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If you are in any doubt about the contents of this Prospectus, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

The Directors of the Manager of Central Treasury Trust (the “Trust”), whose names appear under the heading “Management of the Trust”, are the persons responsible for the information contained in this Prospectus and accept responsibility accordingly. 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 document is in accordance with the facts and does not omit anything likely to affect the import of the information.

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## **CENTRAL TREASURY TRUST**

*(an open-ended umbrella unit trust with segregated liability between sub-funds authorised by the Central Bank of Ireland pursuant to the European Communities (Undertakings For Collective Investment In Transferable Securities) Regulations, 2011 (as amended) as a UCITS)*

## **PROSPECTUS**

**Manager**

**Davy Investment Fund Services Limited**

**Investment Manager**

**J & E DAVY**

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The date of this Prospectus is 9 January 2019

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## SECTION 1.0 - PRELIMINARY

The Trust is an open-ended umbrella unit trust comprising segregated sub-funds authorised by the Central Bank of Ireland pursuant to the European Communities (Undertakings For Collective Investment In Transferable Securities) Regulations, 2011 (as amended) as a UCITS. This however does not imply approval by any Irish authority of the contents of this Prospectus or the portfolio of securities held by any Portfolio. Any representation to the contrary is unauthorised and unlawful.

**Authorisation of the Trust by the Central Bank is not an endorsement or guarantee of the Trust or any of its Portfolios by the Central Bank nor is the Central Bank responsible for the contents of this Prospectus. Authorisation of the Trust shall not constitute a warranty as to the performance of the Trust and the Central Bank shall not be liable for the performance or default of the Trust.**

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

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

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

The Units have not been registered under the Securities Act and may not be offered, sold, or delivered directly or indirectly in the United States (except in accordance with an applicable exemption from the registration requirements of the Securities Act) or to, or for the account or benefit of, any U.S. Person.

The Units have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "US Securities Act"), or the securities laws of any of the states or possessions of the US, and the Trust has not been, and will not be, registered under the US Investment Company Act of 1940, as amended (the "US Investment Company Act"). Accordingly the Units may not be offered, sold or delivered directly or indirectly in the US, or to or for the account or benefit of any "US Person" (as such term is defined in Regulation S under the US Securities Act – see below), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act or any applicable state securities laws. A prospective investor will be required at the time of acquiring Units to represent that such investor is not a US Person or acquiring Units for or on behalf of a US Person or acquiring the Units with the assets of an ERISA plan.

Distribution of this Prospectus is not authorised after the publication of the latest half-yearly report of the Trust unless it is accompanied by a copy of that report, and is not authorised after the publication of the first annual report of the Trust unless it is accompanied by a copy of the latest annual report and any subsequent half-yearly report. Such reports will form part of this Prospectus.

The Directors of the Manager are satisfied that no actual or potential conflict of interest arises as a result of the Manager managing other funds. However, if any conflict of interest should arise, the Directors will endeavour to ensure that it is resolved fairly and in the interest of Unitholders.

The Investment Manager is satisfied that no actual or potential conflict arises as a result of the Investment Manager managing or advising other funds. However, if any conflict of interest should arise, the Investment Manager will endeavour to ensure that it is resolved fairly and in the interest of Unitholders.

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

**Investors should note that because investments in securities can be volatile and that their value may decline as well as appreciate, there can be no assurance that a Portfolio will be able to attain its objective. The price of Units may fall as well as rise. An investment should only be made by those persons who could sustain a loss on their investment. Potential investors should read and consider carefully the risk discussion under “Risk Factors” and are urged to contact their financial advisers before investing in a Portfolio.**

Attention is drawn to the section headed "Risk Factors".

## SECTION 2.0 - DEFINITIONS

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

<b>"ABCPs"</b>	means asset backed commercial papers.
<b>"Accounting Date"</b>	the date by reference to which the annual accounts of the Trust and each of its Portfolios shall be prepared and shall be the 30th day of September in each year or (in the case of the termination of the Trust or of a Portfolio) the date on which monies required for the final distribution shall have been paid to the Unitholders in the relevant Portfolio or Portfolios.
<b>"Accounting Period"</b>	in respect of each Portfolio, a period ending on an Accounting Date and commencing (in the case of the first such period) from and including the date of the first issue of Units of the relevant Portfolio or (in any other case) from the end of the last Accounting Period.
<b>"Act"</b>	the Companies Act, 2014 as may be modified, amended, supplemented, consolidated or re-enacted from time to time.
<b>"Administration Expenses"</b>	the sums payable out of the assets of the Trust necessary to provide for all costs, charges and expenses including, but not limited to couriers' fees, telecommunication costs and expenses, out-of-pocket expenses, legal and professional expenses which the Manager incurs whether in litigation on behalf of the Trust or any of its Portfolios or in connection with the establishment of, re-authorisation or ongoing administration of the Trust or any of its Portfolios or otherwise together with the costs, charges and expenses, including translation costs, of any notices including but not limited to reports, prospectuses, listing particulars and newspaper notices given to Unitholders in whatever manner plus value added tax (if any) on any such costs, charges and expenses and all properly vouched fees and reasonable out-of-pocket expenses of any Investment Manager, or adviser, distributor, placing agent and/or agent securities company incurred pursuant to a contract to which the Manager, or the Manager's delegate and such person are party plus value added tax (if any) thereon.
<b>"Administrator"</b>	Northern Trust International Fund Administration Services (Ireland) Limited or such other company as may be appointed by the Trust in accordance with the requirements of the Central Bank.
<b>"Administration Agreement"</b>	the administration agreement between the Manager and the Administrator dated 9 January 2019.
<b>"Amortised Cost Method"</b>	means, in relation to a Portfolio authorised as a MMF, a valuation method which takes the acquisition cost of an asset and adjusts that value for amortisation of premiums or discounts until maturity.
<b>"Auditor",</b>	KPMG, Chartered Accountants, Dublin.
<b>"Base Currency"</b>	in respect of any Class, means the Base Currency in which the Units are issued or, in the case of a Portfolio, the Base Currency in which the Portfolio is designated.
<b>"Business Day"</b>	any day on which banks are open for business in the Republic of Ireland.

<b>“Central Bank”</b>	the Central Bank of Ireland or any successor regulator thereto.
<b>“Class”</b>	a separate Class of Units in a Portfolio.
<b>"Central Bank Regulations"</b>	the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015, as amended.
<b>“Collective Investment Schemes”</b>	means collective investment schemes eligible for investment by a UCITS or, in the case of a Portfolio authorised as a MMF, other MMFs.
<b>“Credit Union”</b>	in Ireland, means a society registered as a credit union under the Credit Union Act, 1997, or in the United Kingdom (excluding Northern Ireland) means a society registered as a credit union under the Industrial and Provident Societies Act 1965 as a credit union in accordance with the Credit Unions Act, 1979, or in Northern Ireland means a society registered as a credit union under the Credit Unions (Northern Ireland) Order 1985 or the Industrial and Provident Societies Act (Northern Ireland) 1969.
<b>“Custody Investments”</b>	those Investments that are required to be held in custody by the Trustee pursuant to Regulation 34(4)(a) of the Regulations.
<b>“Dealing Day”</b>	in respect of each Portfolio, such Business Day as provided for in the relevant Supplement provided that there shall always be at least one Dealing Day per fortnight.
<b>"Dealing Deadline"</b>	means, in relation to any dealing applications for Units of a Portfolio, the time on each Business Day (which are always before the Valuation Point), by which an application form in respect of a Dealing Day must be received by the Administrator as specified in the relevant Supplement.
<b>"Delegated Regulation"</b>	the Commission Delegated Regulation supplementing Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014, once it has entered into force and is directly effective in Ireland.
<b>“Disbursements”</b>	includes in relation to the Trustee all disbursements properly made by the Trustee in connection with its trusteeship of the Trust under the Trust Deed including (but not limited to) couriers’ fees, telecommunication costs and expenses and the fees (where applicable) at normal commercial rates and out-of-pocket expenses of any sub-custodian appointed by it pursuant to the provisions of the Trust Deed and all costs, charges and expenses of every kind which it may suffer or incur in connection with such trusteeship and the administration of the Trust and of each of its Portfolios (including the establishment thereof) and all matters attendant thereon or relative thereto and all legal and other professional expenses incurred or suffered by it in relation to or in any way arising out of the Trust and of each of its Portfolios (including the establishment thereof) and any value added tax liability incurred by the Trustee arising out of the exercise of its powers or the performance of its duties pursuant to the provisions of the Trust Deed.

<b>“Distribution Date”</b>	the date or dates by reference to which a distribution may at the option of the Manager be declared as set out in the Portfolio Supplements, if applicable.
<b>“Distribution Payment Date”</b>	the date upon which the Manager shall determine to make payment of a distribution which shall be such date or dates which shall usually be at each month end.
<b>“Data Protection Legislation”</b>	all laws relating to the processing of personal data, privacy and security including, without limitation, the EU Data Protection Directive 95/46/EC, the Data Protection Acts 1988 to 2018, the ePrivacy Directive (2002/58/EC) and the General Data Protection Regulation (EU) 2016/679 and, where the context so requires, equivalent or replacement legislation of any applicable jurisdiction, delegated legislation of other national data protection legislation, and all other applicable law, regulations and approved codes of conduct, certifications, seals or marks in any relevant jurisdiction relating to the Processing of Personal Data including the opinions, guidance, advice, directions, orders and codes of practice issued or approved by a Supervisory Authority or the Article 29 Working Party or the European Data Protection Board.
<b>“Duties and Charges”</b>	in relation to any particular transaction, dealing or valuation, all stamp and other duties, taxes, governmental charges, valuation fees, agent fees, brokerage fees, bank charges, transfer fees, registration fees, and other charges whether in respect of the constitution or increase of the assets of a Portfolio or the creation, exchange, sale, purchase or transfer of Units or the purchase, proposed purchase, transfer, sale or exchange of investments or otherwise which may have become or will become payable in respect of or prior to or upon the occasion of any transaction, dealing or valuation but does not mean commission payable to agents or brokers on the issue of Units.
<b>“Euro”</b>	the euro, the lawful currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty on European Union signed in Maastricht on 7 February 1992.
<b>“European Economic Area/EEA”</b>	consists of the following countries: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the UK.
<b>“Internal Credit Quality Assessment Procedures”</b>	the credit quality assessment procedures detailed in the Prospectus and Trust Deed and established by the Manager in accordance with the MMF Regulation.
<b>“Investments”</b>	any investment authorised by the Trust Deed which is permitted by the UCITS Regulations or the MMF Regulation.
<b>“Investment Manager”</b>	J & E Davy trading as Davy or more persons or corporations appointed by the Manager to manage the investment and reinvestment of the assets of (and act as distributor to) any one or more of the Portfolios in accordance with the requirements of the



Central Bank, details of which are set out in the relevant Supplement to this Prospectus.

<b>“Investor Money Regulations”</b>	means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations 2015 for Fund Service Providers, as may be amended from time to time.
<b>“Irish Stock Exchange”</b>	The Irish Stock Exchange Limited.
<b>"LVNAV MMF"</b>	a low volatility net asset value MMF as defined in the MMF Regulation.
<b>"LVNAV Short-Term MMF"</b>	a Portfolio that is both a Short-Term MMF and LVNAV MMF.
<b>“Manager”</b>	Davy Investment Fund Services Limited or any successor company as manager of the Trust and of each Portfolio with the prior approval of the Central Bank.
<b>“Mark-to-Market”</b>	means, in relation to a Portfolio authorised as a MMF, the valuation of positions at readily available close out prices that are sourced independently, including exchange prices, screen prices, or quotes from several independent reputable brokers.
<b>“Mark-to-Model”</b>	means, in relation to a Portfolio authorised as a MMF, any valuation which is benchmarked, extrapolated or otherwise calculated from one or more market input.
<b>“Member State”</b>	a member state of the European Union (“EU”).
<b>"MMF"</b>	a money market fund authorised in accordance with the MMF Regulation.
<b>"MMF Regulation"</b>	Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds, as may be modified, amended, supplemented, consolidated or re-enacted from time to time.
<b>“Net Asset Value of a Portfolio”</b>	the Net Asset Value of a Portfolio calculated in accordance with the provisions of the Trust Deed, as described under “Administration of the Trust - Calculation of Net Asset Value”.
<b>“Net Asset Value per Unit”</b>	the net asset value per Unit of a Class of a Portfolio calculated in accordance with the provisions of the Trust Deed, as described under the section headed "Calculation of Net Asset Value".
<b>"OFAC"</b>	the Office of Foreign Assets Control of the US Department of the Treasury.
<b>“Portfolio”</b>	any Portfolio of the Trust established by the Manager from time to time with the prior approval of the Trustee and of the Central Bank.
<b>"Public Debt MMF"</b>	a public debt constant net asset value MMF as defined in the MMF Regulation.
<b>"Public Debt Short-Term MMF"</b>	a Portfolio that is both a Short-Term MMF and Public Debt MMF.
<b>“Qualified Holder”</b>	any person other than (i) any person, which cannot acquire or hold Units without violating laws or regulations applicable to it or (ii) a custodian, nominee, or trustee for any person described in (i) above.

<b>“Recognised Exchange”</b>	any regulated stock exchange or regulated market on which a Portfolio may invest. A list of those stock exchanges and markets is listed below in Appendix II.
<b>“Relevant Declaration”</b>	means the declaration relevant to the Unitholder as set out in Schedule 2B of the Taxes Consolidation Act, 1997.
<b>“Remuneration Guidelines”</b>	the guidelines on sound remuneration policies under the UCITS Directive as issued by the European Securities and Markets Authority from time to time.
<b>“Securities Act”</b>	the United States Securities Act of 1933, as amended.
<b>“Short-Term MMF”</b>	a short-term MMF as defined in the MMF Regulation.
<b>“Standard MMF”</b>	a standard MMF as defined in the MMF Regulation.
<b>“Supplement”</b>	any supplement to this Prospectus.
<b>“Transferable Securities”</b>	means: <ul style="list-style-type: none"> <li>(i) shares in companies and other securities equivalent to shares in companies which fulfil the applicable criteria specified in Part 1 of Schedule 2 of the UCITS Regulations;</li> <li>(ii) bonds and other forms of securitised debt which fulfil the applicable criteria specified in Part 1 of Schedule 2 of the UCITS Regulations;</li> <li>(iii) other negotiable securities which carry the right to acquire any securities within (i) or (ii) above by subscription or exchange which fulfil the criteria specified in Part 1 of Schedule 2 of the UCITS Regulations; and</li> <li>(iv) securities specified for this purpose in Part 2 of Schedule 2 of the UCITS Regulations.</li> </ul>
<b>“Trust”</b>	Central Treasury Trust.
<b>“Trust Deed”</b>	the deed of trust dated 19 October 2015 between the Manager and the Trustee, as amended and restated by Deed dated 9 January 2019.
<b>“Trustee”</b>	Northern Trust Fiduciary Services (Ireland) Limited or any successor company as trustee of the Trust and of each Portfolio with the prior approval of the Central Bank.
<b>“UCITS Directive”</b>	Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as amended by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directives 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to

undertakings for collective investment in transferable securities (UCITS) as regards trustee functions, remuneration policies and sanctions and as may be further amended from time to time and including any supplementing European Commission delegated regulations in force from time to time.

**"UCITS Regulations"**

the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 as may be modified, amended, supplemented, consolidated or re-enacted from time to time.

**"UCITS Requirements"**

the UCITS Regulations, the Delegated Regulation and the Central Bank Regulations.

**"Unit"**

one undivided share in the assets of a Portfolio.

**"United States"**

the United States of America (including the States and the District of Columbia), its territories, possessions and all other areas subject to its jurisdiction.

**"Unitholder"**

i) a person who is registered as the holder of a Unit from time to time; ii) and when referring to tax matters means any person who by reason of the holding of a Unit, or under the terms of a Unit is entitled to a share of any of the investments or relevant profits of or to receive a relevant payment from the Trust.

**"U.S. Person"**

any U.S. person within the meaning of Regulation S under the US Securities Act as well as:

- (a) a natural person resident in the U.S.;
- (b) an estate with any U.S. Person as executor or administrator;
- (c) a corporation or partnership organised under U.S. law;
- (d) any trust of which any trustee is a U.S. Person;
- (e) any agency or branch of a foreign entity located in the United States;
- (f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person;
- (g) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident of the United States; and
- (h) any partnership or corporation if: (i) organised or incorporated under the laws of any foreign jurisdiction; and (ii) formed by a U.S. Person principally for the purpose of investing in securities not registered under the US Securities Act unless it is organised or incorporated, and owned by accredited investors (as defined in Rule 501(a) under the US Securities Act) who are not natural persons, estates or trusts.

A U.S. Person also includes any entity formed by or on behalf of any of the foregoing for the purpose of investing in the Trust.

For the purposes of this definition, "resident" includes any natural person who maintains a residence in the U.S. regardless of the amount of time such person spends at such residence.

**"Valuation Point"**

12 pm (Irish time) on the relevant Dealing Day or such other time as may be set out in a Supplement to this Prospectus in relation to a Portfolio.

**"VAT"**

value added tax.

**"VNAV MMF"**

a variable net asset value MMF as defined in the MMF Regulation.

**"VNAV Standard MMF"**

a Portfolio that is both a Standard MMF and VNAV MMF.

In this Prospectus, unless otherwise specified, all references to "billion" are to one thousand million, to "£" are to Pounds Sterling," and to "€" are to Euro.

## SECTION 3.0 - SUMMARY

The following is qualified in its entirety by the detailed information included elsewhere in this Prospectus and in the Trust Deed.

<b>The Trust</b>	The Trust is an authorised umbrella open-ended unit trust complying with the provisions of the UCITS Regulations and, in respect of a Portfolio authorised as a MMF, the provisions of the MMF Regulation.
<b>The Portfolios</b>	<p>The Trust is made up of the Portfolios. The proceeds from the issue of Units in a Portfolio shall be applied in the records and accounts of the Trust for that Portfolio and the assets and liabilities and income and expenditure attributable thereto shall be applied to that Portfolio subject to the provisions of the Trust Deed.</p> <p>In addition, each Portfolio may have more than one Class of Units allocated to it. The Units of each Class allocated to a Portfolio will rank <i>pari passu</i> with each other in all respects except as to all or any of the following:-</p> <ul style="list-style-type: none"><li>• currency of denomination of the Class;</li><li>• dividend policy;</li><li>• the level of fees and expenses to be charged; and</li><li>• the minimum subscription and minimum holding applicable.</li></ul>
<b>Investment Objective</b>	The assets of a Portfolio will be invested separately in accordance with the investment objectives and policies of that Portfolio as set out in a Supplement to this Prospectus.
<b>Manager</b>	Davy Investment Fund Services.
<b>Trustee</b>	Northern Trust Fiduciary Services (Ireland) Limited.
<b>Initial Issue of Units</b>	During the initial offer period of a Portfolio, Units of the Portfolio shall be issued at a given initial issue price. The initial offer period and initial issue price of each Portfolio shall be set out in the relevant Supplement to this Prospectus.
<b>Subsequent Issue of Units</b>	Subsequent to the initial offer period, Units shall be issued at a price equal to the Net Asset Value per Unit calculated by reference to the value of the assets as at the Valuation Point.
<b>Redemption of Units</b>	Units will be redeemed at the option of Unitholders at a price per Unit equal to the Net Asset Value per Unit.
<b>Dividend Distribution</b>	It is intended that net investment income of each of the Portfolios (i.e. income from dividends, interest or otherwise, less that Portfolio's accrued expenses) will be distributed by way of dividend. Dividends payable to Unitholders will be reinvested at the time such dividends are paid by subscription for further Units of the same class within the Portfolio, unless a Unitholder specifically requests in writing that dividends be paid in cash.
<b>Taxation</b>	The section entitled "Taxation" sets out a summary of certain relevant tax considerations. In summary Unitholders who are resident or ordinarily tax resident in Ireland should normally

suffer tax at a current rate of 41% on all distributions received from the Trust and on a sale/redemption of Units. Non Irish tax residents and certain Irish tax residents are normally exempt from tax on receipt of a payment from the Trust. Generally, no Irish stamp duty or other Irish taxes are payable on the subscriptions for Units in the Trust.

## SECTION 4.0 - THE TRUST

### 4.1 Introduction

The Trust, constituted on the 22 July 2005, is an authorised open ended umbrella unit trust complying with the provisions of the UCITS Regulations. The Trust was previously authorised as a retail investor alternative investment fund ("**RIAIF**") by the Central Bank. The authorisation of the Trust as a RIAIF is revoked by the Central Bank and the Trust is now authorised as a UCITS pursuant to the UCITS Regulations. The initial Portfolio of the Trust is authorised as a MMF pursuant to the MMF Regulation. Its rules are set out in the Trust Deed which is binding upon the Trustee, the Manager and all Unitholders.

The Trust Deed constitutes the Trust which is made up of the Portfolios. The proceeds from the issue of Units in a Portfolio (excluding the preliminary charge) shall be applied in the records and accounts of the Trust for that Portfolio and the assets and liabilities and income and expenditure attributable thereto shall be applied to that Portfolio subject to the provisions of the Trust Deed. The assets of a Portfolio will be invested separately in accordance with the investment objectives and policies of that Portfolio as set out in a Supplement to this Prospectus.

In addition, each Portfolio may have more than one Class of Units allocated to it. A separate pool of assets is not being maintained for each Class. The Units of each Class allocated to a Portfolio will rank *pari passu* with each other in all respects except as to all or any of the following:

- currency of denomination of the Class;
- dividend policy;
- the level of fees and expenses to be charged; and
- the minimum subscription and minimum holding applicable.

Supplements may be added to or removed from this Prospectus as Portfolios are added to the Trust or closed, as the case may be.

Monies subscribed for each Portfolio must be in the denominated currency of the relevant Portfolio, or the currency of the relevant class of Units.

The current Portfolio and the denominated currency is listed below:

Portfolio

<b>Name</b>	<b>Denominated Currency</b>
Central Euro Short-Term Liquidity Fund	Euro

Details of the existing Portfolio are set forth in the relevant Supplement.

