a bank account not on record, the redemption request will be accepted by the Administrator if the redemption request is signed by an authorised signatory of the Shareholder and payment is being made to an account in the name of the registered Shareholder. Such amendments must be provided to the Administrator in original format. However, the redemption proceeds will not be released to the Shareholder until the bank account on record has been formally amended. In addition, the Administrator, the AIFM or the Directors may refuse to process a redemption request unless proper information has been provided. The Administrator and the Directors shall be held harmless by the applicant against any loss arising as a result of such refusal. Any amendments to a Shareholder's registration details or payment instructions will only be effected upon receipt of original documentation by the Administrator.

Any redemption request provided by a Shareholder will be deemed irrevocable, however, the Company may, in its sole discretion, allow a redemption request to be revoked.

The Company and the Administrator will be required to withhold tax on any gain on redemption at the applicable rate unless it has received from the Shareholder a declaration as to status and residency in the form prescribed by the Revenue Commissioners of Ireland confirming that the Shareholder is either (i) not an Irish Resident, or (ii) an Exempt Irish Investor, in each case in respect of whom it is not necessary to deduct tax. The Company and the Administrator reserve the right to redeem such number of Shares held by a transferor as may be necessary to discharge the tax liability arising. The Company and the Administrator reserve the right to refuse to register a transfer of Shares until it receives a declaration as to the transferee's status and residency in the form prescribed by the Revenue Commissioners of Ireland.

### **Conversion of Shares**

With the consent of the Directors, a Shareholder may convert Shares of one Sub-Fund into Shares of another Sub-Fund or a Class of Shares of one Sub-Fund into another Class of Shares within the same Sub-Fund or another Sub-Fund, subject always to the Shareholder's full compliance with all subscription and redemption procedures applicable to the relevant Sub-Funds and provided that such conversion will only be effected on a Dealing Day in circumstances where notice of such conversion has been received by the Administrator by 3.30 p.m. (Dublin time) on the Business Day immediately preceding such Dealing Day. If such notice is not received by this time then the conversion request will be held over to the next following Dealing Day.

Conversions will only be accepted where cleared funds and completed application forms (including any documents required in connection with anti-money laundering procedures) have been received in respect of the original subscriptions. The conversion is effected by arranging for the redemption of Shares of one Sub-Fund, converting the redemption proceeds into the currency of another Sub-Fund where required, and subscribing for the Shares of the other Sub-Fund with the redemption proceeds or the proceeds of the currency conversion. No conversion fee will be levied. During the period between the determination of the Net Asset Value applicable to the Shares being redeemed and the subscription for Shares, the Shareholder will not be the owner of, or be eligible to receive dividends with respect to, either the Shares which have been redeemed or the Shares being acquired.

Conversion will take place in accordance with the following formula:

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

where:

NSH = the number of Shares which will be issued in the new Sub-Fund or Class;

OSH = the number of the Shares to be converted;

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

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

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

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

## **Deferral of Redemptions**

The Directors may, in consultation with the AIFM, in their absolute discretion, limit the number of Shares that can be redeemed on any one Redemption Date to such amount as may be set out in the applicable Supplement.

In this event, the limitation will apply *pro rata* so that all Shareholders, wishing to have their Shares redeemed on that Redemption Date, redeem the same proportion of such Shares, and Shares not redeemed will be carried forward for redemption on the next Redemption Date and all following Redemption Dates (in relation to which the Company will carry out the same procedure as described herein) until the original request has been satisfied in full. If requests for redemption are so carried forward, the Administrator will inform the Shareholders affected. Redemption requests carried forward will have priority over redemption requests received in respect of subsequent Redemption Dates.

## **In specie Redemptions**

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

## **Anti-dilution Levy**

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

In calculating the subscription price for Shares, the Company may, on any Subscription Date where there are net subscriptions, adjust the subscription price by applying an anti-dilution levy to cover dealing costs and to preserve the value of the underlying assets of the Sub-Fund. Furthermore, in calculating the redemption price for Shares, the Company may, on any Redemption Date where there are net redemptions, in consultation with the AIFM, adjust the redemption price by deducting an anti-dilution levy to cover dealing costs and to preserve the value of the underlying assets of the Sub-Fund. Such anti-dilution levy will amount to a maximum value of 2% (or such other amount as may be set out in the applicable Supplement) of the subscription or redemption amount, as applicable.

## **Compulsory Redemptions**

The Directors may, in consultation with the AIFM, in their absolute discretion, compulsorily redeem or transfer any holding of Shares if it comes to their attention that those Shares are being held directly or beneficially by any person who is not entitled to apply for Shares as described more fully in the section headed "Investor Restrictions" below. The Directors also reserve the right to, in consultation with the AIFM the compulsory redemption of all Shares held by a Shareholder if the aggregate Net Asset Value of the Shares held by the Shareholder is less than the Minimum Holding specified in the

applicable Supplement. Prior to any compulsory redemption of Shares, the Directors will notify the Shareholder in writing and allow such Shareholder thirty days to purchase additional Shares to meet this minimum holding requirement.

### **Umbrella Fund Cash Accounts**

In connection with the processing of subscriptions, redemptions, distributions or other relevant payments to or from investors or Shareholders, the Company may establish or operate one or more umbrella fund cash accounts in accordance with the requirements of the Central Bank. Any balances on such accounts shall belong to the Company or the relevant Sub-fund and are not held on trust on behalf of any investors or Shareholders or any other persons.

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

Should the Company be unable to issue Shares to an investor who has paid the requisite subscription amount to the Company but has yet to provide the Company or the Administrator with all requisite information or documentation in order to verify the investor's identity, the Depositary shall ensure that in the event that such subscription proceeds cannot be applied, it will return such subscription proceeds to the relevant investor within five working days.

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

In respect of a dividend payment declared and owing to a Shareholder that is unable to be paid for any reason whatsoever, such as, for example, if the relevant Shareholder has not provided the requisite information or documentation to the Company or the Administrator, such distribution amount will be held as an asset of the relevant Sub-fund in cash in an umbrella fund cash account until such time as the reason for the Company or the Administrator being unable to pay the distribution amount to the relevant Shareholder has been addressed, at which point the Company or the Administrator shall pay the distribution amount to the Shareholder. In this regard, the relevant Shareholder should seek to promptly address the reason for the Company or the Administrator being unable to pay the distribution amount to the relevant Shareholder. In respect of such distribution amounts that are unable to be paid and until such time as such distribution amount has been paid to the Shareholder, in the event of the Company or the relevant Sub-fund becoming insolvent, the Shareholder will rank as a general unsecured creditor of the Company or relevant Sub-fund in respect of such a distribution amount.

In respect of a redemption request, the Company, in consultation with the AIFM, or the Administrator may refuse to remit the redemption proceeds until such time as the Shareholder has provided the requisite information or documentation to the Company or the Administrator, as requested by the Company or the Administrator from time to time. In such circumstances, the Administrator will process the redemption request received by the Shareholder, at which point in time the Shareholder will no longer be considered a Shareholder of the relevant Sub-fund and the

proceeds of that redemption shall be held as an asset of the relevant Sub-fund in cash in an umbrella fund cash account until such time as the Company or the Administrator has received all requisite information or documentation and has verified the Shareholder's identity to its satisfaction, following which the redemption proceeds will be released. In this regard, the relevant Shareholder should seek to promptly address the reason for the Company or the Administrator being unable to pay the redemption proceeds to the relevant Shareholder. In respect of such redemption proceeds that are unable to be paid and until such time as the redemption proceeds have been released to the investor, in the event of the Company or the relevant Sub-fund becoming insolvent, the investor will rank as a general unsecured creditor of the Company or relevant Sub-fund in respect of such redemption proceeds.

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

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

Subscriptions, transfers, conversions and redemptions for any Sub-Fund will be suspended for as long as the calculation of the Net Asset Value of that Sub-Fund is suspended as more fully described in the section headed "Valuation – Suspension of Valuation" on page 21.

In the case of suspension of dealings in Shares, any subscription requests or redemption requests will be dealt with on the next Dealing Day following the end of such suspension period at the Net Asset Value per Share, unless such a request has been withdrawn in the interim by the relevant Shareholder.

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

### **Investor Restrictions**

Potential investors should note that restrictions apply regarding the types of persons who may invest in the Company. These restrictions apply in order to comply with the laws and regulations of certain jurisdictions.