The Base Currency for each Portfolio will be determined by the Manager and set forth in the relevant Supplement.

Additional Portfolios (or Classes thereof) may, with the prior approval of the Central Bank and the Trustee, be added by the Manager. The name of each additional Portfolio, the terms and conditions of its initial offer of Units, details of its investment objectives and policies and of any applicable fees and expenses shall be set out in a Supplement. Additional Classes may be subject to higher, lower or no fees. Information relating to fees charged to different Classes within the Trust will be available on request. The Manager, on the advice of the Investment Manager shall have the power, upon notice to the Central Bank and to the Trustee, to close any Portfolio in existence by serving not less than thirty days' notice on the Unitholders in that Portfolio. On expiration of the thirty days' notice period, the Manager shall apply to the Central Bank for revocation of approval of the Portfolio.

To invest in the Trust is to purchase Units in a Portfolio. It is the Portfolio which accumulates the assets on behalf of the Unitholders. A Unit in a Portfolio represents the beneficial ownership of one undivided share in the assets of the relevant Portfolio referable to that type of Unit.

Each Portfolio will be treated as bearing its own liabilities as may be determined at the discretion of the Trustee with the approval of the Manager. The Trust is not liable as a whole to third parties provided however, that if the Manager is of the opinion that a particular liability does not relate to any particular Portfolio or Portfolios, that liability shall be borne jointly by all Portfolios pro rata to their respective Net Asset Values at the time when the allocation is made.

The assets of each Portfolio shall belong exclusively to that Portfolio, shall be segregated from the other Portfolios, shall not be used to discharge directly or indirectly the liabilities of or claims against any other Portfolio and shall not be available for such purpose.

#### **4.2 Investment objective and policies**

The assets of a Portfolio will be invested separately in accordance with the investment objectives and policies of that Portfolio which are set out in a Supplement to this Prospectus. Supplements may be added to or removed from this Prospectus from time to time as Portfolios are added to the Trust or closed, as the case may be, in accordance with the requirements of the Central Bank.

The Manager, in consultation with the relevant Investment Manager, is responsible for the formulation of each Portfolio's present investment policy and any subsequent changes to that policy in the light of political and/or economic conditions. The Manager shall not make any changes to the investment objectives or any material change to the investment policies of a Portfolio, each as disclosed in the Prospectus, unless Unitholders have, in advance and on the basis of a simple majority of votes cast of a general meeting or with the prior written approval of all Unitholders of the relevant Portfolio (in accordance with the Trust Deed) or such other majority as is specified in the Trust Deed, approved the relevant change(s).

In the event that any change(s) in the investment objective of a Portfolio, or any material changes in the investment policies of a Portfolio, are approved, the Manager shall provide all Unitholders with reasonable notice prior to the implementation of any such changes to the investment objective or policies of a Portfolio so as to enable them to redeem their Units prior to such implementation.

The Manager will, on request, provide supplemental information to Unitholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investment.

The Portfolio does not currently use derivative instruments. In the event that a Portfolio intends to engage derivative instruments, a risk management process will be submitted to the Central Bank in accordance with the Central Bank Regulations prior to the Manager and/or the Investment Manager, on behalf of the Trust, engaging in derivative instrument transactions.

Investors should note that, subject to the UCITS Requirements (and the MMF Regulation, if applicable), and where more than one Portfolio is established within the Trust, each of the Portfolios may invest in the other Portfolios of the Trust where such investment is appropriate to the investment objectives and policies of the relevant Portfolio. Such investment shall not be made in a Portfolio which holds Units in any other Portfolio within the Trust.

Any commission received by the Investment Manager (including a rebated commission) in respect of such investment will be paid into the assets of the relevant Portfolio. In addition, no sales fee, redemption fee or switching fee may be charged on the cross-investing Portfolio's investment.



The investing Portfolio of the Trust may not charge an annual management fee in respect of that portion of its assets invested in other Portfolios within the Trust (whether such fee is paid directly at the investing Portfolio level, indirectly at the receiving Portfolio level or a combination of both), such that there shall be no double charging of the annual management fee to the investing Portfolio as a result of investments in the receiving Portfolio (this provision also applies to the annual fee charged by the Investment Manager where this fee is paid directly out of the assets of the Trust).

#### **4.3 Profile of a Typical Investor**

Each Portfolio is suitable for investors with short-term income needs seeking a relatively low risk investment with stability of principal. The Supplement for any additional Portfolio may contain its own disclosure of the profile of a typical investor in that Portfolio.

#### **4.4 Investment restrictions**

Investment of the assets of each Portfolio must comply with the UCITS Regulations or, in the case of Portfolio authorised as a MMF, the MMF Regulation. Details of the UCITS and MMF investment restrictions applicable to the relevant Portfolios, and the portfolio composition rules for Portfolios authorised as either Short-Term MMFs or Standard MMFs, are contained in Appendix III.

The Manager has been authorised by the Central Bank with the flexibility to invest up to 100% of a Portfolio's assets in Transferable Securities and money market instruments issued by a Member State, its local authorities, a non-Member State, or public international bodies of which one or more Member States are members. These entities bodies are listed in section 2.12 of the UCITS investment restrictions template contained in Appendix III of this Prospectus.

Pursuant to Regulation 17(7) of the MMF Regulation, the Manager, on behalf of a Portfolio authorised as a MMF, has received a derogation from point (a) of paragraph 1 of Regulation 17 of the MMF Regulation to allow the Manager, on behalf of the relevant Portfolio, to invest, in accordance with the principle of risk-spreading, up to 100% of its assets in different money market instruments issued or guaranteed separately or jointly by the entities as set out in section 2.9 of the MMF investment restrictions template, contained in Appendix III of the Prospectus, and disclosed below:

The European Union, the national, regional and local administrations of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a third country, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which one or more Member States belong.

The Manager may also from time to time impose such further investment restrictions as may be compatible with or be in the interest of the Unitholders in order to comply with the laws and regulations of the countries where Unitholders are located or the Units are marketed.

It is intended that the Manager should, subject to the prior approval of the Central Bank, have power to avail itself of any change in the investment restrictions laid down in the UCITS Regulations or the MMF Regulation which would permit investment by the relevant Portfolio in securities, derivative instruments or in any other forms of investment which, as at the date of this Prospectus, is restricted or prohibited under the UCITS Regulations or MMF Regulation, as applicable. The Manager will give Unitholders reasonable notice of its intention to avail itself of any such change which is material in nature and the Prospectus will be updated accordingly.

In relation to a Portfolio authorised as a MMF, in the event of any conflict between the investment restrictions laid down in the MMF Regulation and the investment restrictions laid down in the UCITS Regulations, the investment restrictions in the MMF Regulation shall prevail.

#### **4.5 Borrowing**

Subject to the UCITS Regulations, the limits and conditions laid down by the Central Bank, the terms of the Prospectus and the law for the time being in force so allowing the Trustee, the Trustee, with the authority of the Manager, has the power from time to time to borrow not more than 10% of the assets of the Trust, provided that such borrowings is on a temporary basis, for the account of the Trust. In accordance with the provisions of the UCITS Regulations, the Trustee may charge the assets of a Portfolio as security for such borrowings.

The Trustee may not borrow for the account of a Portfolio authorised as a MMF pursuant to the MMF Regulation at any time.

Each Portfolio will, in order to facilitate subscriptions and redemptions, occasionally be temporarily overdrawn intra-day due to cash balance mismatches that may arise in the event of delayed subscription settlements, redemptions and settlement mismatches and market trade fails.

#### **4.6 Efficient Portfolio Management**

The Investment Manager may, on behalf of a Portfolio and subject to the conditions and within the limits laid down in the UCITS Regulations (in the case of a Portfolio that is not authorised as a MMF) or the MMF Regulation (in the case of a Portfolio that is authorised as a MMF), employ techniques and instruments relating to transferable securities, money market instruments and/or other financial instruments, excluding derivative instruments, for efficient portfolio management purposes. These techniques and instruments can include repurchase agreements / reverse repurchase agreements, subject to the conditions and limits set out in the UCITS Regulations or MMF Regulation, as applicable. It is not the current intention of the Manager to invest in repurchase agreements / reverse repurchase agreements, on behalf of the existing Portfolio. Techniques and instruments, referred to in Article 51(2) of the UCITS Directive and Article 11 of the Eligible Assets Directive, which relate to Transferable Securities and money market instruments and which are used for the purpose of efficient portfolio management, excluding derivative instruments, shall be understood as a reference to techniques and instruments which fulfil the following criteria:

- (a) they are economically appropriate in that they are realised in a cost-effective way;
- (b) they are entered into for one or more of the following specific aims:
  - reduction of risk;
  - reduction of cost;
  - generation of additional capital or income for a Portfolio with a level of risk which is consistent with the risk profile of a Portfolio and the risk diversification rules set out by the UCITS Requirements;
- (c) their risks are adequately captured by the risk management process of the Manager in respect of the Trust; and
- (d) they cannot result in a change to a Portfolio's declared investment objectives or add substantial supplementary risks in comparison to the general risk policy as described in the sales documents.

New techniques and instruments may be developed which may be suitable for use by the Manager and/or the Investment Manager (subject as aforesaid and to the investment

restrictions detailed in Appendix III.) Where a Portfolio intends to use these instruments details will be disclosed in the Portfolio's investment policy in the relevant Supplement.

#### **4.7 Counterparty Policy**

Counterparties with whom the Investment Manager, on behalf of a Portfolio, transacts will be one of the following:

- (a) a credit institution authorised in the EEA;
- (b) a credit institution authorised within a signatory state, other than a member state of the EEA, to the Basle Capital Convergence Agreement of July 1988;
- (c) a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand;
- (d) an investment firm, authorised in accordance with the Markets in Financial Instruments Directive in an EEA member state; or
- (e) a group company of an entity issued with a bank holding company licence from the Federal Reserve of the United States of America where that group company is subject to bank holding company consolidated supervision by that Federal Reserve.

In the case of subsequent novation of OTC derivative contracts, the counterparty must be one of the following:

- the entities set out above; or
- a central counterparty (CCP) authorised or recognised by ESMA under Regulation (EU) No. 648/2012 on OTC derivatives, central counterparties and trade repositories (EMIR) or, pending recognition by ESMA under Article 25 of EMIR, an entity classified as a derivatives clearing organisation by the CFTC or a clearing agency by the SEC (both CCP).

#### **4.8 Internal Credit Quality Assessment Procedures**

The Manager has adopted Internal Credit Quality Assessment Procedures which are utilised by the underlying investment manager, in relation to a Portfolio that is authorised as a MMF, and combined with regular oversight and due diligence of the investment manager to ensure procedures are followed.

The procedures, in line with the articles of the MMF Regulation, include having a dedicated credit and research function independent of portfolio management responsible for all initial credit evaluations as well as ongoing credit surveillance. Factors considered in this analysis include external credit ratings, measures of financial strength and ownership, country of domicile and the regulatory environment.

Other factors included in the counterparty approval process for the basis of assessment include:

##### *Basel Committee regulation (CRD IV)*

The implementation of the CRD IV is being phased in on an annual incremental transition basis. This is expected to be in full effect on 1 January 2019 and all banks will need to be in compliance with its' capital adequacy and liquidity requirements.

Core Tier Capital Ratio and the Common Equity Tier (CET) ratio provide minimum requirements in relation to quality and quantity of capital in the case of credit institutions. The current minimum ratio benchmarks for 2018 are as follows:

Minimum Common Equity Tier 1 ratio – 4.5%

Minimum tier 1 ratio – 6%

Minimum Total Capital ratio – 8%

*The Bloomberg default risk probability ratio*

These ratios offer quantified probability measures showing the likelihood of a counterparty default. It also offers industry benchmarks for comparison using similar companies in the same regions. Bloomberg can also provide CRD IV ratios, financial statement information and other useful key performance company information.

*Company financial statements*

Company financial statements should be filed before the annual reporting date (ARD) in the case of Irish / UK companies. On that basis the financial statements should be not more than 9 months past the date of the financial statements. Different reporting requirements apply to filing with the SEC. Unqualified audit reports along with audited results may form the basis for larger credit limits. Interim results from the counterparty's website may also be considered in the credit assessment process.

The Internal Credit Quality Assessment Procedures shall specify in advance the situations where the internal credit quality assessment is deemed to be favourable.

There is a risk that the credit institutions with which deposits are placed will default on its obligations. Credit assessments, as required by the client asset rules applicable to the Investment Manager, are conducted on such credit institutions.

The following factors are taken into account when determining the credit quality of the assets to be invested in by a Portfolio authorised as a MMF, to seek to ensure investment in high-quality assets by the MMF, in line with the requirements of the MMF Regulation:

(a) deposit rates available;

The Investment Manager, or its delegate, seeks to ensure investment in high quality assets on behalf of a Portfolio of the Trust by assessing the deposit rates available, if relevant to a potential asset to be invested in, such as a deposit account, and making an investment in that deposit account which has a competitive deposit rate, as compared to other deposit rates.

(b) credit rating;

The Investment Manager, or its delegate, seeks to ensure investment in high quality assets on behalf of a Portfolio of the Trust by assessing the credit ratings. This is via a thorough analysis of the information that is available and pertinent, and includes all relevant driving factors that influence the creditworthiness of the issuer and the credit quality of the instrument. However, there is to be no mechanistic over-reliance on external ratings in this analysis.

(c) diversification;

The Investment Manager, or its delegate, seeks to ensure investment in high quality assets on behalf of a Portfolio of the Trust by ensuring that there is sufficient diversification to appropriate counterparties in order to ensure compliance with the UCITS Regulations or the MMF Regulation, as applicable, whilst seeking to maximise returns of a Portfolio of the Trust.

- (d) nature of the product;

The Investment Manager, or its delegate, seeks to ensure investment in high quality assets on behalf of a Portfolio of the Trust by ensuring that nature of the product invested in is in line with the investment objective and policies of the relevant Portfolio of the Trust. An effective process has been established to obtain and update relevant information on the issuer and the instrument's characteristics under the Internal Credit Quality Assessment Procedures adopted by the Investment Manager.

- (e) and liquidity;

The Investment Manager, or its delegate, seeks to ensure investment in high quality assets on behalf of a Portfolio of the Trust by ensuring that investment is in line with the investment objective and policies of the relevant Portfolio of the Trust, and the liquidity requirements of the MMF Regulation, and the adopted Internal Credit Quality Assessment Procedures.

The credit quality assessment methodologies shall be reviewed at least annually by the Manager to determine whether they remain appropriate for the current Portfolios and external conditions. When methodologies, models or key assumptions used in the Internal Credit Quality Assessment Procedures are changed, all affected internal credit quality assessments shall be reviewed as soon as possible.

#### **4.9 Collateral Policy**

All assets received by the Trust on behalf of a Portfolio in the context of efficient portfolio management techniques should be considered as collateral. All assets received by the Trust on behalf of a Portfolio in the context of efficient portfolio management techniques must comply with the criteria set out below.

- (a) Liquidity: collateral received (other than cash) must be highly liquid and traded on a regulated market or multi-lateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to its pre-sale valuation. Collateral that is received should also comply with the provisions of Regulation 74 of the UCITS Regulations.
- (b) Valuation: collateral that is received must be valued on at least a daily basis and assets that exhibit high price volatility shall not be accepted as collateral unless suitably conservative haircuts are in place.
- (c) Issuer credit quality: collateral received should be of high quality. The Manager shall ensure that:
- (i) where the issuer was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the Manager in the credit assessment process; and
  - (ii) where an issuer is downgraded below the two highest short-term credit ratings by the credit rating agency referred to in subparagraph (i) immediately above this shall result in a new credit assessment being conducted of the issuer by the Manager without delay;
- (d) Correlation: collateral received should be issued by an entity that is independent from the counterparty. There must be a reasonable ground for the Manager to expect that it would not display a high correlation with the performance of the counterparty.
- (e) Diversification (asset concentration):
- (i) subject to the subparagraph (ii) immediately below, collateral must be sufficiently diversified in terms of country, markets and issuers with a

maximum exposure to a given issuer of 20% of the relevant Portfolio's Net Asset Value. When a Portfolio is exposed to different counterparties, the different baskets of collateral are aggregated to calculate the 20% limit of exposure to a single issuer.

- (ii) a Portfolio may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong. Such a Portfolio should receive securities from at least 6 different issues but securities from any single issue will not account for more than 30% of the relevant Portfolio's Net Asset Value. The Member States, local authorities, non-Member States or public international bodies issuing or guaranteeing securities that may be accepted as collateral for more than 20% of a Portfolio's Net Asset Value are identified in Appendix II.
- (f) Immediately available: collateral received should be capable of being fully enforced by the Trust at any time without reference to or approval from the counterparty.

Collateral received on a title transfer basis will be held by the Trustee. For other types of collateral arrangement, the collateral can be held by a third party depository which is subject to prudential supervision and which is unrelated and unconnected to the provider of the collateral.

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

Cash collateral may not be invested other than in the following:

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

Invested cash collateral should be diversified in accordance with the diversification requirement applicable to non-cash collateral. Invested cash collateral may not be placed on deposit with the counterparty or a related entity.

#### **4.10 Permitted types of collateral**

Where a Portfolio receives collateral as a result of entry into repurchase agreements the Manager and/or Investment Manager intends, subject to the criteria set out above, to accept collateral in the following form:

- cash; and
- government bonds with fixed interest rate payments with a minimum rating of Aaa/AAA by Moody's, Fitch or Standard & Poor's and a maximum maturity, or remaining maturity, of ten years.

The existing Portfolio will not be receiving any such collateral as it is not entering into repurchase agreements.

#### **4.11 Level of collateral required**

The value of any collateral received by the Trust, adjusted in light of the haircut policy, must be marked to market daily and must equal or exceed, in value, at all times, the value of the amount invested or securities loaned.

#### **4.12 Haircut Policy**

Non-cash collateral received by a Portfolio will be subject to a haircut of between 1% and 5% of the value of such collateral.

A Portfolio receiving collateral for at least 30% of its Net Asset Value should have an appropriate stress testing policy in place to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to enable the Manager and/or Investment Manager, on behalf of the relevant Portfolio, to assess the liquidity risk attached to the collateral. The liquidity stress testing policy should at least prescribe the following:

- (a) design of stress test scenario analysis including calibration, certification and sensitivity analysis;
- (b) empirical approach to impact assessment, including back-testing of liquidity risk estimates;
- (c) reporting frequency and limit/loss tolerance threshold(s); and
- (d) mitigation actions to reduce loss, including haircut policy and gap risk protection.

#### **4.13 Reinvested Cash Collateral Risks**

Where a Portfolio reinvests cash collateral this will generate market exposure with the expectation of generating capital gain. Where the reinvestment does not achieve this aim, and, instead the reinvestment generates a loss, the Portfolio will bear this loss and will be obliged to return to the counterparty the full value of the cash collateral originally invested (rather than the then current value market value of the cash collateral post reinvestment).

#### **4.14 Reporting and Transparency of Securities Financing Transactions**

The Manager is subject to the provisions of the European Regulation on Reporting and Transparency of Securities Financing Transactions (the “**SFTR**”). The SFTR sets out certain disclosure requirements regarding the use of securities financing transactions (“**SFTs**”) and total return swaps, as set out below. The relevant Portfolio may use reverse repurchase transactions, which are SFTs. The Portfolio's use of SFTs is consistent with their respective investment objectives and policies, and accordingly SFTs may be used to reduce risk, reduce cost and/or generate additional capital or income with a risk level that is consistent with that of the relevant Portfolio.

Subject to the limitations referred to above, any assets of a Portfolio may be subject to SFTs. Where a Portfolio uses any of the SFTs, the maximum and expected proportion of the assets under management of the Portfolio that could be subject to such SFTs will be set out in the relevant Supplement.

A Portfolio which is permitted to enter into reverse repurchase transactions in accordance with its investment policy but does not actually engage in such transactions as of the date of this Prospectus may nevertheless engage in reverse repurchase transactions provided that the maximum proportion of its assets under management subject to these instruments does not exceed 100% and that the relevant Supplement is updated accordingly at the next available opportunity.

The types of acceptable counterparty, acceptable collateral, as well as the diversification requirements, are explained above. The acceptable counterparties (which may or may not be

related to the Manager, Trustee or their delegates) will be entities with legal personality and located in OECD jurisdictions. They will be subject to ongoing supervision by a public authority, be financially sound and have the necessary organisational structure and resources for the relevant type of transaction. Any collateral obtained by a Portfolio pursuant to an SFT will be valued in accordance with the Manager's valuation and haircut policy.

The assets of a Portfolio that are subject to SFTs and any collateral received are held by the Trustee (or a sub-custodian on behalf of the Trustee).

#### **4.15 Distribution policy**

It is intended where possible that net investment income of each of the Portfolios (i.e. income from dividends, interest or otherwise, less that Portfolio's accrued expenses) will be distributed by way of distribution. Distributions payable to Unitholders will be reinvested (less any applicable taxes) at the time such distributions are paid by subscription for further Units of the same class within the Portfolio, unless a Unitholder specifically requests in writing that dividends be paid in cash.

Distributions will be declared on the Distribution Date and, where a cash election is made, will be normally paid (less any applicable taxes) by electronic transfer to the account of record of the electing Unitholder on the first Business Day following the month end during which the distributions were declared.

Any declared distribution which is uncollected after six years shall revert to the Trust. Distributions will be made by bank transfer only to the Unitholders' designated bank account at their risk and expense.

## **SECTION 5.0 - RISK FACTORS**

Potential investors should consider the following risks before investing in any of the Portfolios.

In addition to the risks set out below, particular risks specific to a particular Portfolio will be set out in the relevant Supplement to this Prospectus.

### **5.1 General**

A Portfolio which invests a significant amount of its Net Asset Value in money market instruments may be considered by investors as an alternative to investing in a regular deposit account. Investors should note that a holding in such a Portfolio is not comparable to a deposit account insofar as a holding in such a Portfolio is subject to the risks associated with investing in a collective investment undertaking; in particular, the fact that the principal sum invested is capable of fluctuation as the Net Asset Value of the Portfolio fluctuates. There is no guarantee that the investment objectives of the Portfolios will be achieved.