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

- (i) who is not a Qualifying Investor or a Knowledgeable Employee;
- (ii) in breach of any law or requirement of any country or governmental authority; or
- (iii) such that the status, standing or tax residence of the Company is or may be prejudiced or the Company (and/or its Shareholders as a whole) may suffer any taxation, legal, pecuniary, fiscal or regulatory disadvantage which it would not otherwise have suffered;

## VALUATION

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Article 19 of AIFMD provides that the AIFM must ensure that appropriate and consistent procedures are established so that a proper and independent valuation of the assets of each Sub-Fund can be performed. The valuation function shall be carried out by the AIFM or by an external valuer (where disclosed in the relevant Supplement). Should the AIFM carry out the valuations directly, the AIFM's valuation function must be functionally independent from its portfolio management function and the AIFM's remuneration policy and other measures must ensure that conflicts of interest are mitigated and that undue influence upon the employees of the AIFM responsible for valuation is prevented. Any external valuer appointed must be independent from the AIFM and any other persons with close links to the AIFM. Where relevant, the liability of the AIFM to the Company shall not be affected by the fact that it has appointed an external valuer and the AIFM shall ensure that the external valuer shall be liable to the AIFM for any losses suffered by it as a result of the external valuer's negligence or intentional failure to perform its tasks. The value of assets may be determined using a pricing model. Before a model is used, it shall be subjected to a validation process conducted by a competent and experienced internal or external individual who was not involved in the process of building the model.

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

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

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

Where Classes of Shares denominated in different currencies are created within a Sub-Fund and currency hedging transactions are entered into in order to hedge any relevant currency exposure, such transactions will be clearly attributable to a specific Share Class. The costs and gains/losses of the hedging transactions will accrue solely to the relevant Classes of Shares. This strategy may substantially limit Shareholders of such Classes of Shares from benefiting if the Classes' currency falls against the base currency and/or the currency in which the assets of a Sub-Fund are denominated

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

### **Allocation of Assets and Liabilities**

The Articles of Association require the Directors to establish separate Sub-Funds in the following manner:

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

### **Valuation Principles**

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

- (1) The Net Asset Value of each Sub-Fund shall be determined and shall be equal to the value as at the relevant Valuation Point of all the assets, less all the liabilities, of that Sub-Fund.
- (2) The assets of a Sub-Fund shall be deemed to include:
  - (a) all cash in hand, on loan or on deposit, or on call including any interest accrued thereon;
  - (b) all bills, demand notes, promissory notes and accounts receivable;
  - (c) all bonds, certificates of deposit, shares, stock, units in collective investment schemes (including Sub-Funds), debentures, debentures stock, subscription rights, warrants, options and other investments and securities owned and contracted for, (other than rights and securities issued by it);
  - (d) all stock and cash dividends and cash distributions which the Directors consider will be received by the Company in respect of a Sub-Fund but which have not yet been received by it but have been declared payable to stockholders of record on a date before the day as of which the assets are being valued;

- (e) all interest accrued on any interest-bearing securities forming part of a Sub-Fund; and
  - (f) all prepaid expenses including dividends receivable by the Company relating to that Sub-Fund and a proportion of any prepaid expenses relating to the Company generally, such prepaid expenses to be valued and defined from time to time by the Directors.
- (3) The liabilities of a Sub-Fund shall be deemed to include:
- (a) all bills, notes and accounts payable;
  - (b) all expenses payable and/or accrued (the latter on a day to day basis) including but not limited to the fees and expenses incurred by the Depositary and the Investment Manager in the performance of their obligations hereunder;
  - (c) all known liabilities including the amount (if any) of any unpaid distribution declared upon the Shares in the Sub-Fund, contractual obligations for the acquisition of investments or other property or for the payment of money and outstanding payments on any Shares previously redeemed;
  - (d) an appropriate provision for taxes (other than taxes taken into account as duties and charges) and contingent liabilities as determined from time to time by the Administrator; and
  - (e) all other liabilities of the Sub-Fund of whatsoever kind and nature except liabilities represented by Share in the Sub-Fund.

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

- (4) Any expense or liability of the Company may be amortised over such period as the Directors (with the approval of the auditors) may determine (and the Directors may at any time and from time to time determine with the approval of the auditors to lengthen or shorten any such period), and the unamortised amount thereof at any time shall also be deemed to be an asset of the Company.
- (5) Assets shall be valued as follows:
- (a) deposits shall be valued at their nominal amount plus accrued interest from the date on which the same was acquired or made;
  - (b) save as otherwise herein provided investments or assets listed, quoted or dealt in on a regulated market shall be valued at the Valuation Point in each case being the official closing price on the relevant valuation day on the market on which these assets are traded or admitted for trading (being the market which is the sole or in the opinion of the Directors the principal market on which the investment in question is listed, quoted or dealt in). If such price is not available, the latest bid price shall be used in the case of investments forming part of the "long" portfolio and the latest offer price shall be used in the case of investments forming part of the "short" portfolio as at the Valuation Point on the relevant valuation day, provided always that fixed income and loan securities shall be valued at their latest mid price. If, in the sole opinion of the Directors, the dealing price (which will be the official closing price) for the assets, calculated as at the Valuation Point is not representative of the value of the assets, the value will be the probable realisation value, estimated with

care and in good faith by such competent person as may be appointed by the Directors and approved for the purpose by the Depositary;

- (c) exchange traded futures and options contracts (including index futures) shall be valued at the settlement price as determined by the market in question. If such market price is not available, the value shall be the probable realisation value estimated with care and in good faith by an independent party appointed by the Directors and approved for the purpose by the Depositary. Off-exchange derivative contracts shall be valued by the counterparty on a weekly basis. The valuation must be approved or verified monthly by a third party who is independent of the counterparty and who is approved for the purpose by the Depositary. Forward exchange contracts shall be valued by reference to the price at which a new forward contract of the same size and maturity could be undertaken;
- (d) securities quoted, listed or normally dealt in on more than one market, the Directors shall adopt as the value thereof the relevant price on the market which, in their opinion, provides the principal market for such securities;
- (e) at any time when dealing prices are not available in respect of assets listed, quoted or dealt in on a market in each case on the market on which these assets are traded or admitted for trading (being the market which is the sole or in the opinion of the Directors the principal market on which the investment in question is listed, quoted or dealt in), the value of the assets will be the probable realisation value estimated with care and in good faith by such competent person as may be appointed by the Directors and approved for the purpose by the Depositary;
- (f) any investments or assets not listed, quoted or dealt in on a market shall, be valued at the probable realisation value as determined with care and in good faith by such competent persons as may be appointed by the Directors and approved for the purpose by the Depositary;
- (g) securities listed or traded on a market but acquired or traded at a premium or at a discount outside or off the relevant market may be valued, taking into account the level of premium or discount at the date of the valuation. The Depositary must ensure that the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the security;
- (h) the Directors may, at their discretion, in relation to any particular Sub-Fund which is not a money market type fund but which invests in money market type instruments, value bonds, commercial paper, floating rate notes or similar instruments on the basis of amortised cost provided that each such security shall have a residual maturity not exceeding 6 months;
- (i) cash shall be valued at face value (together with accrued interest to the relevant Valuation Date) unless, in the opinion of the Directors, any adjustment should be made to reflect the value thereof;
- (j) the value of shares or other similar participation in any listed or traded collective investment scheme (including any Sub-Fund) shall be valued at the latest mid-market price on such market or, where the collective investment scheme is not listed or traded at the last available Net Asset Value as published by the collective investment scheme;
- (k) notwithstanding the foregoing the Directors may permit some other method of valuation to be used for any particular asset if they consider that such valuation

better reflects the fair value of that asset, such other method to be approved by the Depository; and

- (l) notwithstanding any of the foregoing, the Directors may adjust the value of any investment or other property if, having regard to currency, marketability, dealing costs and/or such other considerations as they may deem relevant, they consider that such adjustment is required to reflect the fair value thereof.

Currencies or values in currencies other than in the currency of designation of a particular Sub-Fund shall unless the Directors determine otherwise be converted or translated at the rate which the Investment Manager after consulting with, or in accordance with, the method approved by the Depository may consider appropriate having regard (*inter alia*) to any premium or discount which may be relevant and to costs of exchange into the currency of designation of that Sub-Fund.

- (7) In calculating the Net Asset Value and Net Asset Value per Share, the Administrator may rely upon such automatic pricing services as it shall determine or, if so instructed by the Company or the Investment Manager, it may use information provided by particular pricing services, brokers, market makers or other intermediaries. In such circumstances, the Administrator shall not, in the absence of negligence, wilful default or breach of any fiduciary duty on the part of the Administrator, be liable for any loss suffered by the Company or any Shareholder by reason of any error in the calculation of the Net Asset Value and Net Asset Value per Share resulting from any inaccuracy in the information provided by any such pricing service, broker, market maker or other intermediary. Furthermore, in calculating the Net Asset Value and Net Asset Value per Share, the Administrator shall use reasonable endeavours to verify pricing information supplied by the Investment Manager, any investment adviser or any connected person, but investors should note that in certain circumstances it may not be possible or practicable for the Administrator to verify such information. In such circumstances, the Administrator shall not be liable for any loss suffered by the Company or any Shareholder by reason of any error in the calculation of the Net Asset Value and Net Asset Value per Share resulting from any inaccuracy in the information provided by any such person.

### **Suspension of Valuation**

The Directors, upon consultation with the AIFM, may at any time temporarily suspend the calculation of the Net Asset Value of the Company or any Sub-Fund during:

- (a) any period during which one or more of a Sub-Fund's investments has suspended the determination of its or their net asset value(s) and/or has suspended redemptions or withdrawals.
- (b) any period when any of the principal markets or stock exchanges on which a substantial part of the investments of the relevant Sub-Fund are quoted is closed, otherwise than for ordinary holidays, or during periods in which dealings thereon are restricted or suspended;
- (c) the existence of any state of affairs, whether it be as a result of political, economic, military or monetary events or otherwise, which, in the opinion of the Directors, following consultation with the AIFM, constitutes an emergency as a result of which disposal or valuation of a substantial part of the investments of the relevant Sub-Fund is not reasonably practicable or would be seriously detrimental to the interests of the Shareholders in the relevant Sub-Fund (or any Class thereof);
- (d) any breakdown in the means of communication normally employed in determining the value of any portion of the investments of the relevant Sub-Fund or when for any reason the

current prices on any market of a substantial part of the investments of the relevant Sub-Fund cannot be promptly and accurately ascertained;

- (e) any period when the transfer of funds involved in the realisation or acquisition of any investments cannot, in the opinion of the Directors, be effected at normal rates of exchange;
- (f) any period when, in the opinion of the Directors, following consultation with the AIFM, the effect of redemptions, including redemptions for which redemption requests have been received, would materially impair a Sub-Fund's ability to operate in pursuit of its objectives, or any of the remaining investors in that Sub-Fund (or any Class thereof) would be unfairly and materially disadvantaged or the effect of redemptions would otherwise jeopardise the tax status of that Sub-Fund (or any Class thereof);
- (g) subject to the approval of the Directors, during any other such period when, in the opinion of the Investment Manager, disposal of all or part of a Sub-Fund's assets, or determination of the Net Asset Value of the relevant Sub-Fund (or one or more Classes thereof) would not be reasonable or practicable or would be prejudicial to the investors in that Sub-Fund (or any Class thereof) or
- (h) any period when a resolution calling for the termination of the relevant Sub-Fund or the winding up of the Company has been proposed or the Sub-Fund is otherwise winding down its business.

Any such suspension will be notified to the Central Bank immediately and shall be notified to the relevant Shareholders and applicants for Shares within 1 Business Day of the suspension taking place. All reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

#### **Availability of the Net Asset Value**

The latest Net Asset Value per Share of each Sub-Fund is calculated for each Valuation Point and will be available from the Administrator upon request.

The historical performance of each Sub-Fund will be available from the Administrator upon request, where available. The subscription and redemption prices will be made available promptly to Shareholders on request.

## **FEES AND EXPENSES**

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### **AIFM Fee**

Under the provisions of the AIFM Agreement, the AIFM will be paid a fee which shall be paid by the Investment Manager out of its investment management fee. Details of such fees will be set out in the applicable Supplement.

### **Investment Management Fee**

Under the provisions of the Investment Management Agreement, the Company will pay the Investment Manager a fee in respect of its duties as investment manager of each Sub-Fund or Class of Shares. Details of such fees will be as set out in the applicable Supplement. The Investment Management fee shall be payable out of the assets of the Company.

### **Administration Fee**

Under the provisions of the Administration Agreement, the Company will pay the Administrator a fee in respect of its duties as administrator of each Sub-Fund or Class of Shares. Details of such fees will be as set out in the applicable Supplement. The administration fee shall be payable out of the assets of the Company.

### **Depositary Fee**

Under the provisions of the Depositary Agreement, the Company will pay the Depositary a fee in respect of its duties as depositary of each Sub-Fund or Class of Shares. Details of such fees will be as set out in the applicable Supplement. The Depositary shall also be entitled to be repaid out of the assets of each Sub-Fund any transaction charges and sub-depositary fees, which will be charged at normal commercial rates. The depositary fee shall be payable out of the assets of the Company.

### **Directors' Remuneration**

The Directors shall be entitled to a fee in remuneration for their services in acting as Directors of the Company at a rate to be determined from time to time by the Directors, but so that the aggregate amount of Directors' remuneration in any one year shall not exceed €30,000 per Sub-Fund. This fee may increase over time if further Sub-Funds are added.

The Directors may also be paid all travelling, hotel and other expenses, properly incurred by them, in attending and returning from meetings of the Directors or general meetings of the Company or in connection with the business of the Company. The Directors may in addition to such remuneration as aforesaid grant special remuneration to any Director who, being called upon, shall perform any special or extra services to or at the request of the Company and such remuneration will be at normal commercial rates. Such fee and expenses shall be payable by the Company.

### **Establishment Expenses**

The fees and expenses incurred in connection with the establishment of the Company and the initial Sub-Fund, the preparation and publication of this Prospectus and all legal costs and out-of-pocket expenses related thereto did not exceed €100,000. Such fees and expenses are being borne by the Company and are being amortised on a straight-line basis in the accounts of the Company over the first 5 years of the Company's operations or such shorter period as the Directors may determine. While this is not in accordance with applicable accounting standards generally accepted in Ireland and may result in the audit opinion on the annual report being qualified in this regard, the Directors believe that such amortisation is fair and equitable to investors.

## Other Expenses

The Company will also pay the following costs and expenses:

- (i) all out-of-pocket expenses payable to the Investment Manager, the Administrator and the Depositary (including VAT thereon). Such out-of-pocket expenses may include transaction charges provided that they are charged at normal commercial rates. Any expenses incurred in relation to a particular Sub-Fund will be applied to that Sub-Fund. Expenses incurred in relation to more than one Sub-Fund will be applied pro-rata across the relevant Sub-Funds;
- (ii) all stamp duty (other than any payable by an applicant for Shares or by a Shareholder) or other tax or duty which may be levied or payable from time to time on or in respect of the Company or on creation or issue of Shares or arising in any other circumstance;
- (iii) all fiscal and purchase or fiscal and sale charges arising on any acquisition or disposal of investments;
- (iv) all expenses incurred in relation to the registration of any investments into and transfer of any investments out of the name of the Company or its nominees or the holding of any investment or the custody of investments and/or any Prospectus or title thereto (including bank charges, insurance of documents of title against loss in shipment, transit or otherwise);
- (v) all expenses incurred in the collection of income of the Company;
- (vi) all costs and expenses of and incidental to preparing resolutions of Shareholders for the purpose of securing that the Company conforms to legislation coming into force after the date of the incorporation of the Company (including costs and expenses incurred in the holding of a meeting of Shareholders, where necessary);
- (vii) all taxation payable in respect of the holding of or dealings with or income from the Company relating to the Company's property and in respect of allocation and distribution of income to Shareholders other than tax of Shareholders or tax withheld on account of Shareholders' tax liability;
- (viii) all commissions, stamp duty, value added tax and other costs and expenses of or incidental to any acquisition, holding, realisation or other dealing in investments, foreign exchange options, financial futures, contracts for differences or any other derivative instruments or the provision of cover or margin therefore or in respect thereof or in connection therewith;
- (ix) all stationery, printing and postage costs in connection with the preparation and distribution of cheques, warrants, tax certificates, statements, accounts and reports made, issued or despatched pursuant to the Articles of Association;
- (x) the fees and expenses of the auditors, tax and legal advisers, translators and other professional advisers of the Company or the AIFM acting in its capacity as AIFM to the Company;
- (xi) all fees and expenses in connection with the marketing and advertising of the Company;
- (xii) all fees and costs associated with the listing or de-listing of Shares on any stock exchange;
- (xiii) all fees and costs associated with preparing and circulating the annual and other reports of the Company as well as those fees and costs associated with any reporting requirements of the Company;

- (xiv) any fees or expenses associated with currency hedging between classes (or other currency overlays) – which, if applicable, will be attributed to each relevant Sub-Fund of the Company;
- (xv) any fees payable by the Company to any regulatory authority in any country or territory, the costs and expenses (including legal, accountancy and other professional charges and printing costs) incurred in meeting on a continuing basis the notification, registration and other requirements of each such regulatory authority, and any fees and expenses of representatives or facilities agents in any such other country or territory;
- (xvi) all fees and costs relating to a scheme of reconstruction and amalgamation (to the extent it has not been agreed that such expenses should be borne by other parties) under which the Company acquires investments; and
- (xvii) fees in respect of company secretarial services.