### **5.2 Investment Risk**

Prospective investors should be aware that the Investments of the Trust are subject to normal market fluctuations and other risks inherent in investing in securities. There can be no assurance that any appreciation in value of investments will occur. The value of investments and the income derived therefrom may fall as well as rise and investors may not recoup the original amount invested in the Trust. There is no assurance that the investment objective of



the Trust will actually be achieved. An investor who realises his Units in a Portfolio after a short period may not realise the amount originally invested. Investors are reminded that in certain circumstances their right to redeem Units may be suspended (see under the heading "Temporary Suspension").

### **5.3 Umbrella Cash Subscription and Redemption Account ("Collection Account") Risk**

The Manager, on behalf of the Trust, operates a single subscription and redemption account at umbrella level in the name of the Trust (the "Collection Account"). Subscription and redemption accounts will not be established at Portfolio level. All subscription and redemption monies and dividends or cash distributions payable to or from the Portfolios will be channelled and managed through the Collection Account.

Subscriptions monies received in respect of a Portfolio in advance of the issue of Units will be held in the Collection Account in the name of the Trust. Investors will be unsecured creditors of the Trust with respect to any cash amount subscribed and held by the Manager in the Collection Account until such time as the Units subscribed are issued, and will not benefit from any appreciation in the Net Asset Value of the relevant Portfolio in respect of which the subscription request was made or any other Unitholder rights (including dividend entitlement) until such time as the relevant Units are issued. No interest will accrue on any monies held in the Collection Account and in a negative interest rate environment a fee may be charged on amounts held in the Collection Account. In the event of the insolvency of that Portfolio or the Trust, there is no guarantee that the relevant Portfolio or Trust will have sufficient funds to pay unsecured creditors in full.

In the event of a delay in the settlement of subscription proceeds, the Manager, on behalf of a Portfolio which is not authorised as a MMF, may temporarily borrow an amount up to the value of the delayed subscription on or after the relevant settlement date. Any such borrowing will be subject to the restrictions on borrowing as outlined in this Prospectus and the relevant Supplement. Once the required subscription monies have been received, the Manager, on behalf of the relevant Portfolio, will use this to repay the borrowings.

The Manager, on behalf of the Trust, will, in order to facilitate subscriptions and redemptions, occasionally be temporarily overdrawn intra-day due to cash balance mismatches which may arise in the event of delayed subscription settlements, redemptions and settlement mismatches and market trade fails. The Manager, on behalf of the Trust, reserves the right to charge the relevant Unitholder for any interest or other costs incurred by the Manager as a result of any borrowing or being overdrawn arising from such delay or failure to settle subscription monies on time. If the Unitholder fails to reimburse the Manager for these charges, the Manager will have the right to sell all or part of the investor's holdings of Units in the Trust in order to meet those charges and/or purpose the Unitholder for such charges.

Payment of redemption proceeds and dividends is subject to receipt by the Manager on behalf of the Trust, or its delegate, the Administrator of original subscription documents and compliance by the investor with all anti-money laundering procedures. Payment of redemption proceeds or dividends to the Unitholders entitled to such amounts may accordingly be blocked pending compliance with the foregoing requirements to the satisfaction of the Manager, on behalf of the Trust, or its delegate, the Administrator. Redemption and distribution amounts, including blocked redemption or distribution amounts, will, pending payment to the relevant investor or Unitholder, be held in the Collection Account in the name of the Trust. For as long as such amounts are held in the Collection Account, the investors/Unitholders entitled to such payments from a Portfolio will be unsecured creditors of the Trust with respect to those amounts and, with respect to and to the extent of their interest in such amounts, will not benefit from any appreciation in the Net Asset Value of the relevant Portfolio or any other Unitholder rights (including further dividend entitlement). Redeeming Unitholders will cease to be Unitholders with regard to the redeemed Units as and from the relevant redemption date. In the event of the insolvency of that Portfolio or the Trust, there is no guarantee that the relevant Portfolio or the Trust will have sufficient funds to pay unsecured creditors in full. Redeeming Unitholders and Unitholders entitled to

distributions should therefore ensure that any outstanding documentation and/or information required in order for them to receive such payments to their own account is provided to the Manager, on behalf of the Trust, or its delegate, the Administrator, promptly. Failure to do so is at such Unitholder's own risk.

In the event of the insolvency of a Portfolio, recovery of any amounts to which other Portfolios are entitled, but which may have transferred to the insolvent Portfolio as a result of the operation of the Collection Account, will be subject to the principles of Irish insolvency and trust law and the terms of the operational procedures for the Collection Account. There may be delays in effecting and / or disputes as to the recovery of such amounts, and the insolvent Portfolio may have insufficient funds to repay amounts due to other Portfolios.

#### **5.4 Sovereign Debt**

Certain developing countries are especially large debtors to commercial banks and foreign governments. Investment in debt obligations ("Sovereign Debt") issued or guaranteed by developing governments or their agencies and instrumentalities ("governmental entities") involves a high degree of risk. The governmental entity that controls the repayment of Sovereign Debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. A governmental entity's willingness or ability to repay principal and interest due in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt service burden to the economy as a whole, the governmental entity's policy towards the International Monetary Fund and the political constraints to which a governmental entity may be subject. Governmental entities may also be dependent on expected disbursements from foreign governments, multilateral agencies and others abroad to reduce principal and interest arrearage on their debt. The commitment on the part of these governments, agencies and others to make such disbursements may be conditioned on a governmental entity's implementation of economic reforms and/or economic performance and the timely service of such debtor's obligations. Failure to implement such reforms, achieve such levels of economic performance or repay principal or interest when due may result in the cancellation of such third parties' commitments to lend funds to the governmental entity, which may further impair such debtor's ability or willingness to service its debt on a timely basis. Consequently, governmental entities may default on their Sovereign Debt. Holders of Sovereign Debt, including a Portfolio, may be requested to participate in the rescheduling of such debt and to extend further loans to governmental entities. There is no bankruptcy proceeding by which Sovereign Debt on which a governmental entity has defaulted may be collected in whole or in part.

#### **5.5 Political and/or regulatory risks**

The value of each Portfolio's assets may be affected by uncertainties such as international political developments, changes in government policies, changes in taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investment may be made. Furthermore, the legal infrastructure and accounting, asset custody, auditing and reporting standards in certain countries in which investment may be made may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets.

#### **5.6 Portfolio Management Risk**

The Investment Manager may engage in various portfolio strategies on behalf of a Portfolio particularly through the use of interest rate swaps for efficient portfolio management purposes.

## **5.7 Interest Rate Risk**

The value of each Portfolio may be affected by changes in interest rates and the creditworthiness of issuers of the Portfolio's Investments. Each Portfolio will be exposed to a credit risk from the parties with whom it trades and may also bear the risk of settlement default.

## **5.8 Counterparty and Settlement Considerations**

Each of the Portfolios may be exposed to credit risk on the counterparties with which it trades. Each Portfolio will be subject to the possibility of the insolvency, bankruptcy or default of a counterparty with which the Portfolios trade such instruments, which could result in substantial losses to the Portfolios and the relevant Portfolio.

Each of the Portfolios may also be exposed to a credit risk on counterparties with whom it trades securities, and may also bear the risk of settlement default, in particular in relation to debt securities such as bonds, notes and similar debt obligations or instruments. Unitholders should also note that settlement mechanisms in emerging markets are generally less developed and reliable than those in more developed countries and that this therefore increases the risk of settlement default, which could result in substantial losses for the Trust and the relevant Portfolio in respect to investments in emerging markets. Unitholders should also note that the securities of small capitalisation companies as well as the securities of companies domiciled in emerging markets are less liquid and more volatile than more developed stock markets and this may result in fluctuations in the price of the Units of the relevant Portfolio.

The role of the registrar in such custodial and registration processes is crucial. Registrars may not be subject to effective government supervision and it is possible for a Portfolio to lose its registration through fraud, negligence or mere oversight on the part of the registrar.

## **5.9 Conflicts of Interest**

Each Portfolio may use affiliates of the Manager as broker for transactions on behalf of the relevant Portfolio. Although the Manager has agreed to use its best efforts in managing each of the Portfolios, the Manager, its principals and affiliates are not required to devote full time or any material proportion of their time to the Portfolios of the Trust. The Manager may also provide services similar to those provided to each of the Portfolios to other investment funds with similar objectives. The attention of investors is drawn to the fact that the valuation of assets may depend on subjective factors and, in certain cases, can be difficult to establish with accuracy. The Administrator may be relying on valuations of assets provided by the Manager. This could lead to potential conflicts of interest on the part of the Manager whose fees will, as will the return to investors, increase as the value of the Portfolio increases. However, the Manager will endeavour to resolve such conflict by valuing such assets with prudence and good faith. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interests with the Trust and/its Portfolios and the Trust and the Manager will endeavour to ensure that such conflicts are resolved fairly.

## **5.10 Fixed Income Securities**

Certain Portfolios may invest in lower-rated fixed income securities. Lower-rated fixed income securities are securities rated below Baa by Moody's Investors Services, Inc., ("Moody's") or BBB by Standard & Poor's ("S&P"). The lower ratings of certain securities held by a Portfolio reflect a greater possibility that adverse changes in the financial condition of the issuer, or in general economic conditions, or both, or an unanticipated rise in interest rates, may impair the ability of the issuer to make payments of interest and principal. Such securities carry a higher degree of default risk which may affect the capital value of an investment.

The inability (or perceived inability) of issuers to make timely payments of interest and principal would probably make the values of securities at prices approximating to the values

the Portfolio had placed on such securities. In the absence of a liquid trading market for securities held by it, a Portfolio at times may be unable to establish the fair value of such securities.

The rating assigned to a security by Moody's or S&P does not reflect an assessment of the volatility of the security's market value or the liquidity of an investment in the security. A Portfolio will not necessarily dispose of a security when its rating is reduced below its rating at the time of purchase.

#### **5.11 Market risk**

Some of the Recognised Exchanges on which a Portfolio may invest may prove to be illiquid, insufficiently liquid or highly volatile from time to time. This may affect the price at which a Portfolio may liquidate positions to meet repurchase requests or other funding requirements.

#### **5.12 Taxation**

Potential investors' attention is drawn to the taxation risks associated with investing in the Trust. Further details are given under the heading "Taxation" below.

Any change in the Trust's tax status or in taxation legislation could affect the value of the investments held by the Trust and affect the Trust's ability to provide the investor return. Potential investors and Unitholders should note that the statements on taxation which are set out below are based on advice which has been received by the Manager regarding the law and practice in force in the relevant jurisdiction as at the date of the Prospectus. As is the case with any investment, there can be no guarantee that a tax position or proposed tax position prevailing at the time an investment is made in the Trust will endure indefinitely.

Potential investors are advised to consult their own tax advisors in relation to their particular circumstances.

#### **5.13 Premium risk**

Where a Portfolio acquires or values securities on the over-the-counter market, there is no guarantee that the Portfolio will be able to realise such securities at a premium due to the nature of the over-the-counter market.

#### **5.14 Valuation risk**

Where an Investment Manager of a Portfolio, at the request of the Manager, values investments which are not listed, quoted or dealt in on a Recognised Exchange, there is an inherent conflict of interest between the involvement of the Investment Manager in determining the valuation price of the Portfolio's Investments and the Investment Manager's other responsibilities. The fees of the Investment Manager will increase as the Net Asset Value of a Portfolio increases.

#### **5.15 Currency Risk**

The Investments of any Portfolio that are denominated in currencies other than the Base Currency of the relevant Portfolio are subject to the risk that the value of a particular currency will change in relation to one or more other currencies. This could result in an investment loss, even though the investment actually increased in value measured in its own currency. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in selective values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments.

Depending on an investor's currency of reference, currency fluctuations between an investor's currency of reference or the currency of investments and the Base Currency may adversely affect the value of an investment in a Portfolio. In relation to unhedged Units, a

currency conversion will take place on subscription, redemption, switching and distributions at prevailing exchange rates.

#### **5.16 Changes in Applicable Law**

The Trust must comply with various legal requirements, including securities laws and tax laws as imposed by the jurisdictions under which it operates. Should any of those laws change over the life of the Trust, the legal requirement to which the Trust and its Unitholders may be subject, could differ materially from current requirements.

#### **5.17 Changes in UCITS Requirements and MMF Regulation**

As a UCITS, the Trust will be subject to any changes in the UCITS Requirements, which may occur from time to time. A Portfolio which is authorised as a MMF will be subject to any changes in the MMF Regulation, which may also occur from time to time. Any changes in the UCITS Requirements and MMF Regulation could have negative consequences for the Trust, whether intended or unintended, such as increasing the operating costs of the Trust, limiting its ability to engage in certain investment strategies or to access certain markets or hold certain instruments or positions or to appoint certain service providers on terms favourable to the Trust.

#### **5.18 Early Termination**

In the event of the early termination of a Portfolio, the Trust would have to distribute to the Unitholders their pro-rata interest in the assets of the relevant Portfolio. The investments held by a Portfolio would have to be sold by the Portfolio or distributed to the Unitholders. It is possible that at the time of such sale or redemption certain Investments held by a Portfolio may be worth less than the initial cost of the Investment or may have to be sold at a discount to facilitate early realisation, resulting in a loss to a Portfolio and to its Unitholders. Moreover, in the event that a Portfolio terminates prior to the complete amortisation of organisational expenses, any unamortised portion of such expenses will be accelerated and will be debited from (and thereby reduce) amounts otherwise available for distribution to Unitholders.

#### **5.19 Net Asset Value Variations**

The Net Asset Value of a Portfolio may vary in value within a short period of time because of variations in value of the assets of the relevant Portfolio and the income derived therefrom.

#### **5.20 Temporary Suspensions**

Investors are reminded that in certain circumstances their right to redeem Units may be suspended (see below under the heading "Temporary Suspension").

#### **5.21 Fees and Expenses**

In the event that the Trust charges a subscription fee or preliminary fee on any Portfolio, which may lead to a difference between the price at which Units may be acquired and the price at which Units may be redeemed and, as a result, investment in any such Portfolio of the Trust should be viewed as a medium to long-term investment. Details of any subscription fee will be set out in the relevant Supplement, subject to an amendment to the Supplement and prior approval of the Central Bank.

#### **5.22 Borrowing**

A Portfolio which is not authorised as a MMF may borrow funds from brokerage firms, banks and other financial institutions on a temporary basis. Consequently, the level of interest rates at which a Portfolio can borrow and other costs of obtaining leverage funds will affect the operating results of a Portfolio. In accordance with the requirements of the Central Bank, a Portfolio which is not authorised as a MMF may engage in borrowing.

### **5.23 Credit Risk**

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

### **5.24 Portfolio Specific Risk Factors**

Any additional risk factors specific to any Portfolio shall be set out in the relevant Supplement.

The above should not be considered to be an exhaustive list of the risks which potential investors should consider before investing in any of the Portfolios. Potential investors should read the entire Prospectus and relevant Supplements before determining whether to invest in the Units and consult with their own financial and tax advisers. Potential investors should also be aware that, if they decide to purchase Units, they will have no role in the management of the Portfolio/s and will be required to rely on the expertise of the Manager or the Investment Manager in dealing with the foregoing (and other) risks on a day-to-day basis. Potential investors should be aware that an investment in a Portfolio may be exposed to other risks of an exceptional nature from time to time.

## SECTION 6.0 - MANAGEMENT OF THE TRUST

### 6.1 Manager and UCITS Requirements

Davy Investment Fund Services Limited is the promoter and Manager of the Trust and has its registered office at 49 Dawson Street, Dublin 2, Ireland. The Manager was incorporated on 3rd August, 1989, as a private limited company and is part of the J&E Davy Group. The Manager has an authorised share capital of €12,500,000 and issued and fully paid up share capital of €3,655,000. The Manager's main business includes provision of fund management services to collective investment schemes such as the Trust. The Manager is responsible for the management and administration of the Trust's affairs. The Manager has been authorised by the Central Bank to carry on the regulated activity of collective portfolio management, for the purposes of the UCITS Regulations. As the UCITS management company to the Trust, the Manager will also be responsible for ensuring compliance with the UCITS Requirements. Subject to the Manager's overall supervision and control, the Manager has delegated certain of the day to day investment management tasks in respect of the Trust to the Investment Manager subject to the provisions of the UCITS Regulations. The Board of Directors of the Manager at all times retain responsibility for key management decisions regarding the investment management function. The Manager may appoint other investment managers in respect of other Portfolios.

The Manager has delegated the performance of the administration function to Northern Trust International Fund Administration Services (Ireland) Limited.

#### **The Directors of the Manager are:**

**Mr Eamon Doyle (Irish)** joined Davy in 2006 from Cap Gemini and is a director of Davy Private Clients and Davy Investment Fund Services Limited as well as a number of regulated qualifying investor funds. He is chief operations officer of Davy and has a strong background in business and IT. He was previously managing director of Cap Gemini Ireland and worked at a senior level in IBM Ireland.

**Mr Tom Berrigan (Irish Resident)** has over 25 years' experience in the financial services industry and has extensive knowledge in the area of regulated funds and pensions. Tom joined Davy in 1999 and was appointed to the board in 2006. He is a director of Davy Investment Fund Services Limited and a number of regulated qualifying investor funds. Tom is a qualified financial adviser and a member of the Irish Stock Exchange. Prior to joining Davy, Tom worked at a senior level with Alexander & Alexander and The Aon Group.

**Mr Robert Kelleher (Irish resident)** has considerable experience in finance having worked in the industry for over thirty years. Robert has a comprehensive and in-depth knowledge of the investments markets. Robert holds an MA in Economics from UCD. In 1978 he joined Irish Life Assurance Company as an economist in the Investment Department and later became Portfolio Manager of the company's Government Securities holdings. In 1981 Robbie left Irish Life and became a founding partner of DKM Economic Consultants and during the 1980s he worked as Chief Bond Economist with Davy. Robert became the Head of Institutional Research in Davy in 1988. In April 2008 he moved to the Private Client Division and undertook the role of Head of Investment Strategy in Davy until his retirement in March 2017.

**Mr Paul O'Shea (Irish Resident)** joined Davy from Bank of Ireland Asset Management Limited (BIAM) in 2006 where he worked for eleven years. He was Head of the Global Support team and joined BIAM from Bank of Ireland Group's Treasury Division, where he spent seven years specialising in derivative and bond analysis and reporting. He is a Commerce graduate and holds a Master's degree in Business Studies from University College Dublin and became a Member of the Association of Chartered Certified Accountants (ACCA) in 2014.

**Ms Brenda Buckley (Irish Resident)** is an independent and certified investment fund director. She has over 20 years' experience in the investment funds industry providing

administration, custody, banking and financing; and specialising in alternative investment funds servicing, operations, risk management and compliance. Brenda worked with Fortis/ABN AMRO Prime Fund Solutions ("PFS") for 16 years in the role of Ireland country manager. During this time, Brenda was also a member of the global management team where she held the position of chief risk officer of the PFS group for 10 years. Prior to this Brenda was the managing director and director of operations of the fund administration company. From 1990 to 1995 Brenda worked with International Fund Managers (Ireland) Ltd. where she was a lead manager for an investment funds administration team. Brenda was granted the designation of certified investment fund director in 2013 by the Institute of Banking in Ireland (a recognised college of UCD) and the Irish Funds Industry Association and she is a member of the Institute of Directors.

**Mr Edward B. Ward (Irish Resident)** is a highly experienced risk and governance professional with 35 years' experience in international and domestic banking. Mr. Ward has held various senior executive positions with AIB since joining in 2007, including Head of Credit Risk – Third Party Servicing from January 2014 to February 2016 and Divisional Chief Credit Officer from June 2009 – December 2013. Prior to joining AIB, Mr. Ward held senior positions in both Citigroup and The Investment Bank of Ireland. He holds a Bachelor of Commerce degree (B.Comm) and a Master of Business Studies (MBS) degree from University College Dublin. He is a Chartered Secretary with the Institute of Chartered Secretaries & Administrators, a Qualified Financial Advisor with the Institute of Bankers in Ireland, a Fellow of the Institute of Banking and a Member of the Institute of Directors in Ireland. He is currently the Panel Chair Financial Solutions Group with AIB, of a multi-discipline committee to assess and decide complex restructuring cases.

**Ms Marie O'Connor (Irish Resident)** was an audit partner in PwC Ireland for 30 years until September 2017. She has an extensive knowledge of the asset and investment management sectors, which she has developed through leading the PwC's Irish Asset Management and Financial Services practice and being a member of PwC's Global Investment Management Leadership executive. She has worked extensively with US companies expanding into Europe, as well as in the US, UK and Canada. Marie is a member of University College Dublin President's Advisory Board and of the 30% Club Ireland Steering committee. She has formerly been a non-executive board member of the American Chamber of Commerce, Economic and Social Research Institute of Ireland, Dublin Airport Authority, IDA Ireland and Irish Life. Marie is a Barrister at Law, a Certified Accountant (FCCA) and she has completed a Harvard Business Executive Education - Women on Corporate Boards.

The Secretary to the Manager is Mr Ian Healy.

The Trust Deed contains provisions governing the responsibilities of the Manager and providing for its indemnification in certain circumstances subject to the exclusions of negligence, wilful default, fraud, bad faith or recklessness of the Manager.

#### **Directors' Fees**

No fees are payable by the Trust to the Directors of the Manager.

#### **Manager's Remuneration Policy**

The Manager has an established remuneration policy and it intends to apply this policy in accordance with the requirements of the UCITS Regulations and the Remuneration Guidelines. The remuneration policy is designed to discourage risk-taking which is inconsistent with the risk profile of the Trust and applies to staff whose professional activities have a material impact on the risk profile of the Manager or the Trust.

Details of the Manager's up-to-date policy in respect of remuneration, including a description of how remuneration and benefits are calculated and the identities of the persons responsible for awarding such remuneration/benefits can be accessed from the following



website link: [www.davy.ie](http://www.davy.ie). A paper copy of the remuneration policy is also available free of charge from the Manager upon request.

When delegating investment management activities the Manager must ensure that:

- (a) the entities to which investment management activities have been delegated are subject to regulatory requirements on remuneration that are equally as effective as those applicable to the Manager; or
- (b) appropriate contractual arrangements are put in place with entities to which investment management activities have been delegated in order to ensure that there is no circumvention of the remuneration rules set out in the Remuneration Guidelines and these contractual arrangements are required to cover any payments made to the relevant staff of the delegate as compensation for the performance of investment management activities on behalf of the Manager.

## **6.2 Investment Manager and Distributor**

The Manager has appointed J&E Davy (trading as “Davy”) as Investment Manager and distributor of the Trust. J&E Davy has its office at Davy House, 49 Dawson Street, Dublin 2, Ireland and was incorporated as a company on 16 April 1985, having previously operated as a partnership since 1926. It offers a broad range of services to private clients, small businesses, corporations and institutional investors, and organises its activities around four interrelated business areas – Capital Markets, Corporate Finance, Private Clients and Research.

The Investment Manager was appointed investment manager and distributor to the Trust pursuant to an amended and restated Investment Management and Distribution Agreement dated 9 January 2019. This agreement is for an indefinite period and may be terminated by the Manager or the Investment Manager on 90 days’ notice in writing, or such lesser period as the parties may agree to. The amended and restated Investment Management and Distribution Agreement also provides immediate rights of termination to both parties in certain circumstances as set out therein. The amended and restated Investment Management and Distribution Agreement disclaims the liability of the Investment Manager in certain circumstances provided that nothing contained therein will be construed to protect the Investment Manager against any liability to the Trust or its Unitholders by reason of the fraud, bad faith, wilful default or negligence of the Investment Manager in respect of its obligations and duties under this Agreement.

Pursuant to the amended and restated Investment Management and Distribution Agreement, the Investment Manager has agreed to indemnify and hold harmless, the Trust, the Manager (on its own behalf and as agent for the Unitholders) and their respective employees, servants, delegates, sub-delegates and agents against all or any losses, liabilities, actions, proceedings, claims, costs and expenses (including the reasonable legal and professional fees and expenses) arising from the breach of the amended and restated Investment Management and Distribution Agreement by the Investment Manager or any of its delegates or sub-contractors in the performance of any of their duties save where such losses, liabilities, actions, proceedings, claims, costs and expenses arise due to the gross negligence, fraud, bad faith or wilful default of the Manager, its employees, servants delegates, sub-delegates or agents. The Manager has also agreed to indemnify and hold harmless the Investment Manager, its sub-delegate and delegates of any sub-delegates, its employees, servants and agents against all or any losses, liabilities, actions proceedings, claims, costs and expenses (including reasonable legal and professional fees and expenses) which may be asserted against it as the Investment Manager of the Trust or by reason of its relationship with the Manager arising from a breach of the amended and restated Investment Management and Distribution Agreement by the Manager or a its employees, servants and agents in the performance of their duties or any other cause save where such losses, liabilities, actions, proceedings, claims, costs and expenses arise due to the negligence, fraud, bad faith or wilful default of the Investment Manager, its sub-delegate and delegates of

any sub-delegates, its employees, officers, agents or subcontractors. The Investment Manager may delegate to sub-investment managers.

The amended and restated Investment Management and Distribution Agreement is governed by the laws of Ireland and is subject to the jurisdiction of the Courts of Ireland. Council Regulation (EC) No. 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters has force of law in Ireland.

### **6.3 Sub-Investment Manager**

The Investment Manager (having the consent of the Manager) has delegated certain portfolio management functions to Davy Asset Management Limited (the "Sub-Investment Manager") in respect of the Portfolios. The Sub-Investment Manager will manage the investment and re-investment of the assets of the Portfolios in accordance with the provisions of the amended sub-investment management agreement entered into by the Manager, the Investment Manager and the Sub-Investment Manager dated 9 January 2019 (the "Sub-Investment Management Agreement"). The Sub-Investment Manager has its registered office at Davy House, 49 Dawson Street, Dublin 2, D02 PY05, Ireland. The Sub-Investment Manager was incorporated as a private limited company in Ireland on 11 May 1987 and is authorised by the Central Bank of Ireland under the European Union (Markets in Financial Instruments) Regulations 2007. As of 30 June 2018, the Sub-Investment Manager had €5.3 billion of assets under management. The main activity of the Sub-Investment Manager is the conduct of financial services and investment activities. Other significant activities engaged in by the Sub-Investment Manager include the provision of investment advice and the execution of client orders.

The Sub-Investment Management Agreement is for an indefinite period and may be terminated by the Manager, the Investment Manager or the Sub-Investment Manager on 90 days' notice in writing, or such lesser period as the parties may agree in writing. The Sub-Investment Management Agreement also provides immediate rights of termination to the parties in certain circumstances as set out therein. The Sub-Investment Management Agreement disclaims the liability of the Sub-Investment Manager in certain circumstances provided that nothing contained therein will be construed to protect the Sub-Investment Manager against any liability to the Trust, the Portfolios or its Unitholders by reason of the fraud, bad faith, wilful default or negligence of the Sub-Investment Manager in respect of its obligations and duties under the Sub-Investment Management Agreement.

Pursuant to the Sub-Investment Management Agreement, the Sub-Investment Manager has agreed to indemnify and hold harmless, the Trust, the Manager (on its own behalf and as agent for the Unitholders), the Investment Manager and their respective employees, servants, delegates, sub-delegates and agents against all or any losses, liabilities, actions, proceedings, claims, costs and expenses (including the reasonable legal and professional fees and expenses) arising from a breach of the Sub-Investment Management Agreement by the Sub-Investment Manager or any delegate, sub-contractor or any person appointed or selected pursuant to the provision of the Sub-Investment Management Agreement by the Sub-Investment Manager (which for the avoidance of doubt shall not include brokers and dealers used by the Sub-Investment Manager), in the performance of any of their duties save where such losses, liabilities, actions, proceedings, claims, costs and expenses arise due to the negligence, fraud, bad faith or wilful default of the Manager, the Investment Manager, their employees, servants delegates, sub-delegates or agents. The Investment Manager has agreed to indemnify and hold harmless the Sub-Investment Manager, its delegate or employees, servants and agents against all or any losses, liabilities, actions, proceedings, claims, costs and expenses (including reasonable legal and professional fees and expenses) which may be asserted against it as the Sub-Investment Manager of the Portfolios or by reason of its relationship with the Investment Manager arising from a breach of the Sub-Investment Management Agreement by the Investment Manager or arising from a breach by its employees, servants and agents in the performance of their duties or any other cause save where such losses, liabilities, actions, proceedings, claims, costs and expenses arise due to the negligence, fraud, bad faith or wilful default of the Sub-Investment Manager or its delegate, employees, officers, agents or subcontractors.

## **6.4 The Trustee**

The Manager has appointed the Trustee as Trustee of the assets of the Trust pursuant to the Trust Deed. The Trustee has its office at Georges Court, 54-62 Townsend Street, Dublin 2, Ireland. The Trustee provides safe custody for all the Trust's assets which will be held under its control.

The principal activity of the Trustee is to provide trustee and depositary functions for collective investment schemes such as the Trust. The Trustee, a private limited liability company, was incorporated in Ireland on 5 July 1990 and is an indirect wholly owned subsidiary of Northern Trust Corporation. Northern Trust Corporation and its subsidiaries comprise the Northern Trust Group, one of the world's leading providers of global custody and administration services to institutional and personal investors. As of 30 June 2016, the Northern Trust Group's assets under custody and administration totalled in excess of US\$8.1 trillion.

Under the terms of the Trust Deed, the Trustee may delegate its safekeeping obligations provided that (i) the services are not delegated with the intention of avoiding the requirements of the UCITS Regulations, (ii) the Trustee can demonstrate that there is an objective reason for the delegation and (iii) Northern Trust has exercised all due, skill, care and diligence in the selection and appointment of any third party to whom it wants to delegate parts of the Services, and keeps exercising all due skill, care and diligence in the periodic review and ongoing monitoring of any third party to whom it has delegated parts of its safekeeping services and of the arrangements of the third party in respect of the matters delegated to it. The liability of the Trustee will not be affected by virtue of any such delegation. The Trustee has delegated to its global sub-custodian, The Northern Trust Company, London branch, responsibility for the safekeeping of the Trust's financial instruments and cash. The global sub-custodian proposes to further delegate these responsibilities to sub-delegates, the identities of which are set forth in Schedule IV attached. Up-to-date information regarding the Trustee's identity and functions will be made available to investors on request.

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

The Trust Deed is in all respects governed by and construed in accordance with the laws of Ireland and both parties have submitted to the exclusive jurisdiction of the courts of Ireland.

Details of the Trustee's fee are set out in the relevant Supplements.

## **6.5 The Administrator, Registrar and Transfer Agent**

The Manager has appointed Northern Trust International Fund Administration Services (Ireland) Limited as administrator, registrar and transfer agent of the Trust pursuant to the Administration Agreement. The Administrator has its registered office at Georges Court, 54-62 Townsend Street, Dublin 2, Ireland. The Administrator will have the responsibility for the administration of the Trust's affairs including the calculation of the Net Asset Value and preparation of the accounts, subject to the overall supervision of the Manager.

The principal activity of the Administrator is to provide administrative services to collective investment schemes such as the Trust. The Administrator was incorporated in Ireland as a private limited liability company on 15 June 1990 and is an indirect wholly owned subsidiary of Northern Trust Corporation. Northern Trust Corporation and its subsidiaries comprise the Northern Trust Group, one of the world's leading providers of global custody and administration services to institutional and personal investors. As at 31 March 2018, the

Northern Trust Group's assets under custody/administration totalled in excess of US\$10.8 trillion.

The Administration Agreement provides that the appointment of the Administrator will continue in force unless and until terminated by any party giving to the other not less than 90 days written notice although in certain circumstances (e.g. the insolvency of any party, etc.) the Agreement may be terminated forthwith by notice in writing by any party to the others. The Administration Agreement contains indemnities in favour of the Administrator other than matters arising by reason of its negligence, fraud, wilful misconduct or bad faith in the performance of its duties and obligations, and also contains provisions regarding the Administrator's legal responsibilities.

The Administration Agreement is governed by and construed in accordance with the laws of Ireland and the parties have agreed to submit any actions, proceedings, claims, costs, demands and expenses arising out of, or in connection with, the Administration Agreement to the exclusive jurisdiction of the courts of Ireland.

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

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

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

## **6.6 Auditor**

The Company has appointed KPMG, Chartered Accountants, Dublin, of 1 Stokes Place, St Stephen's Green, Dublin 2, Ireland as its auditor. The objective of the audit is to enable the Auditor to express an opinion whether the financial statements were prepared, in all material respects, in accordance with financial reporting rules. An audit is designed to provide reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.

## **6.7 Unitholders' Relationship with the Trust**

In order to subscribe for Units, investors must complete an application form. By doing so, Unitholders agree to be bound by the terms of this Prospectus and the Trust Deed. All Unitholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Trust Deed, copies of which are available as mentioned in the section headed "Inspection of Documents" below. The detailed rights and obligations of the Manager and Unitholders are set out in the Trust Deed.

Council Regulation (EC) No. 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters has force of law in Ireland. In accordance with its provisions, a judgment obtained in the courts of a foreign jurisdiction will generally be recognised and enforced in Ireland, save in certain exceptional circumstances.

## 6.8 Conflicts of interest

The Manager, Investment Manager, Sub-Investment Manager, Trustee and delegates to whom the Trustee has entrusted safekeeping and administration of certain Custody Investments, Administrator, and their respective affiliates, officers and shareholders (“Party” and collectively the “Parties”) are or may be involved in other financial, investment and professional activities which may on occasion cause conflict of interest with the management of a Portfolio. These include management of other funds, purchases and sales of securities, investment and management counselling, brokerage services, trustee and depositary services and serving as directors, officers, advisers or agents of other funds or other companies, including companies in which the Portfolio may invest. In particular, it is envisaged that the Manager or the Investment Manager may be involved in managing or advising on the investments of other investment funds which may have similar or overlapping investment objectives to or with the Portfolio. Each of the Parties will respectively ensure that the performance of their respective duties will not be impaired by any such involvement that they might have. In the event that a conflict of interest does arise, the Directors of the Manager shall endeavour to ensure that it is resolved fairly and in the interests of Unitholders. If any of the assets of the Trust are invested in any such funds, managed by the Manager or Investment Manager the preliminary, initial or redemption charges to which the Manager or Investment Manager may otherwise be entitled to charge for its own account shall be waived. In relation to such investment of the Trust’s assets, if any commission or fees are or would be received by the Manager or Investment Manager by virtue of an investment of the assets of the Trust in such investment fund, such commission will be paid to the Trust for its own account. Up-to-date information regarding conflicts of interest will be made to investors on request.

Due to the widespread operations undertaken by the Parties conflicts of interest may arise. A 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 Trust. Furthermore, a Party may acquire, hold or dispose of investments notwithstanding that such investments had been acquired or disposed of by or on behalf of the Trust by virtue of a transaction effected by the Trust in which the Party was concerned provided that the acquisition by a Party of such investments is effected on normal commercial terms negotiated on an arm’s length basis and the investments held by the Trust are acquired on the best terms reasonably obtainable having regard to the interests of the Trust. A Party may deal with the Trust as principal or as agent, provided that any such dealings are in the best interests of Unitholders and are carried out as if effected on normal commercial terms negotiated on an arm’s length basis.

Party transactions permitted are subject to:

- (i) a certified valuation of a transaction by a person approved by the Trustee (or the Directors of the Manager in the case of transactions involving the Trustee) as independent and competent; or
- (ii) execution on best terms on an organised investment exchange in accordance with the rules of such exchange; or
- (iii) where (i) and (ii) are not practical, execution on terms which the Trustee (or the Directors of the Manager in the case of transactions involving the Trustee) is satisfied conform with the principles outlined in the preceding paragraph.

In the case of each transaction entered into with a Party for or on behalf of the Trust, the Trustee (or the Manager in the case of a transaction involving the Trustee or an affiliate of the Trustee), shall document the manner in which it has complied with the principles set out at (i) to (iii) above and where a transaction with a Party is conducted in accordance with (iii) above, the Trustee (or the Manager in the case of a transaction involving the Trustee or an affiliate of the Trustee) shall document its rationale for being satisfied that the transaction conformed to the requirement that such transactions be conducted as if at arm’s length and in the best interests of Unitholders at the date of the transaction.

Each Party will provide the Manager with relevant details of each transaction (including the name of the party involved and where relevant, fees paid to that party in connection with the transaction) in order to facilitate the Manager discharging its obligation to provide the Central Bank with a statement within the Trust's annual and semi-annual reports in respect of all Party transactions. The appointment of the Manager, Investment Manager, Sub-Investment Manager, the Administrator and the Trustee in their primary capacity as service providers to the Trust are excluded from the scope of these Party requirements.

Transactions must be in the best interests of Unitholders.

In the event that a conflict of interest does arise, the Manager will endeavour, so far as it is reasonably able, to ensure that it is resolved fairly and that investment opportunities are allocated on a fair and reasonable basis.

## **SECTION 7.0 - ADMINISTRATION OF THE TRUST**

### **7.1 Description of Units**

Units of each Portfolio are all freely transferable and are all entitled to participate equally in the profits and distributions of that Portfolio and in its assets in the event of termination. The Units, which are of no par value and which must be fully paid for upon issue, carry no preferential or pre-emptive rights. All Units which have been issued shall be represented by entry in the register of Unitholders of the relevant Portfolio.

### **7.2 Issue of Units**

Under the Trust Deed, the Manager is given authority to effect the issue of Units and has absolute discretion to accept or reject in whole or in part any application for Units without assigning any reason therefor. The Manager has power to impose such restrictions it thinks necessary to ensure that no Units are acquired by any person which might result in the legal and beneficial ownership of Units by persons who, in the sole opinion of the Manager, expose the Trust or any Portfolio to adverse tax or regulatory consequences.

### **7.3 Initial Issues**

The Manager, or the Administrator as its delegate in consultation with the Investment Manager shall, before the initial issue of any Units in the Portfolio, determine the time at which, the terms upon which and the initial issue price per Unit at which the initial allotment of Units of that Portfolio shall be made. Such details shall be specified in the relevant Supplement relating to the Portfolio.

The minimum subscription amount shall be €50,000 or its equivalent in other currencies or such lesser amount as the Manager may, at its discretion, decide.

### **7.4 Subsequent Issues**

Thereafter, Units may be issued at a price equal to the Net Asset Value per Unit calculated by reference to the value of the assets at the Valuation Point (i.e. subscriptions will be dealt with on a forward pricing basis).

#### **Application Forms**

Any person applying for Units of a Portfolio shall complete an application form in such form as the Manager may from time to time prescribe and shall comply with such conditions as may be prescribed by the Manager. The Manager requires the signed original application form and supporting documentation in relation to money laundering prevention checks to be received promptly for initial subscriptions and subsequent applications may be made in writing or by fax. All applications and subscription monies must be received by the Administrator at its registered office by the Dealing Deadline, as set out in the relevant Supplement.

If payment of funds in respect of a subscription has not been received by the time specified in the relevant Supplement, any allotment of Units made in respect of such application may be cancelled. In the event of the non-clearance of subscription monies, any allotment in respect of an application shall be cancelled. In either event and notwithstanding cancellation of the application, the Manager may charge the applicant for any expense incurred by it or the Trust or for any loss to a Portfolio arising out of such non-receipt or non-clearance. In addition, the Manager will have the right to sell all or part of the applicant's holding of Units in a Portfolio or any other Portfolio in order to meet those charges.

Completed applications, once received by the Manager or the Administrator as its delegate, shall be irrevocable. Applicants may have Units registered in their name(s) in the register of Unitholders and the written confirmations of ownership in respect of the Units will be

dispatched to the Unitholders by post or in the case of joint Unitholders to the first-named Unitholder on the register within 5 Business Days of the relevant Dealing Day.

Units shall not be issued to any new investor subscribing for Units in a Portfolio where such Units have an aggregate value less than the minimum subscription amount or its equivalent in other currencies or such lesser amount as the Manager may, at its discretion, decide.

The Manager, or the Administrator as its delegate, may reject at its discretion any application for such Units in whole or in part in which event the application monies or any balance thereof will be returned in the Base Currency of the relevant Portfolio to the applicant by transfer to the applicant's designated account at the applicant's sole risk and expense.

### **In Specie Transfer**

The Manager, or the Administrator as its delegate, may, in its discretion, accept payment for Units in any Portfolio by a transfer *in specie* of assets, the nature of which shall be within the investment objectives, policies and restrictions of the Trust and the value of which shall be calculated in accordance with the valuation principles governing the Trust and applicable law and provided always that any *in specie* subscription will not materially prejudice existing Unitholders. Any prospective investor wishing to subscribe for Units by a transfer *in specie* of assets will be required to have completed and delivered an application form and to have satisfied all the requirements of the Manager or the Administrator as its delegate as to the application. Investments must be consistent with the investment objectives, policies and restrictions of the Trust. Any *in specie* transfer will be at the investor's risk and the costs of such a transfer will be borne by the investor, Units will not be issued until the investments have been vested in the Trustee and the number of Units to be issued will not exceed the amount that would be issued if cash equivalent of investments had been invested.

An *in specie* transfer may only be accepted if the Trustee is satisfied that the terms of the exchange will not be such as are likely to result in any material prejudice to other Unitholders.

### **Registrations and Confirmations**

All the Units are registered Units. A Unitholder's entitlement will be evidenced by an entry in the Trust's register of Unitholders and not by a Unit certificate. Unitholders will receive written confirmation of their entry to the register of Unitholders. A Unit may be registered in a single name or in up to four joint names. Where Units are registered in joint names, a joint holder will be required to authorise the Manager or the Administrator as its delegate to act upon the sole written instructions of any one of the joint holders in respect of the transfer or redemption of all or any of those Units. The register of Unitholders will be available for inspection by Unitholders at the office of the Administrator during normal business hours.

Any issue of Units shall only be made by the Manager or the Administrator as its delegate on a Dealing Day.

U.S. Persons may not purchase Units of any Portfolio in the Trust and applicants will be required to certify that they are not acquiring Units for, directly or indirectly, U.S. Persons and that such applicants will not sell or offer to sell or transfer such Units to U.S. Persons.

### **Operation of the Collection Account**

A Collection Account has been established at umbrella level in the name of the Trust, which shall not have the protection of the Investor Money Regulations. All subscriptions into and redemptions and dividends due from the Portfolios will be paid into the Collection Account.

Pending issue of the Units and / or payment of subscription proceeds to an account in the name of the relevant Portfolio, and pending payment of redemption proceeds, the relevant investor will be an unsecured creditor of the relevant Portfolio in respect of amounts paid by or due to it.



All subscriptions (including subscriptions received in advance of the issue of Units) attributable to, and all redemptions payable from, a Portfolio will be channelled and managed through the Collection Account. Subscription amounts paid into the Collection Account will be paid into an account in the name of the relevant Portfolio on the relevant contractual settlement date. Where subscription monies are received in the Collection Account without sufficient documentation to identify the investor or the relevant Portfolio, such monies shall be returned to the relevant investor to the account from which they were received within five (5) Business Days and as specified in the operating procedure in respect of the Collection Account.

Redemptions, including blocked redemptions, will be held in the Collection Account until payment due date (or such later date as blocked payments are permitted to be paid), and will then be paid to the relevant or redeeming Unitholder/investor.

Failure to provide the necessary complete and accurate documentation in respect of subscriptions, redemptions or dividends, and / or to make payment into the Collection Account is at the investor's risk.

The Trustee will be responsible for safe-keeping and oversight of the monies in the Collection Account and for ensuring that relevant amounts in the Collection Account are attributable to the appropriate Portfolios.