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

## TAXATION

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

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

EACH POTENTIAL INVESTOR SHOULD CONSULT WITH AND MUST RELY UPON HIS OWN TAX ADVISOR REGARDING THE TAX CONSEQUENCES OF INVESTING IN THE COMPANY. THIS DISCUSSION IS PROVIDED ONLY TO ASSIST THE POTENTIAL INVESTOR IN EVALUATING THE EXPECTED TAX CONSEQUENCES AND LIABILITIES RELATED TO AN INVESTMENT IN THE COMPANY. A COMPLETE DISCUSSION OF ALL TAX ASPECTS OF AN INVESTMENT IN THE COMPANY IS BEYOND THE SCOPE OF THIS PROSPECTUS. NO REPRESENTATIONS ARE MADE REGARDING THE PARTICULAR TAX CONSEQUENCES OR LIABILITIES RELATED TO AN INVESTMENT IN THE COMPANY BY ANY PROSPECTIVE INVESTOR. MOREOVER, THIS DISCUSSION IS NOT INTENDED TO PROVIDE TAX OR OTHER LEGAL ADVICE TO ANY POTENTIAL INVESTOR.

### *Taxation Outside of Ireland*

Dividends and interest and capital gains on securities issued in countries other than Ireland may be subject to taxes including withholding taxes imposed by such countries. The Company may not benefit from a reduction in the rate of withholding tax by virtue of the double taxation agreements in operation between Ireland and other countries. Consequently, the Company may not be able to reclaim withholding tax suffered by it in particular countries. If this position changes in the future and the application of a lower rate results in a repayment to the Company, the Net Asset Value will not be restated and the benefit will be allocated to the existing Shareholders rateably at the time of repayment.

### *Taxation in Ireland*

The Company has been advised that on the basis that the Company is resident in Ireland for tax purposes the taxation position of the Company and the Shareholders is as set out below.

As an investment undertaking within the meaning of section 739B (1) of the Taxes Act, the Company is exempt from Irish tax on its income and gains. However, tax can arise on the happening of a chargeable event.

A chargeable event includes any distribution payments to a Shareholder or any encashment, repurchase, redemption, cancellation or transfer of Shares (including the appropriation or cancellation of Shares for the purpose of discharging the tax arising on certain chargeable events that do not involve the making of a payment to a Shareholder) and the ending of a Relevant Period. The tax arising will be deducted at the time of the chargeable event. However, a chargeable event does not include:

- (a) any transaction in relation to Shares held in a Recognised Clearing System; or

- (b) a transfer by a Shareholder of the entitlement to Shares where the transfer is between spouses or civil partners and former spouses or civil partners, subject to certain conditions (the transferee spouse or civil partner is treated as having acquired the Shares at their original cost to the transferring spouse or civil partner); or
- (c) an exchange, effected by way of an arm's length bargain, of Shares for Shares in another Class or Sub-Fund of the Company; or
- (d) an exchange of Shares arising on a "scheme of reconstruction or amalgamation" within the meaning of section 739H (1) and 739H (1A) of the Taxes Act; or
- (e) an exchange of Shares arising on an amalgamation or reconstruction of the Company whereby the provisions of section 739H(2) of the Taxes Act apply; or
- (f) the cancellation of Shares arising in relation to a scheme of amalgamation within the meaning of section 739HA(1) of the Taxes Act.

Where a chargeable event arises in respect of a particular Shareholder, the Company shall be entitled to repurchase and/or cancel Shares held by such Shareholder and to use the proceeds of such repurchase to pay the tax due on the chargeable event.

*Exemption from Irish tax arising on chargeable events*

The Company will be exempt from the obligation to account for tax on chargeable events in certain circumstances. These circumstances include:

1. a chargeable event in respect of a Shareholder who is:
  - (a) neither Resident in Ireland nor Ordinarily Resident in Ireland at the time of the chargeable event and either (i) the Company is in possession of a Relevant Declaration to that effect and is not in possession of any information that would suggest that the information contained therein is no longer materially correct or (ii) the Company is in possession of a written notice of approval from the Revenue Commissioners to the effect that section 739D(7) of the Taxes Act is deemed to have been complied with in respect of that Shareholder and that approval has not been withdrawn; or
  - (b) an Exempt Irish Investor at the time of the chargeable event provided the Company is in possession of a Relevant Declaration to that effect where such declaration is required; and
2. the ending of a Relevant Period if:
  - (a) immediately before the ending of the Relevant Period, Shareholders who are described at 1(a) and 1(b) above, beneficially own Shares that represent more than 90% of the Net Asset Value of the Company; and
  - (b) the Company has made an election to the Revenue Commissioners that it will make, within the specified time limit, in respect of each year of assessment, a statement in the prescribed format which specifies in respect of each Shareholder:
    - (i) the name and address of the Shareholder;
    - (ii) the value, at the end of the year of assessment, of the Shares to which the Shareholder is beneficially entitled at that time; and

- (iii) such other information as the Revenue Commissioners may require.

Where such an election is made, the Company is obliged to notify Shareholders who are not Shareholders described at 1(a) and 1(b) above, that it is not obliged to account for tax on the ending of a Relevant Period in accordance with the provisions outlined at 2 above and accordingly those Shareholders are obliged to include details of gains arising, if any, in their tax return for the relevant year of assessment.

3. a chargeable event where the chargeable event occurs solely on account of an exchange of Shares arising on a scheme of amalgamation within the meaning of section 739D (8C) of the Taxes Act, subject to certain conditions being fulfilled;
4. a chargeable event where the chargeable event occurs solely on account of an exchange of Shares arising on a scheme of migration and amalgamation within the meaning of section 739D (8D) of the Taxes Act, subject to certain conditions being fulfilled; or
5. a chargeable event where the chargeable event occurs solely on account of a scheme of migration within the meaning of section 739D (8E) of the Taxes Act, subject to certain conditions being fulfilled.

#### *Tax Payable*

Where none of the relieving provisions outlined above have application, the Company is liable to account for Irish income tax on gains arising on chargeable events as follows:

- (a) where the chargeable event relates to a Share held by a Shareholder that is a company and that company has made a declaration to the Company that it is a company and that declaration contains the Irish corporation tax reference number with respect to the company, at a rate of 25%; and
- (b) where (a) above does not apply, Irish tax is payable at the rate of 41%.

In the case of chargeable events other than a chargeable event arising on a transfer or cancellation or appropriation of Shares or the ending of a Relevant Period, any tax arising is deducted from the relevant payments (distribution/ repurchase payments/ cancellation/ redemption payments) to the Shareholders.

In the case of a chargeable event arising as a result of a transfer of Shares or the ending of a Relevant Period or any other chargeable event arising that does not give rise to a payment to be made by the Company to a Shareholder, the Company is entitled to cancel or appropriate sufficient Shares of the Shareholder to meet any tax liability due by the Company.

To the extent that any tax is paid on a chargeable event that occurs solely as a consequence of the ending of a Relevant Period such tax will be allowed as a credit or paid by the Company to the Shareholder on the happening of a subsequent chargeable event in accordance with the provisions of section 739E of the Taxes Act.

The relevant Shareholder shall indemnify the Company against any loss arising to the Company by reason of the Company becoming liable to account for tax on the happening of a chargeable event if no appropriation, cancellation or deduction is made.

### *Taxation of Shareholders*

For the purpose of determining the Irish tax liability of any Shareholder, payments made by the Company to a Shareholder who holds Shares which are held in a Recognised Clearing System will be deemed to be payments from which tax has not been deducted.