The Manager and the Trustee have agreed an operating procedure in respect of the Collection Account which identifies the procedures and protocols to be followed in order to transfer monies from the Collection Accounts, the daily reconciliation processes, and the procedures to be followed where there are shortfalls in respect of a Portfolio due to late payment of subscriptions, and / or transfers to a Portfolio of monies attributable to another Portfolio due to timing differences.

### **Anti-Money Laundering**

Measures aimed towards the prevention of money laundering may require a detailed verification of the applicant's identity. Depending on the circumstances of each application, a detailed verification might not be required where (i) the applicant makes the payment from an account held in the applicant's name at a recognised financial institution or (ii) the application is made through a regulated Intermediary. These exceptions will only apply if the financial institution or Intermediary referred to above are within a country recognised by Ireland as having equivalent anti-money laundering regulations.

By way of example, an individual may be required to produce a copy of a passport or identification card duly certified by a notary public, together with evidence of his/her address such as a utility bill or bank statement and date of birth. In the case of corporate applicants this may require production of a certified copy of the certificate of incorporation (and any change of name), memorandum and articles of association (or equivalent), the names, occupations, dates of birth and residential and business addresses of all directors.

The Manager or the Administrator as its delegate reserve the right to request such information as is necessary to verify the identity of an applicant. In the event of delay or failure by the applicant to produce any information and documentation required for verification purposes, the Manager or the Administrator as its delegate may refuse to accept or process the application and subscription monies and return all subscription monies and/or payment of repurchase proceeds may be delayed (no repurchase proceeds will be paid nor will any interest accrue thereto if the Unitholder fails to produce such information and documentation). In such circumstances, the Administrator may process any redemption request received by a Unitholder, however the proceeds of that redemption shall remain an asset of the Trust and the Unitholder will rank as a general creditor of the Trust until such time as the Administrator has verified the Unitholder's identity to its satisfaction, following which redemption proceeds will be released and the Trust, the Directors, each Portfolio, the Manager, the Investment Manager and the Administrator, each parent, subsidiary, affiliate and shareholder thereof and each of the respective officers, directors, trustees, employees

and agents of the foregoing shall not be liable, and shall be held harmless and fully indemnified by the applicant, for any and all claims, liabilities, losses, damages, costs and expenses (including without limitation, legal fees and expenses) arising out of any failure to process the application or otherwise if any such requested information has not been provided by the applicant. If The Manager or the Administrator as its delegate refuse to accept or process an application, the Administrator will, at the cost and risk of the applicant and subject to any applicable laws, return application monies or the balance thereof from the Collection Account to the account from which they had been originally remitted (minus any handling charge incurred in any such return) as soon as reasonably practicable by electronic transfer (but without interest, cost or compensation). Subscription monies will only be returned if such return is permissible under Irish money laundering and counter terrorist financing laws. No redemption proceeds or dividends will be paid where the requisite information and documentation for verification purposes has not been produced by a Unitholder or has been provided in incomplete form. In such circumstances, the Administrator may process any redemption request received from a Unitholder or any dividend payment, however the proceeds of that redemption or dividend shall remain an asset of the Trust and the Unitholder will rank as a general creditor of the Trust until such time as the Administrator has verified the Unitholder's identity to its satisfaction, following which redemption proceeds or dividends will be released. Unitholders should refer to the risk statement 'Collection Account Risk' in the section of this Prospectus entitled 'Risk Factors' for an understanding of their position vis-a-vis monies held in a Collection Account.

The Manager or the Administrator as its delegate reserve the right to seek further documentary identification or verification in order to adequately/satisfactorily update their records in compliance with all applicable legislation and regulation of the Manager and Administrator as applied from time to time notwithstanding the fact that the investor may have subscribed prior to such legislation, regulation or change in the Manager and Administrator's policies coming into force. As soon as it is reasonably practicable after such a change the investor will agree to provide to the Manager or the Administrator with such further documentary identification or verification as it may reasonably request.

Investors will be required to acknowledge and agree that where they fail to meet all of the Administrator's verification and identification policies as applied from time to time in the Administrator's compliance with all applicable anti-money laundering laws and regulation imposed upon them, the Administrator may refuse to issue statements of account in respect of the applicant's holding of Units until they comply with such applicable verification and identification standards. Where possible all reasonable steps will be taken to bring the period of suspension of non-issuance of statements of account to an end as soon as an investor complies with such verification and identification standards in force and is no longer in breach with any applicable law or regulation.

If any of the representations, warranties or covenants given by a Unitholder cease to be true or if the Administrator or the Manager, acting on behalf of the Trust, no longer reasonably believes that it has satisfactory evidence as to their truth, notwithstanding any other agreement to the contrary, the Administrator or the Manager acting on behalf of the Trust, may, in accordance with applicable regulations, be obligated to freeze the Unitholder's investment, either by prohibiting additional investments, declining or suspending any redemption requests and/or segregating the assets constituting the investment, or the Unitholder's investment may immediately be compulsorily redeemed by the Manager. The Manager may also be required to report such action and to disclose the Unitholder's identity to OFAC or other authority or law enforcement agency. In the event that the Manager, in respect of a Fund, is required to take any of the foregoing actions, the Unitholder understands and agrees that it shall have no claim against the Trust, in respect of a Fund, the Administrator, the Manager and their respective affiliates, directors, members, partners, shareholders, officers, employees and agents for any form of damages as a result of any of the aforementioned actions.

The Administrator may disclose information regarding investors to such parties (e.g., affiliates, attorneys, auditors, administrators or regulators) as it deems necessary or advisable to facilitate dealing in the Units, including, but not limited to, in connection with

anti-money laundering/counter terrorist financing and similar laws. The Administrator or other service providers may also release information if directed to do so by the Unitholders in the Units, if compelled to do so by law or in connection with any government or self-regulatory organisation request or investigation. In connection with the establishment of anti-money laundering/counter terrorist financing procedures, the Manager may implement additional restrictions on the transfer of, or dealing in, Units.

## **7.5 Data Protection**

Prospective investors are referred to the application form for details of the Data Protection Legislation applicable to the Manager and the Trust.

## **7.6 Transfer of Units**

Every Unitholder entered in the register of a Portfolio shall be entitled to transfer the Units or any of the Units held by him to any person by an instrument in writing in usual or common form or in any other form approved by the Manager. All such transfers being subject to any required tax deductions (including for the avoidance of doubt the cancellation of units to be transferred to pay any such tax arising). The Manager, has the power to impose such restrictions (other than a restriction on a transfer to a Qualified Holder) it thinks necessary to ensure that no Units are acquired by any person or persons in circumstances which, in the opinion of the Manager, exposes the Trust or any Portfolio to adverse tax or regulatory consequences or suffering pecuniary damages which the Trust might not have otherwise incurred or suffered. No transfer of all or part of a holding of such Units shall be so registered if in consequence thereof either the transferor or the transferee would be the holder of Units in a Portfolio with an aggregate value less than €50,000 or its equivalent in other currencies or such lesser amount as the Manager may, at its discretion, decide.

Every instrument of transfer must be signed by the transferor and the transferor shall be deemed to remain the holder of the Units intended to be transferred until the name of the transferee is entered in the relevant register in respect thereof. The instrument of transfer need not be a deed and must be accompanied by such certificates as to the qualification of the transferee as required by the Manager. A transfer of Units will not be registered unless the transferee, if not an existing Unitholder, has completed an application form, together with all required supporting documentation to the satisfaction of the Manager or its delegate. Furthermore, the Manager (or its delegate) reserves the right to request such information as is necessary to verify the identity of the transferee and to request such representations and warranties as may appear to the Manager (or its delegate) as appropriate.

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

- (a) any person in breach of any law or requirement of any country or governmental authority or by virtue of which such person is not qualified to hold such Units;
- (b) any person who is, or has acquired such Units on behalf of or for the benefit of U.S. Persons;
- (c) any person or persons in circumstances (whether directly or indirectly affecting such person or persons and whether taken alone or in conjunction with any other person or persons whether connected or not, or any other circumstances appearing to the Manager to be relevant) which in the opinion of the Manager might result in the Trust incurring any liability to taxation or adverse regulatory consequences or suffering pecuniary disadvantages which the Trust might not otherwise have incurred or suffered;

the Manager shall be entitled to give that person notice to transfer or repurchase his Units to a person who does not fall under paragraphs (a) to (c) above. If that person does not within 14 days thereafter transfer or repurchase his Units he shall be deemed to have requested

the Manager to purchase his Units and the Manager will be appointed as the attorney of such person to sign and complete any documents required to effect the repurchase.

Any such repurchase will be made on a Dealing Day at a price equal to the Net Asset Value per Unit on the relevant Dealing Day on which the Units are to be repurchased and will be subject to any required tax deductions.

## **7.7 Redemption of Units**

The Manager will at any time during the term of a Portfolio on receipt by it or by its duly authorised agent of a request in writing or by fax (a "repurchase request"), by a Unitholder repurchase from such Unitholder on any Dealing Day all or any part of his holding of Units at a price per Unit being equal to the Net Asset Value per Unit for that Portfolio (i.e. redemptions will be dealt with on a forward pricing basis).

Repurchase requests may be sent by fax where the proceeds of redemption are to be paid into the Unitholder's account of record in respect of which appropriate anti-money laundering checks have been complied with, at the risk of the relevant Unitholder. Repurchase requests will not be processed on non-cleared/verified accounts.

Amendments to a Unitholder's registration details and payment instructions will only be effected on receipt of signed original documentation.

Subject to the terms set out in the Supplement for each Portfolio, repurchase requests must be received by the Manager or its delegate at its place of business prior to 11 am (Irish time) on the relevant Dealing Day although the Manager has discretion to accept repurchase requests up to the Valuation Point on the relevant Dealing Day. Any repurchase requests received after this time shall generally be deemed, to be made in respect of the Dealing Day next following such relevant Dealing Day, although the Manager may at its discretion, accept such repurchase requests for the relevant Dealing Day provided that they are received prior to the Valuation Point.

Redemption proceeds in respect of Units will be paid by the time set out in the Supplement and, in any event, within ten Business Days of the relevant Dealing Day provided that the original application form (including any documents in connection with anti-money laundering procedures) has been received and the anti-money laundering procedures have been completed.

If total requests for redemption or switching (if the switching request necessitates liquidation of Investments) on any Dealing Day for any Portfolio exceed 10% of the total number of Units in that Portfolio or at least 10% of the Net Asset Value of the Portfolio, each repurchase request in respect of Units in such Portfolio may if in its sole discretion the Manager acting in good faith believes it shall be necessary or desirable in order not to prejudice the interests of the Unitholders not requesting redemption or on grounds of liquidity or other like reason, be reduced "pro rata" so that the total number of Units of each Portfolio for redemption or switching on that Dealing Day shall not exceed 10% of the Units in issue in the Portfolio or 10% of the Net Asset Value of the Portfolio or such higher percentage that the Manager may determine. Any redemption or switching request so reduced shall be carried forward to the next Dealing Day and shall be treated as if the request was received on each subsequent Dealing Day(s) until all Units to which the original request related have been redeemed. If redemption requests are so carried forward, the Manager shall procure that the Unitholders whose dealing is affected thereby are promptly informed.

## **7.8 Redemption in Specie**

- (a) The Manager at its discretion may repurchase Units of any class of a Portfolio by way of exchange for Investments provided that:
  - (i) a redemption form is completed and delivered to the Manager as required by the Prospectus and the redemption request otherwise satisfies all the requirements of the Manager as to such request and the Unitholder seeking

redemption of Units agrees to such course of action (save where the Unitholder requests redemption of 5% or more of the Net Asset Value of a Portfolio in which case a determination to provide redemption in specie may be made solely at the determination of the Manager); and

- (ii) the Trustee is satisfied that the terms of any exchange would not be such as would be likely to result in any material prejudice to the remaining Unitholders, and elects that instead of the Units being repurchased in cash, the redemption shall be satisfied in specie by the transfer to the Unitholder of Investments provided that the value thereof shall not exceed the amount which otherwise would have been payable on a cash redemption and provided that the transfer of Investments (and all liabilities attached thereto) is carried out in consultation with the Trustee and the allocation of the Investments used to satisfy the redemption is subject to the approval of the Trustee. Such value may be reduced by such amount as the Manager may consider represents any Duties and Charges to be paid to the Portfolio as a result of the direct transfer by the Portfolio of the Investments (and all liabilities attached thereto) or increased by such amount as the Manager may consider represents any appropriate provision for Duties and Charges which would have been incurred by the Portfolio in the disposition of the Investments (and all liabilities attached thereto) to be transferred. The shortfall (if any) between the value of the Investments (and all liabilities attached thereto) transferred on a redemption in specie and the redemption proceeds which would have been payable on a cash redemption shall be satisfied in cash. Any decline in the value of the Investment to be transferred in settlement of a redemption between the relevant Dealing Day and the day on which Investments are delivered to the Unitholder, shall be borne by the Unitholder.
- (b) Where the Manager is undertaking an "in specie" redemption in accordance with the provisions of paragraph (a) above, it may, on the relevant Dealing Day transfer to a redemption account maintained by the Manager with the Trustee (but not pursuant to the terms of the Trust Deed) (the "Redemption Account") Investments (and all liabilities attached thereto) having an equivalent Net Asset Value to the amount that would otherwise have been payable on a cash redemption (as adjusted by any Duties and Charges).
- (c) At the request and expense of the Unitholder, the Manager shall arrange for the sale of any Investments (and the discharge of all liabilities attached thereto) to which a Unitholder becomes entitled on an "in specie" redemption.
- (d) Upon transfer to the Redemption Account, the Investments (and any liabilities attached thereto) used to satisfy the "in specie" redemption will not be part of the Trust, or be subject to the terms of the Trust Deed.

## **7.9 Switching of Units**

Subject to the Units being in issue and being offered for sale and provided that the issue and redemption of Units has not been suspended (as a result of which the Manager can refuse an application for switching), Unitholders may, in respect of Units held in one or more Portfolios (the "Original Units") on any Dealing Day for such Portfolios, by notice in writing to the Manager or its delegate request the Manager or its delegate to redesignate some or all of such Original Units as Units in one or more other Portfolios (the "Redesignated Units") provided that such notice shall be effective only if accompanied by a written application form duly signed by the Unitholder and received by the Manager or its delegate at its place of business prior to 11 am on the relevant Dealing Day, although the Manager has discretion to accept repurchase requests up to the Valuation Point on the relevant Dealing Day, and in such minimum amounts as the Manager on the advice of the Investment Manager shall determine.

The Original Units and the Redesignated Units must be of the same Class.

On the Dealing Day upon which the redesignation form is received, the Original Units to be redesignated shall ipso facto be redesignated as the appropriate number of Redesignated Units. The Original Units shall on that Dealing Day have the same value (the "Redesignation Amount") as if they were being purchased by the Manager from the Unitholder. The appropriate number of Redesignated Units shall be equal to the number of Units in that Portfolio or Portfolios that would be issued on that Dealing Day if the Redesignation Amount were invested in that Portfolio or Portfolios, provided that, for this purpose, the preliminary charge shall not be chargeable.

Upon any such redesignation, there shall be reallocated from the Portfolio or Portfolios to which the Original Units belonged, assets or cash equal in value to the Redesignation Amount to the Portfolio or Portfolios to which the Redesignated Units belong.

#### **7.10 Tax liability of the Trust**

If the Trust becomes liable to account for tax in any jurisdiction in the event that a Unitholder or beneficial owner of a Unit were to receive a distribution in respect of his/her Units or to dispose (or deemed to have disposed) of his/her Units in any way ("Taxable Event"), the Manager shall be entitled to deduct from the payment arising on a Taxable Event an amount equal to the appropriate tax and/or where applicable, to appropriate, cancel or compulsorily repurchase such number of Units held by the Unitholder or such beneficial owner as are required to meet the amount of tax. The relevant Unitholder shall indemnify and keep the Trust indemnified against loss arising to the Trust by reason of the Trust becoming liable to account for tax in any jurisdiction on the happening of a Taxable Event if no such deduction, appropriation, cancellation or compulsory repurchase has been made.

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

The Net Asset Value of a Portfolio will be expressed in the Base Currency of the Portfolio and calculated by reference to the value of assets at the Valuation Point and by deducting from the value of the assets of the Portfolio the liabilities of the Portfolio (including, at the discretion of the Manager, a provision for Duties and Charges). The Net Asset Value per Unit in each Portfolio will be calculated by dividing the Net Asset Value of each Portfolio by the number of Units then in issue or deemed to be in issue in each Portfolio on such Dealing Day and rounding to the nearest four decimal places.

The assets of a Portfolio will be valued as follows:

- (a) the Net Asset Value of any Class within a Portfolio will be determined by deducting that Class *pro rata* share of the liabilities of the Portfolio plus other applicable liabilities/ expenses of such Class from that Class *pro rata* share of the assets of the Portfolio, in all cases in accordance with the terms of the Trust Deed. Liabilities/expenses will only be allocated to a Class when they are specifically attributable to that Class. The Net Asset Value of a Class of Units within a Portfolio shall be expressed in the currency in which the Class is designated (converted where necessary at such reasonable rate of exchange as the Manager deems fit). The Net Asset Value of a Unit within a Class shall be determined by dividing the Net Asset Value of the relevant Class by the number of Units in that Class in issue and deemed to be in issue;
- (b) the valuation principles to be used in valuing the assets of each Portfolio are as follows:
  - (i) A Portfolio authorised as a MMF  
  
Mark-to-Market  
  
The value of the assets of each Portfolio shall be calculated by using Mark-to-Market whenever possible. When using Mark-to-Market:

(i) the asset of a Portfolio shall be valued at the more prudent side of bid and offer unless the asset can be closed out at mid-market;

(ii) only good quality market data shall be used; such data shall be assessed on the basis of all of the following factors:

(A) the number and quality of the counterparties;

(B) the volume and turnover in the market of the asset of the Portfolio;

(C) the issue size and the portion of the issue that the Portfolio plans to buy or sell.

The Net Asset Value per Unit of a Portfolio will be rounded to the nearest basis point or its equivalent when published in a currency unit.

Any valuations made pursuant to the Trust Deed shall be binding on all persons.

#### Mark-to-Model

Where the use of Mark-to-Market is not possible or the market data is not of sufficient quality, the assets of a Portfolio shall be valued conservatively by using Mark-to-Model. The model shall accurately estimate the intrinsic value of the asset of a Portfolio, based on all of the following up-to-date key factors: (a) the volume and turnover in the market of that asset; (b) the issue size and the portion of the issue that the Portfolio plans to buy or sell; (c) market risk, interest rate risk, credit risk attached to the asset. The models may be existing models sourced from external parties such as data vendors or developed by the Manager or its delegate for the Trust.

When using Mark-to-Model, the Amortised Cost Method shall not be used.

#### Amortised Cost Method

In the case of a Portfolio which is a Public Debt MMF, and subject to the requirements of the MMF Regulation, its assets may be valued using the Amortised Cost Method. In the case of a Portfolio which is an LVNAV MMF, and subject to the requirements of the MMF Regulation, its assets that have a residual maturity of up to 75 days may be valued using the Amortised Cost Method. The Amortised Cost Method shall only be used for valuing an asset of a LVNAV MMF in circumstances where the value of the asset calculated using Mark-to-Market does not deviate from the value of that asset calculated using the Amortised Cost Method by more than 10 basis points. In the event of such a deviation, the value of the asset shall be calculated using Mark-to-Market or Mark-to-Model, where the use of Mark-to-Market is not possible or the market data is not of sufficient quality. A daily review of the Amortised Cost Method valuation vis-à-vis the Mark-to-Market valuation will be carried out in accordance with the MMF Regulation.

Each Portfolio which uses the Amortised Cost Method seeks to maintain, in respect of certain Classes, a constant Net Asset Value per Unit at one unit of the currency in which the relevant Class is denominated by using the Amortised Cost Method and by declaring dividends on a daily or less frequent basis. There can be no assurance that the relevant Portfolio, by following these procedures, will be successful in maintaining a constant Net Asset Value per Unit at one unit of the relevant currency.

The valuation principles disclosed in section 7.11(b)(i) above are in accordance with Chapter IV of the MMF Regulation.