#### *Irish Residents*

Corporate Shareholders who receive distributions (where such payments are made annually or at more frequent intervals) from which tax has been deducted will generally be treated as having received an annual payment chargeable to tax under Case IV of Schedule D of the Taxes Act from which tax at the rate of 25% has been deducted.

A corporate Shareholder whose Shares are held in connection with a trade or who is a Qualifying Company will be taxable on any income or gains arising in connection with the Shares as profits of that trade (currently at a rate of 12.5%) or as profits of its business as a Qualifying Company, as the case may be (currently at a rate of 25%), with a set-off against corporation tax payable for any tax deducted by the Company.

In general, non-corporate Shareholders who are Irish Residents will not be subject to further Irish income tax on income from the Shares or gains made on disposal of the Shares where tax has been deducted by the Company on payments made to them.

Where a non-corporate Shareholder who is an Irish Resident receives a payment in respect of Shares from which tax has not been deducted, the payment will generally be taxable at the rate of 41%. However, where the payment is in respect of the cancellation, redemption, repurchase or transfer of Shares, such taxable income shall be reduced by the amount of the consideration in money or money's worth given by the Shareholder for the acquisition of the Shares.

Where a currency gain is made by a Shareholder on a disposal of Shares, such Shareholders may be liable to capital gains tax in the years of assessment in which the Shares are disposed of.

#### *Exempt Irish Investors*

The Company will not be obliged to deduct tax on the occasion of a chargeable event if a Shareholder is an Exempt Irish Investor and such Shareholder has made a Relevant Declaration to the Company where such declaration is required. In the absence of such a Relevant Declaration the Company will be obliged to deduct income tax at the rate of 41%, as outlined in the above section, on the happening of a chargeable event notwithstanding that a Shareholder is an Exempt Irish Investor.

Exempt Irish Investors will be exempt from any residual charge to Irish tax on income and gains from their Shares provided they are otherwise exempt from Irish tax under the provisions of the Taxes Act. Corporate Shareholders who are not exempt from Irish tax, will remain liable to Irish corporation tax in accordance with the statements above, notwithstanding that they may receive payments in respect of Shares from the Company free from withholding tax.

#### *Investors not Resident in Ireland*

The Company will not be obliged to deduct tax on the occasion of a chargeable event if a Shareholder is not an Irish Resident provided that either (i) the Company is in possession of a Relevant Declaration, prior to the chargeable event, to that effect and is not in possession of any information that would suggest that the information contained therein is no longer materially correct; or (ii) the Company is in possession of a written notice of approval from the Revenue Commissioners to the effect that section 739D(7) is deemed to have been complied with in respect of that Shareholder and that approval has not been withdrawn.

Shareholders who are not Resident in Ireland or Ordinarily Resident in Ireland, where either:

- (a) the Company is in possession of a Relevant Declaration to that effect and is not in possession of any information that would suggest that the information contained therein is no longer materially correct; or
- (b) the Company is in possession of a written notice of approval from the Revenue Commissioners to the effect that Section 739D(7) is deemed to have been complied with in respect of that Shareholder and that approval has not been withdrawn;

are generally not subject to Irish tax on income from their Shares or gains made on the disposal of their Shares.

#### *Refunds of Tax Withheld*

Where tax is withheld by the Company on the basis that a Relevant Declaration has not been filed with the Company by the Shareholder, Irish legislation does not provide for a refund of tax other than in the following circumstances:

- (a) the appropriate tax has been correctly returned by the Company and within one year of the making of the return the Company can prove to the satisfaction of the Revenue Commissioners that it is just and reasonable for such tax which has been paid to be repaid to the Company; or
- (b) the Shareholder is entitled to claim exemption from income tax pursuant to section 189, 189A or 192 of the Taxes Act (relieving provisions relating to incapacitated persons, companies in relation thereto and persons incapacitated as a result of drugs containing thalidomide). In such circumstances, the Shareholder is treated as having received a net amount of income from the gross amount of which tax has been deducted, and that gross amount is treated as an amount of income chargeable to tax under Case III of Schedule D.

Where Irish Resident Shareholders (other than Exempt Irish Investors) hold less than 15% of the Company (calculated by value of Shares) immediately before a chargeable event that occurs as a consequence of the ending of a Relevant Period and (i) a refund of tax arises (e.g. due to a subsequent loss on an actual disposal), (ii) the Company has made an appropriate election in accordance with Section 739E(1A)(b)(ii)(II) of the Taxes Act and (iii) the Company has advised the relevant Shareholder accordingly in this regard, then, in such circumstances, the relevant Shareholder(s) must (if they wish to receive a refund of tax), seek to be refunded the amount of excess of the first tax over the "second tax" directly from the Revenue Commissioners as opposed to the Company seeking same (on receipt of a claim by the Shareholder).

#### *Dividend withholding tax*

Payments of distributions by the Company are not subject to dividend withholding tax provided that the Company continues to be a collective investment undertaking as defined in section 172A(1) of the Taxes Act (which definition includes an investment undertaking within the meaning of section 739B of the Taxes Act).

Dividends received by the Company from investment in Irish equities may be subject to Irish dividend withholding tax at the standard rate of income tax (currently 20%). However, where the Company makes an appropriate declaration pursuant to paragraph 6, Schedule 2A of the Taxes Act, it will be entitled to receive such dividends without deduction of tax.

### *Stamp Duty*

No stamp duty or other tax is payable in Ireland by the Company on the issue, subscription, holding, switching, redemption, cancellation, sale, or transfer of Shares. 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 may arise on the transfer of such securities or property.

No Irish stamp duty will be payable by the Company on the purchase of stocks or marketable securities provided that the stocks or marketable securities in question have not been issued by a company that is incorporated in Ireland and provided that the purchase 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 Taxes Act or a Qualifying Company) which is registered in Ireland.

### *Capital Acquisitions Tax*

The disposal of Shares by a Shareholder does not give rise to a liability for capital acquisitions tax provided that (i) at the date of the gift or inheritance, the donee or successor is neither domiciled in Ireland nor an Irish Resident and (ii) at the date of the disposition, the Shareholder disposing of the Shares is neither domiciled in Ireland nor an Irish Resident or the proper law of the disposition is not Irish law; and (iii) the Shares are comprised in the gift or inheritance at the date of such gift or inheritance and at the date of valuation.

For the purposes of Irish capital acquisitions tax only, a non-Irish domiciled person will not be treated as Resident in Ireland or Ordinarily Resident in Ireland except where that person has been Resident in Ireland for the 5 consecutive years of assessment immediately preceding the year of assessment in which the date of the gift or inheritance falls.

### *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 supporting Irish legislation/regulations. Under the IGA, 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 TIN and certain other details. The Company, 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.

The Company's ability to satisfy its obligations under the IGA will depend on each Shareholder in the Company, providing the Company with any information, including information concerning the direct or indirect owners of such Shareholders, that the Company determines is necessary to satisfy such obligations. Each Shareholder will agree in its application form to provide such information upon request from the Company. Shareholders are encouraged to consult with their own tax advisors regarding the possible implications of FATCA on their interest in the Company.

### *Shareholder Reporting*

The Company is required to provide certain information to the Revenue Commissioners in relation to certain Irish Resident Shareholders in accordance with Section 891C of the Taxes Act and the Return of Values (Investment Undertakings) Regulations 2013.

The information to be provided to the Revenue Commissioners includes:

- (a) the name, registered address, contact details and tax reference number of the Company;
- (b) the name, address, and date of birth (if applicable) of Shareholders;
- (c) a tax reference number for all Irish Resident Shareholders; and
- (d) the investment number and the value of the investment.

*Automatic Exchange of Information for Tax Purposes*

Pursuant to EU Council Directive 2003/48/EC on the taxation of savings income (the “**Savings Tax Directive**”), Member States were required to provide to the tax authorities of another Member State details of payments of interest (or similar income which may include distributions by the Company) paid by a person within its jurisdiction to an individual resident in that other Member State.

On 10 November 2015 the Council of the European Union adopted a Council Directive repealing the Savings Tax Directive from 1 January, 2017, in the case of Austria and from 1 January, 2016, in the case of all other Member States (subject to on-going requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates).

This is to prevent overlap between the Savings Tax Directive and a new automatic exchange of information regime to be implemented under Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU) (“**DAC2**”). 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. DAC2 is generally broader in scope than the Savings Tax Directive, although it does not impose withholding taxes.