- (ii) the value of an Investment which is quoted, listed or normally dealt in on a Recognised Exchange shall (save in the specific cases set forth in paragraphs (vii), (viii) and (x)) be the last traded price on such Recognised Exchange as at the Valuation Point, as shall be set out in the Prospectus or relevant Supplement, provided that:
  - (A) if an Investment is quoted, listed or normally dealt in on more than one Recognised Exchange, the Manager may, at its discretion select any one of such markets for the foregoing purposes (provided that the Manager has determined that such market constitutes the main market for such Investment or provides the fairest criteria for valuing such securities) and once selected a market shall be used for future calculations of the Net Asset Value with respect to that Investment unless the Manager otherwise determines;
  - (B) in the case of any Investment which is quoted, listed or normally dealt in on a Recognised Exchange but in respect of which for any reason, prices on that market may not be available at any relevant time, or in the opinion of the Manager, may not be representative, the value therefor shall be the probable realisation value thereof estimated with care and in good faith by the Manager and/or any other competent person appointed by the Manager (and approved for the purpose by the Trustee); and
  - (C) the value of any Investment listed on a Recognised Exchange but acquired or traded at a premium or at a discount outside or off the relevant Recognised Exchange may be valued taking into account the level of premium or discount as at the date of valuation of the Investment. The Trustee must ensure that the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the security;
- (iii) the value of any Investment which is not quoted, listed or normally dealt in a Recognised Exchange shall be the probable realisable value estimated with care and in good faith by a competent person, firm or association making a market in such Investment appointed by the Manager and/or any other competent person appointed by the Manager;
- (iv) the value of units or shares in Collective Investment Schemes shall be determined by reference to the latest available net asset value or bid price per unit or share of the relevant Collective Investment Scheme as published by the Collective Investment Scheme or, if the Collective Investment Scheme is



listed on a Recognised Exchange, in accordance with paragraph (ii) above;

- (v) the value of any prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof unless in any case the Manager is of the opinion that the same is unlikely to be paid or received in full in which case the value thereof shall be arrived at after making such discount as the Manager may consider appropriate in such case to reflect the true value thereof;
- (vi) cash (in hand or deposit) shall be valued at their face/nominal value plus accrued interest from the date on which the same were acquired or made;
- (vii) treasury bills shall be valued at the last traded price on the market on which same are traded or admitted to trading as at the Valuation Point, provided that where such price is not available or where more representative, same shall be valued at the probable realisation value estimated with care and good faith by a competent person appointed by the Manager;
- (viii) bonds, notes, debenture stocks, certificates of deposit, bank acceptances, trade bills and similar assets shall be valued at the last traded price on the market on which these assets are traded or admitted for trading (being the market which is the sole market or in the opinion of the Manager the principal market on which the assets in question are quoted or dealt in) as at the Valuation Point plus any interest accrued thereon from the date on which same were acquired;
- (ix) forward foreign exchange and interest rate swap contracts for which market quotations are freely available will be valued by reference to market quotations at which a new forward contract of the same size and maturity could be undertaken;
- (x) the value of any exchange traded futures contracts and options which are dealt in on a regulated market shall be the settlement price as determined by the market in question, provided that if such settlement price is not available, the same shall be valued at the probable realisation value estimated with care and good faith by a competent person appointed by the Manager (and approved for the purpose by the Trustee);
- (xi) the value of any over the counter ("OTC") contracts shall be the valuation from the counterparty provided that such valuation is provided on at least a daily basis and that it is approved or verified on a weekly basis by a party independent of the counterparty appointed by the Manager (and approved for the purpose by the Trustee). The Manager must be satisfied that (i) the counterparty to an OTC derivative contract will value the contract with reasonable accuracy and on a reliable basis; and (ii) the OTC derivative can be sold, liquidated or closed by an offsetting transaction at fair value, at any time at the initiative of the Manager.
- (xii) notwithstanding any of the foregoing sub-paragraphs, the Manager may adjust the value of any Investment if, having regard to currency, applicable rate of interest, maturity, marketability and/or such other considerations as they may

deem relevant, they consider that such adjustment is required to reflect the fair value thereof;

- (xiii) notwithstanding the foregoing, where at the time of any valuation any asset of the Portfolio has been realised or contracted to be realised there shall be included in the assets of the Portfolio in place of such asset the net amount receivable by the Portfolio in respect thereof.
- (c) any certificate as to Net Asset Value of Units given in good faith (and in the absence of negligence or manifest error) by or on behalf of the Manager shall be binding on all parties;
- (d) assets denominated in a currency other than in the Base Currency of the relevant Portfolio (whether of an investment or cash) and any non-Base Currency borrowing shall be converted into the Base Currency of the relevant Portfolio at the rate (whether official or otherwise) which the Manager deems appropriate in the circumstances;
- (e) if it is impossible or impractical to carry out a valuation of a specific asset in accordance with the valuation rules set out in paragraphs (i) to (xiii) above, the Manager or its delegate, being a competent person approved for such purpose by the Trustee, are entitled to use such other generally recognised valuation methods as is approved by the Trustee in order to reach a fair valuation of such asset. The rationale/methodologies used shall be clearly documented. Prices from independent brokers in respect of investments traded on an over-the-counter market and/or premiums or discounts thereon shall be obtained by the relevant Investment Manager and furnished to the Manager. The Manager, with the approval of the Trustee, may adjust the value of such investments if it considers that such adjustment is required to reflect the fair value thereof in the context of currency, marketability, dealing costs and/or such other considerations which are deemed relevant.
- (f) In calculating the Net Asset Value of the Units, the Manager, or its delegate, may rely upon such automatic pricing services as it shall determine or it may use information provided by particular pricing services, brokers, market makers, other intermediaries or any third parties. In such circumstances, the Manager or its delegate shall not in the absence of fraud, negligence, bad faith or wilful default on the part of the Manager or its delegate, be liable to any person for any loss, liability, claim, cost or expense suffered by reason of any error in the calculation of the Net Asset Value of the Units resulting from any inaccuracy in the information supplied to it by a competent person for the purpose of paragraphs (i) to (xiii) above. Furthermore, in calculating the Net Asset Value and Net Asset Value per Unit, the Manager or its delegate shall use reasonable endeavours to verify pricing information supplied by the Investment Manager, any investment advisers or any connected person but, investors should note that, in certain circumstances, it may not be possible or practicable for the Manager or its delegate to verify such information. In such circumstances, the Manager or its delegate shall not be liable for any loss suffered by the Trust or any Unitholder by reason of any error in the calculation of the Net Asset Value and Net Asset Value per Unit resulting from any inaccuracy in the information provided by any such person.
- (g) The Administrator shall calculate the Net Asset Value per Unit of each Class of a Portfolio authorised as a MMF on, at least, a daily basis.

The liabilities of a Portfolio shall be deemed to include:

- (a) the total amount of any actual or estimated liabilities properly payable out of the assets of the Portfolio, including any outstanding borrowings of the Portfolio, and all accrued interest, fees and expenses payable thereon (but excluding liabilities

taken into account in determining the value of the assets of the Portfolio) and any estimated liability for tax on unrealised capital gains;

- (b) such sum in respect of tax (if any) on net capital gains realised during the current Accounting Period prior to the valuation being made as in the estimate of the Manager will become payable;
- (c) the amount (if any) of any distribution declared by the Manager in respect of an Accounting Period but not distributed in respect thereof;
- (d) the remuneration of the Manager accrued but remaining unpaid together with value added tax thereon and Administration Expenses;
- (e) the total amount (whether actual or estimated by the Manager) of any liabilities for taxation leviable on income including income tax and corporation tax, if any, (but not taxes leviable on capital or on realised or unrealised capital gains);
- (f) the total amount of any actual or estimated liabilities for withholding tax (if any) payable on any of the Investments of the Portfolio in respect of the current or past Accounting Period;
- (g) the fees and expenses set out below under the heading "Management and Trust Charges";
- (h) the total amount (whether actual or estimated by the Manager) of any other liabilities properly payable out of the assets of the Portfolio.

The Manager has delegated to the Administrator the determination of the Net Asset Value and the Net Asset Value per unit of each Class.

#### **7.12 Publication of Net Asset Value per Unit and price of Units**

The Administrator shall calculate the Net Asset Value per Unit of each Class of a Portfolio which is authorised as a MMF on, at least, a daily basis. Except where the determination of the Net Asset Value of a Portfolio, the Net Asset Value per Unit and the issue and repurchase prices has been suspended in the circumstances described below, the following will be made public on each Dealing Day and will be available by telephoning the offices of the Manager and can be accessed from the following website link: [www.davy.ie](http://www.davy.ie), and will be kept up-to-date:

- (a) The Net Asset Value of each Portfolio; and
- (b) The Net Asset Value per Unit of each Class.

#### **7.13 Weekly Investor Reporting**

The Manager shall, in relation to Portfolios authorised as MMFs and in accordance with the MMF Regulation, at least weekly, make all of the following information available to the Unitholders of Portfolios authorised as MMFs, which can be accessed from the following website link: [www.davy.ie](http://www.davy.ie):

- (a) the maturity breakdown of the portfolio of each of the Portfolios;
- (b) the credit profile of each of the Portfolios;
- (c) the weighted average maturity and weighted average life of each of the Portfolios;
- (d) details of the 10 largest holdings in each of the Portfolios, including the name, country, maturity and asset type, and the counterparty in the case of repurchase and reverse repurchase agreements;
- (e) the total value of the assets of each of the Portfolios; and
- (f) the net yield of each of the Portfolios.

## **7.14 Temporary Suspension**

The Manager may temporarily suspend the calculation of the Net Asset Value of each or any Portfolio, the Net Asset Value per Unit of each such Portfolio and the issue and redemption of Units to and from Unitholders when:

- (i) a market which is the basis for the valuation of a major part of the assets of the relevant Portfolio is closed or when trading on such a market is limited or suspended;
- (ii) a political, economic, military, monetary or other emergency beyond the control, liability and influence of the Manager makes the disposal of the assets of the relevant Portfolio impossible or impracticable under normal conditions or such disposal would be detrimental to the interests of the Unitholders;
- (iii) the disruption of any relevant communications network or any other reason makes it impossible or impracticable to determine the value of a major portion of the assets of the relevant Portfolio;
- (iv) the relevant Portfolio is unable to repatriate funds for the purpose of making payments on the redemption of Units from Unitholders or making any transfer of funds involved in the realisation or acquisition of investments or when payments due on the redemption of Units from Unitholders cannot in the opinion of the Manager be effected at normal rates of exchange; or
- (v) any period following service of a notice of a meeting of the Unitholders at which a resolution is to be proposed to wind-up the Trust or a Portfolio or a resolution has been passed for the winding up of the Trust or a Portfolio.

Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

Any such suspension will be notified to the Central Bank immediately and in any event on the same Business Day on which such suspension shall have become effective, shall be notified to Unitholders if in the opinion of the Manager it is likely to exceed fourteen (14) days and will be notified to investors or Unitholders requesting issue or redemption of Units by the Manager at the time of application for such issue or filing of the written request for such repurchase.

The Manager has delegated to the Administrator the functions and discretion of registrar and paying agent in relation to the Trust.

## **7.15 Compulsory Redemption**

The Trust shall have the right to redeem without charge Units, if, in the opinion of the Manager, (i) such redemption would eliminate or reduce the exposure of the Trust or its Unitholders to adverse tax consequences, (ii) the holding of Units would prejudice the tax status or residence of the Trust, cause the Trust or its Unitholders to suffer any pecuniary or regulatory disadvantage or cause the Trust to be required to comply with any registration or like requirements in any jurisdiction where it would not otherwise be required to comply; or (iii) the holder thereof is not or ceases to be a Qualified Holder. The provisions relating to compulsory redemption shall apply equitably to all Unitholders.

The Trust will be required to withhold Irish tax on redemption monies, at the applicable rate, unless it has received from the Unitholder a Relevant Declaration in the prescribed form, confirming that the Unitholder is an Exempt Irish Investor or is not an Irish Resident and not an Irish Ordinarily Resident investor.

None of the Manager, the Trust, The Trustee, the Investment Manager or the Administrator shall be liable to the Unitholder where an application for Units is compulsorily redeemed in such circumstances. The Administrator will return application money or the balance thereof

by telegraphic transfer in accordance with any applicable laws to the account from which it was paid at the cost and risk of the Unitholder. The Administrator may refuse to pay redemption proceeds where the requisite information for verification purposes has not been produced by a Unitholder.

## **SECTION 8.0 - MANAGEMENT AND TRUST CHARGES**

### **8.1 Fees of Service Providers**

The fees of the service providers and any other applicable charges (including subscription and/or redemption charges) shall be set out in the relevant Portfolio Supplement.

### **8.2 General**

All fees and expenses relating to the re-authorisation of the Trust as a UCITS, and Central Euro Short-Term Liquidity Fund as a MMF, and the fees of the professional advisers to the Trust (including legal, accounting tax, regulatory, compliance, fiduciary and other professional advisers) ("Establishment Costs") not exceeding €50,000 will be borne by the Trust and will be amortised over the first 60 months of the lifetime of the respective Portfolio or such other period as the Manager may determine. The Establishment Costs will be charged as between the various Unit Classes established by the Manager within the amortisation period and in such manner as the Manager (with the consent of the Trustee) deem fair and equitable provided that each Portfolio thereof will bear its own direct Establishment Costs. If the effect of this accounting treatment becomes material in the future and there is a requirement to write off the unamortised balance of Establishment Costs, the Manager will reconsider this policy.

Each Portfolio is responsible for the expenses incurred by it in connection with litigation. Pursuant to provisions contained in the Trust Deed, the Trustee shall be indemnified out of the assets of a Portfolio in certain circumstances including costs and expenses incurred in litigation by or on behalf of the Portfolio. The Manager is entitled to recover from a Portfolio, the costs and expenses incurred by it in litigation by or on behalf of that Portfolio.

Save where set out in the relevant Supplement, the Trust pays out of the assets of each Portfolio, the fees of the Manager and the expenses, including Administration Expenses and Disbursements of or incurred by the Manager and the Trustee in connection with the ongoing administration and operation of such Portfolio. Such fees, expenses and disbursements payable by the Trust out of the relevant Portfolio include, but are not limited to:

- (a) fees of and expenses of the auditors, tax, legal or other professional advisers of the Trust or any Portfolio;
- (b) the fees and reasonable out of pocket expenses payable to the Manager, its delegates and the Trustee and any sub-custodian appointed in respect of such Portfolio (including sub-custodial fees, expenses and transaction charges at normal commercial rates);
- (c) any fees in respect of circulating details of the Net Asset Value and Net Asset Value per Unit (including publishing prices);
- (d) taxes or duties imposed by any fiscal authority;
- (e) brokerage or other expenses of acquiring and disposing of Investments;
- (f) the Central Bank's funding levy;
- (g) rating fees (if any);

- (h) fees and expenses in connection with the distribution of Units and costs of registration of the Trust in jurisdictions outside Ireland, to include the fees of sub-distributors and paying agents;
- (i) costs of the preparation, translation, pricing and distribution of the Prospectus and Supplements, and all reports, accounts, certificates, confirmation of purchase of Units and notice to Unitholders and any explanatory memoranda;
- (j) any necessary translation fees;
- (k) insurance premia;
- (l) custody and transfer expenses;
- (m) expenses of Unitholders' meetings;
- (n) any costs incurred as a result of periodic updates of the Prospectus, any Supplements, or of a change in law or the introduction of any new law (including any costs incurred as a result of compliance with any applicable code, whether or not having the force of law); and
- (o) any other fees and expenses relating to the creation, operation, management and administration of the Trust or attributable to the Investments of the Portfolios.

Any increase of the maximum annual fee charged by the Manager may be made only with the approval of a majority of votes cast at a general meeting of the Unitholders of that Portfolio. In the event of an increase in the maximum annual fee, Unitholders will be given a reasonable notification period of the implementation of the alteration to enable them to repurchase their Units prior to implementation of the increase.

The above expenses shall be charged as between each Portfolio and Class thereof on such terms and in such manner as the Manager (with the consent of the Trustee) deem fair and equitable.

All fees and expenses will be charged to the Portfolio (and Class thereof, if appropriate) in respect of which they were incurred or, where an expense is not considered by the Manager to be attributable to any one Portfolio (or Class thereof), the expense will normally be allocated to Classes of all Portfolios pro rata to the Net Asset Value of the relevant Portfolios. Expenses of the Trust, which are directly attributable to a specific Class of Units are charged against the income available for distribution to the holders of such Units. In the case of any fees or expenses of a regular or recurring nature, such as audit fees, the Manager may calculate such fees and expenses on an estimated figure for yearly or other periods in advance and accrue the same in equal proportions over any period.

### **8.3 Efficient portfolio management techniques - Fees and Expenses**

To the extent the Manager and/or Investment Manager takes advantage from the use of efficient portfolio management techniques in respect of a Portfolio, the policy of the Manager is that the Portfolio will bear the associated direct and indirect operational costs/fees (which should not include hidden costs) and will not participate in revenue sharing arrangements. All revenues arising from efficient portfolio management techniques, net of direct or indirect operational costs, should be returned to the relevant Portfolio. To the extent the Manager and/or Investment Manager on behalf of a Portfolio, engages in efficient portfolio management techniques, the Manager will disclose information on the costs and fees, as well as the identity of the entity or entities, to which such costs and fees are paid, indicating whether or not these are related parties to the Trustee in the annual and semi-annual reports of the Trust, to the extent required by the UCITS Requirements.

## SECTION 9.0 - TAXATION

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 Trust or to all categories of investors, some of whom may be subject to special rules. Unitholders and potential investors are advised to consult their professional advisers concerning possible taxation or other consequences of purchasing, holding, selling or otherwise disposing of the participating Units under the laws of their country of incorporation, establishment, citizenship, residence or domicile, and in the light of their particular circumstances.

Potential investors and Unitholders should note that the statements on taxation which are set out below are based on advice which has been received by the Trustee regarding the law and practice in force in the relevant jurisdiction as at the date of this Prospectus. As in 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 Trust will endure indefinitely.

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

### 9.1 Irish Taxation

The Manager has been advised that on the basis that the Trust is resident in Ireland for taxation purposes the taxation position of the Trust and the Unitholders is as set out below.

#### Definitions

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

#### **“Exempt Irish Investor”**

***The following persons who are resident in Ireland or ordinarily resident in Ireland are Exempt Irish Investors (see Sections 739B and 739D of the Taxes Act) for further details:***

- (a) an Intermediary within the meaning of Section 739B of the Taxes Act;
- (b) 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;
- (c) a company carrying on life business within the meaning of Section 706 of the Taxes Act;
- (d) an investment undertaking within the meaning of Section 739B(1) of the Taxes Act;
- (e) an investment limited partnership within the meaning of Section 739J of the Taxes Act;
- (f) a special investment scheme within the meaning of Section 737 of the Taxes Act;
- (g) a charity being a person referred to in Section 739D(6)(f)(i) of the Taxes Act;
- (h) a unit trust to which Section 731(5)(a) of the Taxes Act applies;
- (i) a person who is exempt from income tax under Schedule D by virtue of Section 207(1)(b) of the Taxes Acts;
- (j) a person who is exempt from Corporation Tax by virtue of Section 207(1)(b) of the Taxes Act as it applies for the purposes of Section 76(6) of the Taxes Acts;
- (k) a qualifying management company within the meaning of Section 739B(1) of the Taxes Act;
- (l) a specified company within the meaning of Section 734(1) of the Taxes Act;

- (m) 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;
- (n) 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;
- (o) a credit union within the meaning of Section 2 of the Credit Union Act, 1997;
- (p) an Irish Resident company investing in a money market fund being a person referred to in Section 739D(6)(k) of the Taxes Act; or
- (q) the National Asset Management Agency being a person referred to in Section 739D(6)(ka) of the Taxes Act;
- (r) 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;
- (s) an investment limited partnership within the meaning of Section 739J of the Taxes Act;
- (t) a company that is or will be within the charge to corporation tax in accordance with Section 110(2) of the Taxes Act, in respect of payments made to it by the Trust;
- (u) An Intermediary acting on behalf of unitholder listed at a) to t) above where the conditions of Section 739D(9A)(a) of the Taxes Acts have been met;
- (v) an Intermediary acting on behalf of persons who are neither Resident in the Republic of Ireland nor Ordinarily Resident in the Republic of Ireland for tax purposes; and
- (w) any other Irish Resident or Irish Ordinary Resident 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 Trust or jeopardising tax exemptions associated with the Trust giving rise to a charge to tax in the Trust,

provided that they have completed the Relevant Declaration.

In all cases where an investor considers they may be an 'Exempt Irish Investor' they should contact their own taxation advisors to ensure that they meet all necessary requirements.

#### **"Irish Resident"**

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

The following is a summary of the rules in Ireland in relation to the residence of individuals and companies:

#### Residence – Individual

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

- spends 183 days or more in Ireland in that tax year; or
- has a combined presence of 280 days in Ireland, taking into account the number of days spent in Ireland in that tax year together with the number of days spent in Ireland in the preceding year.

Presence in a tax year by an individual of not more than 30 days in Ireland will not be reckoned for the purpose of applying the two year test. Presence in Ireland for a day means the personal presence of an individual at any time during that day.

#### Residence – Company

*Companies incorporated on or after 1 January 2015*



Finance Act 2014 introduced changes to the above residency rules. From 1 January 2015, a company incorporated in Ireland will be automatically considered resident in Ireland for tax purposes, unless it is considered resident in a jurisdiction with which Ireland has a double tax agreement. A company incorporated in a foreign jurisdiction that is centrally managed and controlled in Ireland will continue to be treated as resident in Ireland for tax purposes, unless otherwise resident by virtue of a double tax agreement.

Companies incorporated prior to 1 January 2015 have until 1 January 2021 before the new corporate residency provisions take effect.

#### *Companies incorporated prior to 1 January 2015*

The Irish tax rules for companies incorporated prior to 1 January 2015 provides that a company incorporated in Ireland will be regarded for all tax purposes as being resident in Ireland. Irrespective of where a company is incorporated a company which has its central management and control in Ireland is resident in Ireland. A company which does not have its central management and control in Ireland but which is incorporated in Ireland is resident in Ireland except where:-

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

or

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

#### Residence – Trust

Determining the tax residence of a trust can be complex. A trust will generally be regarded as resident in Ireland for tax purposes if a majority of its trustees are resident for tax purposes in Ireland. Where some, but not all, of the trustees are resident in Ireland, the residency of the trust will depend on where the general administration of the trust is carried on. In addition, the provisions of any relevant double tax agreement would need to be considered. As a result, each trust must be assessed on a case by case basis.

#### **“Irish Ordinarily Resident”**

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

An individual who has been ordinarily resident in Ireland ceases to be ordinarily resident at the end of the third consecutive tax year in which s/he is not resident. Thus, an individual who is resident and ordinarily resident in Ireland in the tax years 1 January 2016 to 31 December 2018 and departs from Ireland in the tax year will remain ordinarily resident up to the end of the tax year 1 January 2021 to 31 December 2021.

#### **“Intermediary”**

means a person who: -

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

**“Ireland”** means the Republic of Ireland.

## **"Personal portfolio investment undertaking" or "PPIU"**

an investment undertaking, under the terms of which some or all of the property of the undertaking, may be or was, selected by, or the selection of some or all of the property may be, or was, influenced by – the investor, a person acting on behalf of the investor, a person connected with the investor, a person connected with a person acting on behalf of the investor, the investor and a person connected with the investor, or a person acting on behalf of both the investor and a person connected with the investor.

**"Relevant Declaration"** means the correctly completed declaration relevant to the Unitholder as set out in Schedule 2B of the Taxes Act. The Relevant Declaration for investors who are neither Irish Resident nor Irish Ordinarily Resident (or Intermediaries acting for such investors) is set out in the application form accompanying the relevant Supplement to this Prospectus.

**"Relevant Period"** means a period of 8 years beginning with the acquisition of a Unit by a Unitholder and each subsequent period of 8 years beginning immediately after the preceding Relevant Period.

**"Taxes Act"** means the Taxes Consolidation Act 1997 (of Ireland) as amended.

### **9.1.1 "The Trust"**

The Trust shall be regarded as resident in Ireland for tax purposes if the Trustee of the Trust is regarded as tax resident in Ireland. It is the intention of the Manager that the business of the Trust will be conducted in such a manner as to ensure that it is Irish resident for tax purposes.

The Manager has been advised that the Trust qualifies as an investment undertaking as defined in Section 739B of the Taxes Act. Under current Irish law and practice, on that basis, it is not chargeable to Irish tax on its income and gains.

However, tax can arise on the happening of a "chargeable event" in the Trust. A chargeable event includes any distribution payments to Unitholders or any encashment, repurchase, redemption, cancellation or transfer of Units including transfers or payments made on the death of a Unitholder. A chargeable event also includes the appropriation or cancellation of Units of a Unitholder by the Trust for the purposes of meeting the amount of appropriate tax payable on any gain arising on the transfer of an entitlement to a Unit. It also includes the end of a Relevant Period following the acquisition of the Units. To the extent that any tax arises on the ending of a Relevant Period, such tax will be allowed as a credit against any tax payable on the subsequent encashment, redemption, cancellation or transfer of the relevant Units.

However, a Trust will not be subject to Irish tax on chargeable events for certain types of investors including, inter alia, non-resident investors (see definitions section on residence for further information) and particular types of Irish investors such as charities, pension schemes, life assurance companies etc known as "Exempt Irish Investors".

No tax will arise on the Trust in respect of chargeable events for Unitholder who is neither Irish Resident nor Irish Ordinarily Resident at the time of the chargeable event provided that a Relevant Declaration is in place and the Trust is not in possession of any information that would reasonably suggest that the information contained therein is no longer materially correct.

It is no longer necessary to obtain a Relevant Declaration from Unitholders who are neither Irish Resident nor Irish Ordinarily Resident if, at the time of the chargeable event, appropriate measures have been put in place by the Trust to ensure that Unitholders in the Trust are neither Irish Resident nor Irish Ordinarily Resident and the Trust has received approval from the Irish Revenue Commissioners to this effect and the approval has not been withdrawn.

In the absence of a Relevant Declaration or the above mentioned approval from the Irish Revenue Commissioners there is a presumption that the investor is Irish Resident or Irish Ordinarily Resident

A chargeable event does not include:

- an exchange by a Unitholder effected by way of arms length bargain where no payment is made to the Unitholder, of Units in the Trust for other Units in the Trust;
- any transactions (which might otherwise be a chargeable event) in relation to units held in a recognised clearing system as designated by order of the Irish Revenue Commissioners;
- a transfer by a Unitholder of the entitlement to a Unit where the transfer is between spouses and former spouses, civil partners and former civil partners subject to certain conditions; or
- an exchange of Units arising on a qualifying amalgamation or reconstruction (within the meaning of Section 739H of the Taxes Act) of the Trust with another investment undertaking within the meaning of Section 739B.

Where the Trust is liable to account for Irish tax on gains arising on chargeable events the rate of tax is 41% (current rate) for all distributions and all other chargeable events except where the Unitholder is a company which has made a declaration in the required form.

Where the Trust is liable to account for Irish tax on gains arising on chargeable events in respect of a Unitholder which is a company, the rate of tax is 25% (current rate) provided the Trust is in possession of the necessary declaration.

#### **Recovery of tax by the Trust**

The Trust is entitled to deduct any tax arising from payments to the Unitholder. Where no payment is involved the Trust is entitled to cancel or appropriate sufficient Units of the Unitholder to meet the tax liability. As noted above such appropriation is itself a Chargeable Event.

#### **Other relevant Irish taxes**

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

Distributions and interest receipts on securities issued in countries other than Ireland may be subject to taxes including withholding taxes imposed by such countries. The Trust may not be able to benefit from a reduction in the rate of withholding tax under any double taxation agreement in operation between Ireland and other countries.

### **9.1.2 Taxation of Unitholders**

- (i) Unitholders who are neither Irish Resident nor Irish Ordinarily Resident

The Trust will not have to deduct tax on the occasion of a chargeable event in respect of a Unitholder if (a) the Unitholder is neither Irish Resident nor Irish Ordinarily Resident, (b) the Unitholder has made a Relevant Declaration and (c) the Trust is not in possession of any information which would reasonably suggest that the information contained therein is not, or is no longer materially correct.

Alternatively where the Trust has put in place appropriate measures to ensure that Unitholders in the Trust are neither Irish Resident nor Irish Ordinarily Resident and the Trust has received the appropriate approval from the Irish Revenue Commissioners, there will be no requirement to deduct tax on the occasion of the happening of a chargeable event. In the absence of a Relevant Declaration or the approval from the Irish Revenue

Commissioners referred to above, tax will arise on the happening of a chargeable event in the Trust regardless of the fact that a Unitholder is neither Irish Resident nor Irish Ordinarily Resident. The appropriate tax that will be deducted is as described below.

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

Unitholders who are neither Irish Resident nor Irish Ordinarily Resident and who have made Relevant Declarations in respect of which the Trust is not in possession of any information which would reasonably suggest that the information contained in the Relevant Declaration is not, or is no longer materially correct, (or if the Trust has the necessary approval from the Irish Revenue Commissioners that appropriate equivalent measures are in place) will not be liable to Irish tax in respect of income from their Units and gains made on the disposal of their Units. However, any corporate Unitholder which is not Irish Resident and which holds Units directly or indirectly by or for a trading branch or agency in Ireland may be liable to Irish tax on income from their Units or gains made on disposals of the Units.

(ii) Unitholders who are Irish Resident or Irish Ordinarily Resident

Unless a Unitholder is an Exempt Irish Investor (as defined above) and, makes a Relevant Declaration to that effect and the Trust is not in possession of any information that would reasonably suggest that the information contained therein is no longer materially correct, tax will be required to be deducted by the Trust from distributions and other chargeable events in relation to a Unitholder who is Irish Resident or Irish Ordinarily Resident.

Where the chargeable event is the ending of a Relevant Period, in certain circumstances the Trust may elect not to apply a withholding tax and will advise the Irish Revenue Commissioners of this election.

Where a Unitholder does not meet the conditions to make the necessary declaration or a declaration has not been correctly made distributions and/or disposals are taxed as follows:

(a) *Non-corporate Unitholders*

For non-corporate non exempt Irish Resident or Irish Ordinarily Resident Unitholders, where tax has been correctly deducted by the Trust on payments received, the Unitholder will not be subject to further Irish tax on income from their Units or gains made on the disposal of their Units. They may however be liable to tax on foreign currency gains as outlined below.

Any non-corporate non exempt Irish Resident or Irish Ordinarily Resident Unitholders who receive a payment from the Trust from which tax has not been deducted will be taxable on that payment. However, where the payment is in respect of the cancellation, redemption, repurchase or transfer of Units, such income shall be reduced by the amount of the consideration in money or money's worth given by the Unitholders for the acquisition of the Units. The rate of tax will normally be 41%. However, where the Trust is considered a PPIU (see details below) in respect of the unitholder the rate of tax will depend on whether payment is correctly included in a return made by that person. Where the payment is correctly included in a return the payment is subject to tax at the PPIU rate of 60% for all distributions and other chargeable events where it is not correctly included the PPIU rate of

80% may apply. Such Unitholders may also be liable to tax on foreign currency gains as outlined below.

Where a non-corporate Irish Resident Unitholder disposes of Units and realises a loss, this loss will not be available for set off against any other gains of the investor.

Anti-avoidance measures apply to Irish Resident and Irish Ordinarily Resident individuals in the case of certain investments in investment undertakings (such as the Trust). If the investment undertaking is regarded as a PPIU for such an individual Unitholder then any payment to such a Unitholder will be taxed at a rate of 60% (current rate). It is a matter of fact whether or not the Unitholder or a connected person has a right of selection as envisaged in the anti-avoidance measures. Further penalties of tax can apply where tax returns in relation to distributions from a PPIU are incorrectly made by a Unitholder.

*(b) Corporate Unitholders*

Non-exempt Irish corporate Unitholders who i) have made the necessary declaration, ii) who receive distributions from which tax has been deducted iii) who do not hold the units as part of the a Case I trade and iv) who are not a "qualifying company" for the purposes of Section 110 of the Taxes Acts will be treated as having received an annual payment chargeable to tax under Case IV of Schedule D from which tax at the rate of 25% (current rate) has been deducted. Such Unitholders may also be liable to tax on foreign currency gains as outlined below.

Any corporate Unitholders who are resident in Ireland and receive a payment from the Trust from which tax has not been deducted will be fully taxable on that payment under Case IV of Schedule D (except where the Units are held on a trading account, in which case they are taxable under Case I of Schedule D) or where the unitholder is a "qualifying company" for the purposes of Section 110 of the Taxes Acts. However, where the payment is in respect of the cancellation, redemption, repurchase or transfer of Units, such income shall be reduced by the amount of the consideration in money or money's worth given by the Unitholders for the acquisition of the Units. Such Unitholders may also be liable to tax on foreign currency gains as outlined below.

### **9.1.3 Non-Euro Denominated Units**

Where Units are denominated in currency other than Euro, certain Irish Resident Shareholders will be liable to tax on chargeable gains at the rate applicable at the time (currently 33%) on the foreign exchange difference between the foreign currency and the Euro for the duration of the Shareholding period. Persons who are neither Resident in the Republic of Ireland nor Ordinarily Resident in the Republic of Ireland should normally only be liable to this charge if the Shares are held for the purpose of a trade carried on through a Branch or agency in the Republic of Ireland.

### **9.1.4 Refunds**

Where tax is withheld by the Trust on the basis that no Relevant Declaration has been filed with the Trust by the Unitholders, Irish tax legislation does not provide for a refund of tax to non-corporate Unitholders or to corporate Unitholders who are not resident in Ireland and who are not within the charge to Irish corporation tax other than in the following circumstances:

- (i) The appropriate tax has been correctly returned by the Trust and within one year of the making of the return the Trust 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 Trust.
- (ii) Where a claim is made for a refund of Irish tax under Section 189, 189A and 192 of the Taxes Act (relieving provisions relating to certain incapacitated persons).

### **9.1.5 Irish Courts Service**

Where Units are held by the Courts Service no tax is deducted by the Trust on payments made to the Courts Service. Where money under the control or subject to the order of the Courts Service is applied to acquire Units in the Trust, the Courts Service assumes, in respect of those Units acquired, the responsibilities of the Trust with regard to, inter alia, deduction of tax in respect of chargeable events, filing returns and collection of the tax.

In addition, the Courts Service must make, in respect of each year of assessment, on or before 28 February in the year following the year of assessment, a return to the Revenue Commissioners which:-

- (i) specifies the total amount of gains arising to the investment undertaking in respect of the Units acquired and
- ii) specifies in respect of each person who is or was beneficially entitled to those Units-
  - a. where available, the name and address of the person,
  - b. the amount of total gains to which the person has beneficial entitlement, and
  - c. such other information as the Revenue Commissioners may require.

### **9.1.6 Capital Acquisitions Tax**

The disposal of Units in the Trust by the Unitholder will not generally be subject to Irish gift or inheritance tax (Capital Acquisitions Tax) at 33% (current rate) provided (a) at the date of the gift or inheritance, the donee or successor is neither Irish domiciled nor Irish Ordinarily Resident and (b) at the date of the disposition the Unitholder disposing of the Units is not Irish domiciled nor Irish Ordinarily Resident in Ireland and (c) the Units are comprised in the gift or inheritance at the date of such gift or inheritance and at the "valuation date" (as defined for Capital Acquisitions Tax purposes).

### **9.1.7 Stamp Duty**

Generally, no stamp duty is payable in Ireland on the issue, transfer, repurchase or redemption of Units in the Trust. Where any subscription for or redemption of Units is satisfied by the in specie transfer of Irish securities or other Irish property, Irish stamp duty might arise on the transfer of such securities or property.

No Irish stamp duty will be payable by the Trust on the conveyance or transfer of stock or marketable securities provided that the stock or marketable securities in question have not been issued by a company registered in Ireland and provided that the conveyance or transfer does not relate to any immovable property situated in Ireland or any right over or interest in such property or to any stocks or marketable securities of a company (other than a company which is an investment undertaking within the meaning of Section 739B of the Taxes Act) which is registered in Ireland.

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

## **9.2 Tax Information Reporting**

### *i) Irish Unit Holders*

There is an obligation on the Trust to periodically report information to the Irish Revenue Commissioners in relation to certain Unitholders and the value of their investments in the Trust. The obligation arises in relation to Unitholders who are either Irish Resident or Irish Ordinarily Resident (other than Exempt Irish Investors).

ii) *FATCA*

Ireland has entered into a "Model 1" - type intergovernmental agreement with the United States of America (the "IGA") in relation to FATCA. Ireland has also introduced the provisions of the IGA into Irish law. The Trust intends to carry on its business in such a way as to ensure that it is treated as complying with FATCA, pursuant to the terms of the IGA. Unless an exemption applies, the Trust shall be required to register with the US Internal Revenue Service as a 'reporting financial institution' for FATCA purposes and report information to the Irish Revenue Commissioners relating to certain Unitholders for FATCA purposes. Exemptions from the obligation to register for FATCA purposes and from the obligation to report information for FATCA purposes are available only in limited circumstances. Any information reported by the Trust to the Irish Revenue Commissioners will be communicated to the US Internal Revenue Service pursuant to the IGA. It is possible that the Irish Revenue Commissioners may also communicate this information to other tax authorities pursuant to the terms of any applicable double tax treaty, intergovernmental agreement or exchange of information regime.

Accordingly, in order to comply with its FATCA obligations, the Trust may require investors to provide it with information and documentation prescribed by applicable law and such additional documentation as reasonably requested. Each prospective investor should consult their own tax advisor regarding the requirements under FATCA with respect to their particular circumstances.

The Trust does not expect to be subject to FATCA withholding tax in respect of its US source income for so long as it complies with its FATCA obligations. FATCA withholding tax would only be envisaged to arise on US source payments to the Trust if the Trust did not comply with its FATCA registration and reporting obligations and the US Internal Revenue Service specifically identified the Trust as being a 'non-participating financial institution' for FATCA purposes.

Although the Trust will use commercially reasonable efforts to comply with any requirements that are necessary to avoid the imposition of withholding taxes on payments to the Trust pursuant to FATCA, no assurance can be given that the Trust will be able to satisfy these obligations. If the Trust becomes subject to a withholding tax as a result of FATCA, the return of all investors may be materially affected.

iii) *OECD Common Reporting Standard*

The automatic exchange of information regime (known as the "Common Reporting Standard" or "CRS") developed by the Organisation for Economic Co-operation and Development applies in Ireland. Under this regime, the Trust is required to report information to the Irish Revenue Commissioners relating to all Unitholders, including the identity, residence and tax identification number of Unitholders in addition to details of the amount of income and sale or redemption proceeds received by Unitholders in respect of the Units they hold. This information may then be shared by the Irish Revenue Commissioners with tax authorities in other EU member states and other jurisdictions which have implemented the OECD Common Reporting Standard.

The OECD Common Reporting Standard replaces the previous European information reporting regime in respect of savings income under Directive 2003/48/EC (commonly known as the EU Savings Directive regime).

## APPENDIX I

### General Information

#### Convening of Meetings

- (a) The Trustee or the Manager may convene a meeting of Unitholders of the Trust or any Portfolio or any class within a Portfolio at any time. The Trustee must convene such a meeting if requested in writing to do so by the holders of not less than 15% in aggregate of the Units in issue in the Trust, the Portfolio or the Class, as appropriate (excluding Units held by the Manager).
- (b) Some person (who need not be a Unitholder or a representative of a Unitholder) nominated in writing by the Trustee shall preside as Chairman at every meeting and if no such person is nominated or if at any meeting the person nominated shall not be present within fifteen minutes after the time appointed for holding the meeting the Unitholders present shall choose one of their number to be Chairman.

#### Notice

Not less than fourteen (14) days' notice in writing of every meeting of the Trust, any Portfolio or any Class within a Portfolio must be given to Unitholders. The notice shall specify the place, day and hour of the meeting and terms of the resolution to be proposed. A copy of the notice shall be sent by post to the Trustee unless the meeting shall be convened by the Trustee. A copy of the notice shall be sent by post to the Manager unless the meeting shall have been convened by the Manager. The accidental omission to give notice to or the non-receipt of notice by any of the Unitholders shall not invalidate the proceedings at any meeting.

#### Quorum

A quorum at any meeting of the Trust, any Portfolio or any Class within a Portfolio shall be two Unitholders present in person or by proxy (unless the Trust or such Portfolio or class has only one Unitholder, in which case only one Unitholder shall be required). No business shall be transacted at any meeting unless the requisite quorum is present at the commencement of business.

#### Resolutions

All business transacted at a meeting of Unitholders of the Trust, any Portfolio or any Class within a Portfolio duly convened and held shall be by way of resolution i.e. by a simple majority of the Unitholders present in person or by proxy unless before or on the declaration of the result of the show of hands, a poll is duly demanded by the Chairman or by one or more Unitholders present in person or by proxy and holding or representing one-twentieth of the number of Units for the time being in issue.

The rights and restrictions attaching to Units shall be as follows:

- (i) all Units in the Trust shall carry equal voting rights, except that in matters affecting, in the opinion of the Trustee, only a particular Portfolio, or, as the case may be, a class within a Portfolio only holders of Units of that Portfolio or, as the case may be, a class within a Portfolio shall be entitled to vote for every Unit of which he is a Unitholder; and
- (ii) every Unitholder that is present in person or by proxy at any meeting of Unitholders of the Trust, any Portfolio or any class within a Portfolio shall have one vote; and
- (iii) the holder of each Unit shall be entitled to such interest distribution as the Manager may from time to time determine.

#### Reports

In respect of each Accounting Period, the Manager shall cause to be audited and certified by the Auditor an annual report relating to the management of the Trust and each of its Portfolios. Such



annual report shall contain such information required by the Central Bank and the UCITS Requirements. There shall be attached to such annual report a statement by the Trustee in relation to the Trust and each of its Portfolios and a statement of such additional information as the Central Bank may specify.

The annual report shall be published within four months after the end of the Accounting Date to which it relates and will be sent by the Manager to all Unitholders who so request free of charge.

The Manager shall prepare an un-audited half-yearly report for the six months immediately succeeding an Accounting Period (being 30 March in each year) by reference to which the last annual report of the Trust and of each of the Portfolios was prepared. Such half-yearly report shall contain such information required by the Central Bank and the UCITS Requirements.

The said half-yearly report shall be published within two months after the end of the period to which it relates and will be sent by the Manager to all Unitholders who so request free of charge.

The first annual report of the re-authorised Trust will be made up to 30 September 2019. The first half-yearly report of the re-authorised Trust will cover the period ending 30 March 2019.

The Manager shall provide the Central Bank with any monthly or other reports it may require.

The Trust Deed will be available at the respective registered offices of the Manager and the Trustee. In addition, a copy of the Trust Deed will be sent by the Manager to Unitholders, upon written request.

### **Notices**

All notices or other documents directed to be given or sent by the Trustee or the Manager to a Unitholder and all cheques, warrants, payments or transfers directed to be sent or made by the Trustee or the Manager to such Unitholder shall (unless the Trustee or the Manager as the case may require be otherwise directed in writing) be sent by post or made to him at his address as appearing on the register of Unitholders and in the case of joint Unitholders shall be sent or made to whomsoever of such Unitholders is named first on the register of Unitholders. A notice so given shall be sufficient notice to all such joint Unitholders.

Any notice shall be deemed to have been received by the Unitholder on the seventh day following the day on which the same was posted and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice was posted.

Any notice or other document which is sent by post or left at the registered address of the Unitholder named therein or dispatched by the Manager or the Trustee in accordance with any Unitholder's instructions shall be so sent, left or dispatched at the risk of such Unitholder.

### **Minimum Viable Size**

Each Portfolio must achieve a Net Asset Value of at least €5 million or such other amount as may be determined by the Manager and notified to Unitholders in the relevant Portfolio from time to time (the "Minimum Viable Size") within 24 months of its launch. In the event that a Portfolio does not reach the Minimum Viable Size within such period, or subsequently drops below such Minimum Viable Size following such period, then, upon prior written notice, the Manager may redeem any Units in issue in the Portfolio and return the redemption proceeds to Unitholders.

### **Termination**

The Trust or any of its Portfolios may be terminated by the Trustee by notice to the Manager in writing as hereinafter provided upon the occurrence of any of the following events, namely:

- (i) if the Manager shall go into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee such approval not to be unreasonably withheld or delayed)

or ceases business or if an examiner is appointed to it or a receiver appointed over any part of its assets or if a resolution is passed to wind up the Trust;

- (ii) if in the reasonable opinion of the Trustee, the Manager shall be incapable of performing or shall in fact fail to perform its duties satisfactorily or shall do any other thing which in the reasonable opinion of the Trustee is intended to bring the Trust into disrepute or to be harmful to the interests of the Unitholders;
- (iii) if any law shall be passed which renders it illegal or in the reasonable opinion of the Trustee impracticable or inadvisable to continue the Trust or, as the case may be, any Portfolio;
- (iv) if within a period of three months from the date of the Trustee expressing in writing to the Manager its desire to retire a qualified person acceptable to the Manager and the Central Bank to act as new trustee has not been appointed; or
- (v) if no successor trustee has been appointed within a period of three months of the date on which notice of removal of the Trustee is given by the Manager.