Under the CRS, governments of participating jurisdictions (currently more than 100 jurisdictions) are required to collect detailed information to be shared with other jurisdictions annually. A group of over 40 countries, including Ireland, have committed to the early adoption of the CRS from 1 January 2016 with the first data exchanges taking place in September 2017. All Member States, except Austria introduced the CRS from 1 January 2016. Austria will introduce CRS from 1 January 2017.

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 Company will be required to obtain and report to the Revenue Commissioners annually certain financial account and other information for all new and existing accountholders in respect of their Shares. The first returns must be submitted on or before 30 June 2017 with respect to the year ended 31 December 2016. The information will include amongst other things, details of the name, address, taxpayer identification number (“**TIN**”), place of residence and, in the case of accountholders who are individuals, the date and place of birth, together with details relating to payments made to accountholders and their holdings. This information may be shared with tax authorities in other Member States (and in certain third countries subject to the terms of

Information Exchange Agreements entered into with those countries) and jurisdictions which implement the CRS.

Investors in each jurisdiction should consult their professional advisers on the potential tax, exchange control and other consequences of subscribing for, purchasing, holding, redeeming, exchanging or selling Shares in the Company under the laws of their country of citizenship, domicile or residence.

## **MATERIAL CONTRACTS**

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

### **The AIFM Agreement**

The Company has appointed the AIFM under the terms of the AIFM Agreement. The AIFM has been appointed as manager of the Company's assets, distributor of the Company's Shares and to provide certain distribution, investment management and related services to the Company. The AIFM Agreement may be terminated by either party on 90 days' written notice (or such shorter period as may be agreed between the parties) or forthwith by notice in writing in certain circumstances such as the insolvency of either party or any material breach of the AIFM Agreement which is incapable of remedy or has not been remedied within thirty (30) days of one party serving notice upon the defaulting party requiring it to remedy same. The AIFM has the power to delegate its duties in accordance with the Central Bank's requirements. The AIFM Agreement provides that the Company shall indemnify and hold the AIFM and its, directors, officers and employees (each an AIFM Indemnitee) harmless out of the assets of the relevant Sub-Fund against all direct losses, actions, proceedings, claims, damages, costs, demands and expenses including, legal and professional expenses (Losses) suffered or incurred by any such person in connection with the AIFM Agreement or in connection with or as a consequence of the AIFM acting as the Company's AIFM, except to the extent that such Losses result from the negligence, wilful misconduct or fraud of such AIFM Indemnitee.

### **The Investment Management Agreement**

The AIFM has appointed the Investment Manager under the terms of the Investment Management Agreement to provide investment management services and distribution to the Company.

The Investment Management Agreement provides, *inter alia*, that the Company shall indemnify the Investment Manager for any losses suffered by it other than those arising from the Investment Manager's own wilful misconduct, gross negligence or fraud.

The Investment Management Agreement may be terminated upon 90 day's written notice by either party or may terminate immediately upon notice and without penalty in the event of the Investment Manager or the AIFM becoming insolvent. The Investment Management Agreement will also terminate if either the Investment Manager or the AIFM at any time commits any material breach of the Investment Management Agreement which is incapable of remedy or has not been remedied within thirty (30) days of one party serving notice upon the defaulting party requiring it to remedy same. The AIFM may also terminate the Investment Management Agreement immediately should the AIFM determine that it is in the best interests of the Shareholders to do so.

### **The Administration Agreement**

The Company and the AIFM have appointed the Administrator under the terms of the Administration Agreement to carry on the general administration and accounting of the Company, to act as register and transfer agent of the Company and to provide such administration services as set out in the Administration Agreement. The Administration Agreement provides, *inter alia*, the following: It shall continue in force until terminated by either party on ninety (90) days' notice in writing to the other party. The Administration Agreement may be terminated forthwith by either party giving notice in writing to the other party if at any time: (i) the party notified shall go into liquidation or receivership or an examiner shall be appointed (except for a voluntary liquidation for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the notifying party) or be unable to pay its debts as they fall due; (ii) the party notified shall commit any material breach of the provisions of the Administration Agreement and if such breach is capable of

remedy, shall not have remedied that within thirty (30) days after the service of written notice requiring it to be remedied; or (iii) any of the representations, warranties or covenants contained in the Administration Agreement cease to be true or accurate in any material respect in relation to the party notified. The Administration Agreement provides that the Administrator shall carry out its duties and obligations and exercise its powers and discretions under the Administration Agreement using its reasonable endeavours and applying the level of skill and expertise that can reasonably be expected of a professional administrator of a company such as the Company. The Administrator shall not be liable for any loss of any nature whatsoever suffered by the AIFM or Company or the Shareholders in connection with the performance of its obligations under this Agreement, except where that loss results directly from negligence, fraud, bad faith, recklessness or wilful default on the part of the Administrator in the performance of its obligations and duties under this Agreement. The Administrator shall not be liable for any indirect, special or consequential loss howsoever arising out of or in connection with the Administration Agreement.

The Company has undertaken 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 Company 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, wilful default, or recklessness in the performance or non-performance of its duties.

### **The Depositary Agreement**

The Company has appointed the Depositary under the terms of the Depositary Agreement to be responsible for the safe keeping of all the assets of the Company and to provide certain depositary services, duties and control functions to the Company and each Sub-Fund in accordance with the terms and conditions of the Depositary Agreement.

The Depositary Agreement provides, *inter alia*, that:

The Depositary is required to exercise due care and diligence in the discharge of its duties and will be liable to the the Company and the Shareholders for any loss arising from fraud, negligence or its intentional failure to properly fulfil its obligations under AIFMD or its duties under the Depositary Agreement. Shareholders may enforce this liability either directly or indirectly through the Company or the AIFM acting on behalf of the Company and the Shareholders.

Under the terms of the Depositary Agreement, the Depositary has full power to delegate the whole or any part of its custodial functions to sub-depositaries. The liability of the Depositary will not be affected by the fact that it has entrusted to a third party some or all of the investments of the Company for safe keeping. In order for the Depositary to discharge its responsibility under the Depositary Agreement, the Depositary must exercise care and diligence in choosing and appointing sub-depositaries so as to ensure they have and maintain the expertise, competence and standing appropriate to discharge their responsibilities as sub-depositaries. The Depositary must maintain an appropriate level of supervision over the sub-depositaries and make appropriate inquiries from time to time to confirm that their obligations continue to be competently discharged.

The Investment Manager will inform investors before they invest in the Company of any arrangement made by the Depositary to discharge itself contractually of any liability. The Investment Manager will inform Shareholders of any changes with respect to the Depositary's liability without delay.

If the Investment Manager invests in markets where custodial and settlement systems are not fully developed, the securities of a Sub-Fund that are traded in these markets and that have been entrusted to sub-depositaries, in circumstances where the use of these sub-custodians is necessary, may be exposed to risk in circumstances under which the Depositary will have no liability.

The Depositary Agreement is effective for an initial period of six months and thereafter may be terminated by any of the parties hereto on giving ninety (90) days prior written notice to the other party.

The Company may not terminate the appointment of the Depositary and the Depositary may not retire from such appointment unless and until a successor Depositary shall have been appointed in accordance with the Memorandum and Articles, provided such successor depositary is approved in advance by the Central Bank.

The Central Bank may, where it appears to be desirable in the interests of the Shareholders of the Company, replace the Depositary with another Depositary in accordance with AIFMD. If the Depositary shall have given to the Company notice of its desire to retire from its appointment or the appointment of the Depositary is terminated pursuant to the terms of the Depositary Agreement and no successor shall have been appointed within ninety days from the giving of such notice, the Directors of the Company shall, subject to the approval of the Central Bank, forthwith repurchase the Shares or appoint a liquidator who shall wind up the Company and shall apply, thereafter, to the Central Bank to revoke the authorisation of the Company whereupon the Depositary's appointment shall terminate.

The Depositary Agreement may be terminated forthwith by any party giving notice in writing to the other parties if at any time: (i) any of the other parties notified shall be unable to pay its debts as they fall due or go into liquidation or a receiver or an examiner shall be appointed; (ii) any of the other parties notified shall commit any material breach of the provisions of the Depositary Agreement and shall not have remedied that within 30 days after the service of written notice requiring it to be remedied; or (iii) any of the representations, warranties or covenants of the parties to the Depositary Agreement cease to be true or accurate in any material respect.

The Depositary will be responsible for ensuring the segregation of the assets of each Sub-Fund under its custody in accordance with the AIF Rulebook. The Depositary is obliged to ensure, among other things, that: (a) the sale, issue, redemption and cancellation of Shares effected on behalf of the Company are carried out in accordance with the Act, the conditions imposed by the Central Bank and the Articles of Association; (b) the value of Shares is calculated in accordance with the Act and the Articles of Association; (c) in transactions involving the Company's assets, any consideration is remitted to it within time limits which are acceptable market practice in the context of a particular transaction; (d) the Company's and each Sub-Fund's income is applied in accordance with the Act and the Articles of Association; (e) the instructions of the Directors of the Company are carried out unless they conflict with the Act or the Articles of Association; and (f) it has enquired into the conduct of the Company in each accounting period and reports thereon to the Shareholders.

The Depositary's report will be delivered to the Company in good time to enable the Company to include a copy of the report in the annual report of each Sub-Fund. The Depositary's report will state whether in the Depositary's opinion each Sub-Fund has been managed in that period:- (i) in accordance with the limitations imposed on the investment and borrowing powers of the Sub-Fund imposed by the Articles of Association and/or the Central Bank under the powers granted to the Central Bank under the Act; and (ii) otherwise in accordance with the provisions of the Act and the Articles of Association. If the Company has not complied with clauses (i) or (ii) above, the Depositary will state why this is the case and will outline the steps that the Depositary has taken to rectify the situation. The duties provided for in paragraphs (a) to (f) above may not be delegated by the Depositary to a third party.

## GENERAL INFORMATION

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### Share Capital

The Company was incorporated in Ireland as a public limited company on 29 April 2014 with registered number 543162 under the Act. The authorised share capital of the Company is two Subscriber Shares of €1 each and 1,000,000,000,000 Participating Shares of no par value. As only Participating Shares can represent an interest in a Sub-Fund, the Subscriber Shares have no entitlement or interest in such a Sub-Fund. At the date of this Prospectus, the issued share capital of the Company is €2 divided into two Subscriber Shares of €1 each issued for the purpose of the incorporation and authorisation of the Company, which are held by Pacific Asset Management and Pacific Life Insurance Company.

### Memorandum and Articles of Association

Clause 2 of the Memorandum and Articles of Association provides that the sole object of the Company is the collective investment of its funds in property with the aim of spreading investment risk and giving members of the Company the benefit of the results of the management of its funds.

The Articles of Association contain provisions to the following effect :

(a) *Issue of Shares*

The Directors are hereby generally and unconditionally authorised to exercise all the powers of the Company to allot relevant securities within the meaning of section 20 of the Companies (Amendment) Act 1983.

The price at which Shares shall be issued shall be determined by reference to the Net Asset Value of the relevant Sub-Fund calculated as at the relevant Valuation Point.

The Directors may, with the prior approval of the Central Bank, establish new Sub-Funds. The Directors have the power to issue different Classes of Shares in each Sub-Fund.

(b) *Rights of Participating Shares*

Participating Shares may only be issued fully paid and shall have no par value. They shall confer on the holders the voting rights set out in Article 58 of the Memorandum and Articles of Association. The total amount of the paid up share capital of the Company shall at all times be equal to the Net Asset Value of the Company.

(c) *Rights of Subscriber Shares*

Subscriber Shares shall only be issued at par value and shall not participate in the profits or assets of the Company (save for a return of capital on a winding up).

As the Subscriber Shares are not Participating Shares (and as such do not represent any interest in a Sub-Fund) they do not entitle the holders thereof to participate in the dividends of any Sub-Fund.

Each holder of Subscriber Shares is entitled to attend and vote at any general meeting provided that any holder of Subscriber Shares shall not be entitled to vote at any such general meeting at any time that Participating Shares in issue are held by two or more Shareholders. In the event of a winding-up or dissolution of the Company, the Subscriber Shares have the entitlements referred to under "Winding Up" below.

(d) *Variation of Rights*

The rights attached to any class of shares may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the holders of three fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class. To every such separate general meeting the provisions of these Articles relating to general meetings shall apply but so that the necessary quorum at any such meeting other than an adjourned meeting shall be two persons (except where there are less than two Participating Shareholders in any class, when the quorum shall be one person) holding or representing by proxy shares of the class in question and, at an adjourned meeting, one person holding shares of the class in question or his proxy. Any holder of shares of the class in question present in person or by proxy may demand a poll.

(e) *Voting Rights of Shares*

Each of the Subscriber and Participating Shares entitles the holder to attend and vote at any general meeting PROVIDED THAT the holder of a Subscriber Share shall not be entitled to exercise any voting rights in respect of any Subscriber Share at any time that Participating Shares are held by more than one Member.

No member shall, unless the Directors otherwise determine, be entitled to vote at any General Meeting, either personally or by proxy, or to exercise any privileges as a Member unless all calls or other sums presently payable by him in respect of shares in the Company of which he is the holder or one of the joint holders have been paid.

On a show of hands, every Member entitled to vote shall have one vote in respect of all the Shares held by that Member. On a poll, every Member entitled to vote shall have one vote in respect of each Participating and Subscriber Share held by him.

On a poll of all the holders of Shares in a Sub-Fund, where there is more than one class or type of Shares in existence in that Sub-Fund, the voting rights of such holders may at the discretion of the Directors be adjusted in such manner, determined by the Directors, so as to reflect the most recently calculated Net Asset Value per Share.

(f) *Change in Share Capital*

The Company may from time to time by ordinary resolution increase its capital, consolidate and divide its Shares into shares of larger amount or subdivide its Shares into shares of smaller amount or cancel any Shares not taken or agreed to be taken by any person. The Company may by special resolution from time to time reduce its share capital in any way permitted by law.

(g) *Directors' Interests*

A Director may hold any other office or place of profit under the Company in conjunction with his office of Director on such terms as to tenure of office, and otherwise as the Directors may determine.

No Director or intending Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company or in which the Company is interested, in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such

Director holding that office or of the fiduciary relationship thereby established. A Director who is in any way, whether directly or indirectly, interested in such a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest if his interest then exists, or in any other case at the first meeting of the Directors after he becomes so interested. A general notice given by a Director to the effect that he is a member of a specified company, society or firm and is to be regarded as interested in all transactions with such company, society or firm shall be a sufficient declaration of interest, and after such general notice it shall not be necessary to give any special notice relating to any subsequent transaction with such company or firm, provided that either the notice is given at a meeting of the Directors or the Director giving the notice takes reasonable steps to secure that it is brought up and read at the next meeting of the Directors after it is given.

Subject to the paragraph above, a Director may vote in respect of any contract, appointment or arrangement in which he is interested and he shall be counted in the quorum present at the meeting.

Any Director may act by himself or through his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.

Any Director may continue to be or become a director, managing director, manager or other officer or member of any company promoted by the Company or in which the Company may be interested, and no such Director shall be accountable for any remuneration or other benefits received by him as a director, managing director, manager, or other officer or member of any such other company. The Directors may exercise the voting power conferred by the shares in any other company held or owned by the Company or exercisable by them as directors of such other company, in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of the directors, managing directors, managers or other officers of such company, or voting or providing for the payment of remuneration to directors, managing directors, managers or other officers of such company).

(h) *Borrowing Powers*

Subject to the Act, the Directors may exercise all the powers of the Company to borrow money (including the power to borrow for the purpose of repurchasing shares) and hypothecate, mortgage, charge or pledge its undertaking, property, and assets or any part thereof, whether outright or as collateral security for any debt liability or obligation of the Company.

The Articles of Association permit the Directors or the Company to borrow and to give guarantees in accordance with the provisions of the Act and any conditions imposed by the Central Bank.

(i) *Retirement of Directors*

The Directors shall not be required to retire by rotation or by virtue of their attaining a certain age.

(j) *Transfer of Shares*

All transfers of shares shall be effected by transfer in writing in any usual or common form or in any other form approved by the Directors but need not be under seal. The transferring Member remains liable to the Company for all related fees or costs arising from the transfer.

All transfers of Participating Shares must be to Qualifying Investors. The transfer must comply with applicable law.

The instrument of transfer of a share shall be signed by or on behalf of the transferor. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof.

The Directors may decline to register any transfer of Participating Shares. Permission to register transfers of Participating Shares shall not be unreasonably withheld.

The Directors may also decline to recognise any transfer of Participating Shares unless the instrument of transfer is deposited at the Company's registered office or such other place as the Directors may reasonably require showing the right of the transferor to make the transfer, and the instrument of transfer relate to shares of one class only.

If the Directors decline to register a transfer of any share they shall, within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal.

All instruments of transfer which shall be registered shall be retained by the Company, but any instrument of transfer which the Directors may decline to register shall (except in any case of suspected fraud) be returned to the person depositing the same.

(k) *Dividends*

The Company in General Meeting may declare dividends on the Participating Shares of each Sub-Fund but no dividend shall exceed the amount recommended by the Directors in respect of each Sub-Fund respectively. The Directors may differentiate between the different Sub-Funds, as to the amount (if any) of any dividend recommended in respect of each Sub-Fund. Furthermore, where the Directors have created different classes within each Sub-Fund, they may differentiate between the different classes as to the amount (if any) of any dividend recommended in respect of each Sub-Fund. Details of such dividend policies in respect of any Sub-Fund or class within a Sub-Fund will be set out in the applicable Supplement for that Sub-Fund. The Directors may from time to time if they think fit pay such interim dividends on Participating Shares of any Sub-Fund as appear to the Directors to be justified, and may specify a fixed date or dates of payment of dividend for a particular Sub-Fund or Sub-Funds (or types within such Sub-Fund(s)).

The dividend for any particular class of Participating Shares shall be payable out of the profits available for distribution out of the Sub-Fund relating to that class of Participating Shares, which profits may, as determined in the discretion of the Directors, consist of the net income (less expenditure) and/or realised and unrealised gains (less realised and unrealised losses) attributable to such Sub-Fund and standing to the credit of a revenue account of the relevant Sub-Fund (the "Net Profits"). For this purpose income shall include, without limitation, interest income and dividend income. In the event the Directors wish to pay a dividend in excess of Net Profits, they may elect to pay the remainder of the dividend out of the capital of a Sub-Fund.

Any dividend unclaimed after twelve years from the date when it first became payable shall be forfeited to the relevant Sub-Fund automatically, without the necessity for any declaration or other action by the Company.

(l) *Redemption of Shares*

If it shall come to the notice of the Directors that any Shares are owned directly or beneficially by any person in breach of any law or requirement of any country or governmental authority or by virtue of which such person is not qualified to hold such Shares or who belongs, or may belong to, or is comprised in, or may be comprised in, a class of persons designated by the Directors as above, the Directors may give notice to such person requiring him to transfer such Shares to a person who is qualified or entitled to own the same or to give a request in writing for the redemption of such Shares in accordance with paragraph (i) above. If any person upon whom such a notice is served does not within 30 days after such notice transfer his Shares to a person qualified to own the same or establish to the satisfaction of the Directors (whose judgement shall be final and binding) that he is qualified, entitled and permitted to own the Shares, he shall be deemed upon the expiration of 30 days to have given a request in writing for the redemption of all his Shares

(m) *Compulsory Redemption*

The Directors shall have the power to terminate any particular Sub-Fund on any Dealing Day falling one year after the first issue of shares in that Sub-Fund if the value of the net assets of that Sub-Fund amounts at such date to less than €25 million or the equivalent amount in the base currency of the relevant Sub-Fund. The Directors are also entitled to terminate any Sub-Fund with the sanction of a special resolution of the holders of the Shares relating to that Fund.

(n) *Winding Up*

The Articles contain provisions to the following effect:

- (i) If the Company shall be wound up, the liquidator shall apply the assets of the Company in such manner and order as he thinks fit in satisfaction of creditors' claims. The liquidator shall in relation to the assets available for distribution among the Shareholders make in the books of the Company such transfers thereof to and from Sub-Funds as may be necessary in order that the effective burden of such creditors' claims may be shared between the holders of Shares of different Sub-Fund in such proportions as the liquidator in his absolute discretion may think equitable provided always that in doing so, the liquidator shall comply with, and be bound by, the segregated liability provision contained in the Act and Article 12 of the Articles of Association.
- (ii) The assets available for distribution among the Shareholders shall then be applied in the following priority:
  - (a) First, in the payment to the holders of the Participating Shares of each Sub-Fund of a sum in the currency in which that Sub-Fund is designated (or in any other currency selected by the liquidator) as nearly as possible equal (at a rate of exchange determined by the liquidator) to the Net Asset Value of the Participating Shares of such Sub-Fund held by such holders respectively as at the date of commencement to wind up provided that there are sufficient assets available in the relevant Sub-Fund to enable such payments to be made. In the event that, as regards any Sub-Fund, there are insufficient assets available in the relevant Sub-Fund to enable such payment to be made

recourse shall be had to the assets of the Company not comprised within any of the Sub-Funds

- (b) Secondly, in the payment to the holders of the Subscriber Shares of sums up to the nominal amount paid thereon out of the assets of the Company not comprised within any of the Sub-Funds remaining after any recourse thereto under paragraph (2)(i) above. In the event that there are insufficient assets as aforesaid to enable such payment in full to be made, no recourse shall be had to the assets comprised within any of the Sub-Funds
  - (c) Thirdly, in the payment to the holders of each Sub-Fund of any balance then remaining in the relevant Sub-Fund, such payment being made in proportion to the number of Shares of that Sub-Fund held
  - (d) Fourthly, in the payment to the holders of the Participating Shares of any balance then remaining and not comprised within any of the Sub-Funds, such payment being made in proportion to the number of Participating Shares held.
- (iii) If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of a Special Resolution and any other sanction required by the Act, divide among the Shareholders in specie the whole or any part of the assets of the Company, and whether or not the assets shall consist of property of a single kind, and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between the Shareholders. The liquidator may, with the like authority, vest any part of the assets in trustees on such trusts for the benefit of Shareholders as the liquidator, with the like authority, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no Shareholder shall be compelled to accept any assets in respect of which there is any liability. For the avoidance of doubt, if the Special Resolution above is passed, each Shareholder is entitled to elect on winding-up whether or not he wishes to receive a distribution in specie or a cash distribution made in accordance with the provisions of paragraph (ii) above. However, in the absence of a Shareholder electing to receive a distribution in specie on winding-up, such Shareholder shall receive a cash distribution payment in accordance with the provisions of paragraph (ii) above.

## **Reports**

The financial year-end of the Company is 31 March in each year. The first such year-end of the Company will be 31 March 2015.

The annual report of the Company, incorporating audited financial statements in respect of each Sub-Fund, will be published within six months of the financial year end to which it relates or such shorter or longer time frame as specified by the Central Bank or any other act, law or regulation. The first report will be made available by 31 July 2015.

The annual financial report will be made available to all Shareholders and sent to the Central Bank within six months of the end of the period to which the annual report relates.

## **Documents Available**

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

- (a) the Memorandum and Articles of Association of the Company;
- (b) the Company's Prospectus and relevant Sub-Fund Supplements;
- (c) the Company' most recently published annual; and
- (d) a list of the Sub-Funds that are currently in existence.

#### **Irish Legal Advisers**

McCann FitzGerald acts as Irish legal counsel to the Company and the Investment Manager and has advised on Irish law matters in relation to the preparation of this Prospectus. McCann FitzGerald may continue to serve in such capacity in the future, but has not assumed any obligation to update this Prospectus. McCann FitzGerald does not represent and has not represented the existing investors or any prospective investors in the Company in the course of the organisation of the Company, the negotiation of its business terms, the offering of the Shares or in respect of its on-going operations. Investors must recognise that, as they have had no representation in the organisation process, the terms of the Company relating to themselves and the Shares have not been negotiated at arm's length.

McCann FitzGerald's engagement by the Company and the Investment Manager is limited to the specific matters as to which it is consulted by the Company and the Investment Manager and, therefore, there may exist facts or circumstances that could have a bearing on the Company's (or the Investment Manager's, or the Administrator's or the Depositary's) financial condition or operations with respect to which McCann FitzGerald has not been consulted and for which McCann FitzGerald expressly disclaims any responsibility. More specifically, McCann FitzGerald does not undertake to monitor the compliance of the Investment Manager, the Administrator, the Depositary and their affiliates with the investment program, valuation procedures and other relevant regulations applicable to the Company and any guidelines set forth herein, nor does it monitor compliance with applicable laws. In preparing this Prospectus, McCann FitzGerald relied upon information furnished to it by the Company, the Investment Manager, the Administrator and the Depositary and did not investigate or verify the accuracy and completeness of the information set forth herein concerning the Investment Manager, the Administrator, the Depositary and the Company's service providers and their affiliates and personnel.