The Trust or any of its Portfolios may be terminated by the Manager in its absolute discretion by notice in writing to the Trustee as hereinafter provided in any of the following events, namely:

- (i) if the Trustee shall go into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Manager) or ceases business or becomes (in the reasonable judgment of the Manager) subject to the de facto control of some corporation or person of whom the Manager does not reasonably approve or if a receiver is appointed in respect of any of the assets of the Trustee or if an examiner is appointed to the Trustee pursuant to the Act;
- (ii) if one year from the date of the first issue of Units or on any Dealing Day thereafter the Net Asset Value of all of the Portfolios shall be less than €100,000,000 or its equivalent in other currencies;
- (iii) if the Trust shall cease to be an authorised unit trust under the Act or if any of its Portfolios shall cease to be authorised by the Central Bank;
- (iv) if any law shall be passed which renders it illegal or in the reasonable opinion of the Manager impracticable or inadvisable to continue the Trust or any of its Portfolios;
- (v) if within a period of three months from the date of the Manager expressing in writing to the Trustee its desire to retire, a replacement manager shall not have been appointed;
- (vi) if within a period of three months from the date of any Investment Manager expressing in writing to the Manager its desire to retire the Manager shall have failed to appoint a new Investment Manager.

The party terminating the Trust or a Portfolio shall give notice thereof to the Unitholders affected thereby in the manner herein provided and by such notice fix the date on which such termination is to take effect which date shall not be less than one month after the service of such notice.

The Trust or any of its Portfolios may at any time be terminated by resolution of a meeting of the Unitholders duly convened and held in accordance with the provisions contained in the Schedule to the Trust Deed and such termination shall take effect from the date on which the said resolution is passed or such later date (if any) as the said resolution may provide.

Upon the Trust being terminated, the Trustee shall at its discretion distribute, to the Unitholders in each Portfolio pro rata to the number of Units in each Portfolio held by them respectively all net cash

proceeds derived from the realisation of the Investments (or by agreement between the Trustee, the Manager and any individual Unitholder, transfer to the Unitholder Investments provided that the value thereof shall not exceed the amount which would otherwise be payable in cash and the Manager shall, if requested by that Unitholder and at the cost and expense of that Unitholder, procure the sale of the Investments) and any other cash then forming part of Portfolio and available for the purpose of such distribution, provided that the Trustee shall be entitled to retain out of any monies in its hands under the provisions of this clause full provision for all Duties and Charges and all other necessary expenses accrued relating to such Portfolio which the Trustee is or may become liable in connection with the sale of Investments and with such distribution as aforesaid.

On a winding up of all the Portfolios, the balance of any assets of the Trust then remaining, not comprised in any of the Portfolios shall be apportioned as between Portfolios (and any class thereof) pro rata to the Net Asset Value of each Portfolio (and any classes thereof) immediately prior to any distribution to Unitholders and such balance shall be distributed amongst the Unitholders of each class within a Portfolio pro rata to the number of Units in each class of that Portfolio held by them. Every such distribution shall be made only after the production of evidence of title to the Units to the satisfaction of the Trustee together with such form of request for payment and receipt as the Trustee shall in its absolute discretion require.

Any unclaimed net proceeds or other cash held by the Trustee under the provisions of Clause 19.2 of the Trust Deed may at the expiration of twelve months from the date on which the same were payable be paid into court subject to the right of the Trustee to deduct therefrom any expenses it may incur in carrying out this provision.

#### **Continuance or Retirement of Manager**

The Manager shall so long as the Trust subsists continue to act as the manager thereof in accordance with the terms of the Trust Deed.

The Manager for the time being shall be subject to removal and shall be so removed by notice in writing given by the Trustee to the Manager in any of the following events:

- (i) if the Manager goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee, such consent not to be unreasonably withheld or delayed); or
- (ii) if a receiver is appointed in respect of any of the assets of the Manager; or
- (iii) or if an examiner is appointed to the Manager pursuant to the Companies (Amendment) Act 1990; or
- (iv) if a resolution is passed to wind up the Trust; or
- (v) if a Meeting of the Unitholders by resolution determines that the Manager should retire.

and the Manager shall, upon notice by the Trustee, ipso facto cease to be the Manager save in the case of (v) above when 3 months notice should be given.

The Manager shall have the power, on giving three months' written notice to the Trustee, to retire in favour of some other corporation approved by the Trustee and the Central Bank upon and subject to such corporation entering into an acceptable deed.

The Manager shall cease to hold office in the event of the appointment by the Central Bank of a new manager under the UCITS Regulations.

#### **Continuance or Retirement of Trustee**

The Trustee shall so long as the Trust subsists continue to act as the Trustee thereof in accordance with the terms of the Trust Deed.

Subject to the paragraph below, the Trustee shall not be entitled to retire voluntarily except upon the appointment of a new trustee.

- (a) Subject to the terms of the Trust Deed, the Trustee may retire voluntarily by the issue of a notice in writing delivered or posted, postage pre-paid, to the Manager, such termination to take effect not sooner than ninety days (or such shorter notice period as such other party may agree to accept) after the date of such delivery or posting; provided that the Trustee may at any time immediately retire:
  - (i) in the event of the winding up of, or the appointment of an administrator, examiner or receiver to, the other or upon the happening of a like event at the direction of an appropriate regulatory agency or court of competent jurisdiction; or
  - (ii) if the other shall commit any material breach of the provisions of this Trust Deed and shall (if such breach is capable of remedy) not have remedied the same within 30 days after the service of notice requiring it to be remedied; or
  - (iii) if fraud is proven against the Manager; or
  - (iv) if the continued performance of this Trust Deed shall for any reason cease to be lawful; or
  - (v) if the Trustee ceases to be permitted to act as a depositary to collective investment schemes authorised by the Central Bank under Irish law.
- (b) On the retirement of the Trustee under the provisions of the Trust Deed the Trustee shall:
  - (i) be entitled to receive all fees and other moneys accrued up to the date of such retirement and costs reasonably and necessarily incurred; and
  - (ii) at the reasonable expense of the Trust deliver or cause or procure to be delivered to or to the order of any succeeding depositary approved by the Central Bank (if any), in the event of the winding up of the Trust, the Custody Investments and all the documents of title to or evidencing ownership of the Custody Investments then held in pursuance of the Trust Deed duly endorsed or otherwise in requisite form for transfer together with all books of account, records (electronic or manual), registers, correspondence, documents and other assets exclusively relating to the affairs of or belonging to the Trust in the possession of or under the control of the Trustee.
- (c) In the event that notice to retire is given by the Trustee pursuant to the terms of the Trust Deed and in the event that no succeeding depositary approved by the Central Bank is appointed by the Manager within the applicable notice period, the Trustee may terminate the Trust and revocation of the Trust's authorisation will be sought from the Central Bank provided that the Trustee shall remain in office until the Trust's authorisation has been revoked. In the event of the Trustee desiring to retire, the Manager may appoint any duly qualified corporation which is acceptable to the Central Bank to be the trustee in the place of the retiring Trustee. The Manager will use reasonable endeavours to appoint such a duly qualified corporation upon receipt of notification from the Trustee of its desire to retire. The Trustee shall cease to hold office in the event of the appointment by the Central Bank of a new Trustee under the UCITS Regulations.

Upon retirement (if not already paid as required), the Trustee shall be paid all fees and expenses accrued up to the date of its retirement.

The Manager may remove the Trustee by notice in writing given by the Manager in any of the following events:-

- (i) if the Trustee goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Manager, such approval not to be unreasonably withheld) or if an examiner is appointed to it or a receiver appointed over any part of its assets; or
- (ii) if, for good and sufficient reason, the Manager is of opinion and so states in writing to the Trustee that a change of Trustee is desirable in the interests of the Unitholders, provided that if the Trustee shall be dissatisfied with such opinion, the matter shall be referred to the President for the time being of the Incorporated Law Society of Ireland for determination (the "Arbitrator") and his or her determination shall be final and bind the parties; or
- (iii) if a Meeting of the Unitholders by resolution determines that the Trustee should retire.

In the case of (i) above and, in the case of (ii) above if the Arbitrator determines that the Trustee should be removed, and in the case of (iii) above, after the expiration of three months, the Trustee shall, upon notice by the Manager as aforesaid, ipso facto cease to be the Trustee and as soon as practicable thereafter the Manager shall (with the prior consent of the Central Bank) by writing, under its seal, appoint as Trustee some other qualified corporation subject to such corporation entering into such deeds as are required by the Manager to secure the due performance of the new Trustee's duties.

#### **Documents Available to be Obtained**

The following documents may be obtained free of charge from the registered office of the Manager on request from the date of this Prospectus:

- (a) the Trust Deed;
- (b) the Central Bank Regulations and the UCITS Regulations;
- (c) annual reports, incorporating audited financial statements and half-yearly reports, incorporating unaudited financial statements, when published; and
- (d) historical performance of the Trust.

## APPENDIX II

### List of Recognised Exchanges

With the exception of permitted investments in unlisted securities, the Manager, on behalf of the Trust, will only invest in those securities listed or traded on a stock exchange or market listed below as supplemented and amended from time to time. These stock exchanges and markets are listed in accordance with the regulatory criteria as defined in the Central Bank Regulations, it being noted that the Central Bank does not issue a list of approved markets and exchanges.

1. All stock exchanges in the EEA and OECD on which transferable securities admitted to official listing are dealt in or traded.

2. The following stock exchanges:-

in Argentina	the Buenos Aires Stock Exchange
in Brazil	the Rio de Janeiro Stock Exchange the Sao Paulo Stock Exchange
in China	the Shanghai Stock Exchange the Shenzhen Stock Exchange
in India	the National Stock Exchange the Bombay Stock Exchange the Delhi Stock Exchange the Madras Stock Exchange the Mumbai Stock Exchange
in the Republic of Korea	the Korea Stock Exchange KOSDAQ
in Malaysia	the Kuala Lumpur Stock Exchange
in Mexico	the Mexican Stock Exchange
in Philippines	the Philippines Stock Exchange the Manila Stock Exchange
in Singapore	the Stock Exchange of Singapore Limited
in South Africa	the Johannesburg Stock Exchange
in Taiwan	the Taiwan Stock Exchange
in Thailand	the Stock Exchange of Thailand the Bangkok Stock Exchange
in Turkey	the Istanbul Stock Exchange

(a) The Second Marche of the stock exchange set up in France in accordance with the laws of France;

- (b) The Tokyo Over-the-Counter Market regulated by the Securities Dealers Association of Japan;
- (c) The Alternative Investment Market regulated and operated by the London Stock Exchange Limited;
- (d) The over the counter market in the United States regulated by the National Association of Securities Dealers;
- (e) The market in the United Kingdom known previously as the "Grey Book Market" that is conducted through persons governed by Chapter 3 of the Financial Services Authority's Market Conduct Sourcebook (inter-professional conduct);
- (f) The markets organised by the International Securities Market Association;
- (g) The market in US government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York.;
- (h) NASDAQ (the electronic inter-dealer quotation system of America operated by the National Association of Securities Dealers Inc.);
- (i) Euronet;
- (j) Marché à Terme International de France;

3.

For the purposes only of determining the value of the assets of a Portfolio, the term "Recognised Exchange" shall be deemed to include, in relation to any futures or options contract utilised by a Portfolio for the purposes of efficient portfolio management, performance enhancement or to provide protection against exchange risk, any organised exchange or market on which such futures or options contracts are regularly traded and may include the following:

- (a) The Chicago Board of Trade;
- (b) The Chicago Board Options Exchange;
- (c) The Chicago Mercantile Exchange
- (d) Hong Kong Exchanges and Clearing Limited (HKEx);
- (e) The London International Financial Futures Exchange (LIFFE);
- (f) Marchè de Options Négociables de Paris (MONEP);
- (g) MEFF Renta Fija (the Barcelona Futures Exchange);
- (h) MEFF Renta Variable (the Madrid Futures Exchange);
- (i) Sydney Futures Exchange;
- (j) Tokyo International Financial Futures Exchange (TIFFE);
- (k) EUREX;
- (l) New York Mercantile Exchange (NYMEX).

## APPENDIX III

### UCITS Investment Restrictions Template

<b>1</b>	<b>Permitted Investments</b>
<b>1.1</b>	Investments of a UCITS are confined to: Transferable securities and money market instruments which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State.
<b>1.2</b>	Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.
<b>1.3</b>	Money market instruments other than those dealt on a regulated market.
<b>1.4</b>	Units of UCITS.
<b>1.5</b>	<b>UNITS OF AIFS</b>
<b>1.6</b>	Deposits with credit institutions
<b>1.7</b>	Financial derivative instruments
<b>2</b>	<b>Investment Restrictions</b>
<b>2.1</b>	A UCITS may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.
<b>2.2</b>	Recently Issued Transferable Securities Subject to paragraph (2) a responsible person shall not invest any more than 10% of assets of a UCITS in securities of the type to which Regulation 68(1)(d) of the UCITS Regulations 2011 apply. Paragraph (1) does not apply to an investment by a responsible person in US Securities known as “ Rule 144 A securities” provided that; (a) the relevant securities have been issued with an undertaking to register the securities with the SEC within 1 year of issue; and (b) the securities are not illiquid securities i.e. they may be realised by the UCITS within 7 days at the price, or approximately at the price, which they are valued by the UCITS.
<b>2.3</b>	A UCITS may invest no more than 10% of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.
<b>2.4</b>	[Intentionally left blank].
<b>2.5</b>	The limit of 10% (in 2.3) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.
<b>2.6</b>	The transferable securities and money market instruments referred to in 2.4. and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in 2.3.
<b>2.7</b>	Cash booked in accounts and held as ancillary liquidity shall not exceed: (a) 10% of the net assets of the UCITS; or (b) where the cash is booked in an account with the Depositary, 20% of net assets of the UCITS.
<b>2.8</b>	The risk exposure of a UCITS to a counterparty to an OTC derivative may not exceed 5% of net assets.



	<p>This limit is raised to 10% in the case of a credit institution authorised in the EEA; a credit institution authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988; or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand</p>
<b>2.9</b>	<p>Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of net assets:</p> <ul style="list-style-type: none"> <li>- investments in transferable securities or money market instruments;</li> <li>- deposits, and/or</li> <li>- counterparty risk exposures arising from OTC derivatives transactions.</li> </ul>
<b>2.10</b>	<p>The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of net assets.</p>
<b>2.11</b>	<p>Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.</p>
<b>2.12</b>	<p>A UCITS may invest up to 100% of net assets in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international body of which one or more Member States are members.</p> <p>The individual issuers must be listed in the prospectus and may be drawn from the following list:  OECD Governments (provided the relevant issues are investment grade), Government of the People's Republic of China, Government of Brazil (provided the issues are of investment grade), Government of India (provided the issues are of investment grade), Government of Singapore, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority, Straight-A Funding LLC.</p> <p>The UCITS must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of net assets.</p>
<b>3</b>	<b>Investment in Collective Investment Schemes ("CIS")</b>
<b>3.1</b>	<p>A UCITS may not invest more than 20% of net assets in any one CIS.</p>
<b>3.2</b>	<p>Investment in AIFs may not, in aggregate, exceed 30% of net assets.</p>
<b>3.3</b>	<p>The CIS are prohibited from investing more than 10 per cent of net assets in other open-ended CIS.</p>
<b>3.4</b>	<p>When a UCITS invests in the units of other CIS that are managed, directly or by delegation, by the UCITS management company or by any other company with which the UCITS management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription, conversion or redemption fees on account of the UCITS investment in the units of such other CIS.</p>

3.5	Where by virtue of investment in the units of another investment fund, a responsible person, an investment manager or an investment advisor receives a commission on behalf of the UCITS (including a rebated commission), the responsible person shall ensure that the relevant commission is paid into the property of the UCITS.
<b>4</b>	<b>Index Tracking UCITS</b>
4.1	A UCITS may invest up to 20% of net assets in shares and/or debt securities issued by the same body where the investment policy of the UCITS is to replicate an index which satisfies the criteria set out in the Central Bank UCITS Regulations and is recognised by the Central Bank
4.2	The limit in 4.1 may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.
<b>5</b>	<b>General Provisions</b>
5.1	An investment company, ICAV or management company acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
5.2	<p>A UCITS may acquire no more than:</p> <ul style="list-style-type: none"> <li>(i) 10% of the non-voting shares of any single issuing body;</li> <li>(ii) 10% of the debt securities of any single issuing body;</li> <li>(iii) 25% of the units of any single CIS;</li> <li>(iv) 10% of the money market instruments of any single issuing body.</li> </ul>
5.3	<p>NOTE: The limits laid down in (ii), (iii) and (iv) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated.</p> <p>5.1 and 5.2 shall not be applicable to:</p> <ul style="list-style-type: none"> <li>(i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;</li> <li>(ii) transferable securities and money market instruments issued or guaranteed by a non-Member State;</li> <li>(iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;</li> <li>(iv) shares held by a UCITS in the capital of a company incorporated in a non-member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the UCITS can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed.</li> <li>(v) Shares held by an investment company or investment companies or ICAV or ICAVs in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at unit-holders' request exclusively on their behalf.</li> </ul>
5.4	UCITS need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.
5.5	The Central Bank may allow recently authorised UCITS to derogate from the provisions of 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading.
5.6	If the limits laid down herein are exceeded for reasons beyond the control of a UCITS, or as a result of the exercise of subscription rights, the UCITS must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its

	unitholders.
<b>5.7</b>	Neither an investment company, ICAV nor a management company or a trustee acting on behalf of a unit trust or a management company of a common contractual fund, may carry out uncovered sales of: <ul style="list-style-type: none"> <li>- transferable securities;</li> <li>- money market instruments*;</li> <li>- units of investment funds; or</li> <li>- financial derivative instruments.</li> </ul>
<b>5.8</b>	A UCITS may hold ancillary liquid assets.
<b>6</b>	<b>Financial Derivative Instruments ('FDIs')</b>
<b>6.1</b>	The UCITS global exposure relating to FDI must not exceed its total net asset value.
<b>6.2</b>	Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank UCITS Regulations/Guidance. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in Central Bank UCITS Regulations.)
<b>6.3</b>	UCITS may invest in FDIs dealt in over-the-counter (OTC) provided that <ul style="list-style-type: none"> <li>- The counterparties to over-the-counter transactions (OTCs) are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.</li> </ul>
<b>6.4</b>	Investment in FDIs are subject to the conditions and limits laid down by the Central Bank

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

## Money Market Fund (“MMF”) Investment Restrictions Template

<b>1</b>	<b>Eligible Assets</b>
	An MMF shall invest only in one or more of the following categories of financial assets and only under the conditions specified in the Money Market Fund Regulation (“MMFR”):
1.1	Money market instruments.
1.2	Eligible securitisations and asset-backed commercial paper (“ABCPs”).
1.3	Deposits with credit institutions.
1.4	Financial derivative instruments.
1.5	Repurchase agreements that fulfil the conditions set out in Article 14.
1.6	Reverse repurchase agreements that fulfil the conditions set out in Article 15.
1.7	Units or shares of other MMFs.
<b>2</b>	<b>Investment Restrictions</b>
2.1	An MMF shall invest no more than: <ul style="list-style-type: none"> <li>(a) 5% of its assets in money market instruments, securitisations and ABCPs issued by the same body;</li> <li>(b) 10% of its assets in deposits made with the same credit institution, unless the structure of the banking sector in the Member State in which the MMF is domiciled is such that there are insufficient viable credit institutions to meet that diversification requirement and it is not economically feasible for the MMF to make deposits in another Member State, in which case up to 15% of its assets may be deposited with the same credit institution.</li> </ul>
2.2	By way of derogation from point (a) of paragraph 2.1, a VNAV MMF may invest up to 10% of its assets in money market instruments, securitisations and ABCPs issued by the same body provided that the total value of such money market instruments, securitisations and ABCPs held by the VNAV MMF in each issuing body in which it invests more than 5% of its assets does not exceed 40 % of the value of its assets.
2.3	<i>The aggregate of all of an MMF’s exposures to securitisations and ABCPs shall not exceed [15%] of the assets of the MMF. [As from the date of application of the delegated act referred to in Article 11(4), the aggregate of all of an MMF’s exposures to securitisations and ABCPs shall not exceed 20% of the assets of the MMF, whereby up to 15 % of the assets of the MMF may be invested in securitisations and ABCPs that do not comply with the criteria for the identification of STS securitisations and ABCPs.]</i>
2.4	The aggregate risk exposure of an MMF to the same counterparty to OTC derivative transactions which fulfil the conditions set out in Article 13 of the MMFR shall not exceed 5% of the assets of the MMF.
2.5	The cash received by the MMF as part of the repurchase agreement does not exceed 10% of its assets.
2.6	The aggregate amount of cash provided to the same counterparty of an MMF in reverse repurchase agreements shall not exceed 15% of the assets of the MMF.

- 2.7 Notwithstanding paragraphs 2.1 and 2.4 above, an MMF shall not combine, where to do so would result in an investment of more than 15% of its assets in a single body, any of the following:
- (a) investments in money market instruments, securitisations and ABCPs issued by that body;
  - (b) deposits made with that body;
  - (c) OTC financial derivative instruments giving counterparty risk exposure to that body.
- 2.8 By way of derogation from the diversification requirement provided for in paragraph 2.7, where the structure of the financial market in the Member State in which the MMF is domiciled is such that there are insufficient viable financial institutions to meet that diversification requirement and it is not economically feasible for the MMF to use financial institutions in another Member State, the MMF may combine the types of investments referred to in points (a) to (c) up to a maximum investment of 20% of its assets in a single body.
- 2.9 An MMF may invest up to 100% of its assets in different money market instruments issued or guaranteed separately or jointly by the Union, the national, regional and local administrations of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a third country, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which one or more Member States belong. This may only be included where the MMF has sought and received this derogation from the Central Bank.
- 2.10 Paragraph 2.9 shall only apply where all of the following requirements are met:
- (a) the MMF holds money market instruments from at least six different issues by the issuer;
  - (b) the MMF limits the investment in money market instruments from the same issue to a maximum of 30% of its assets;
  - (c) the MMF makes express reference, in its fund rules or instruments of incorporation, to all administrations, institutions or organisations referred to in the first subparagraph that issue or guarantee separately or jointly money market instruments in which it intends to invest more than 5% of its assets;
  - (d) the MMF includes a prominent statement in its prospectus and marketing communications drawing attention to the use of the derogation and indicating all administrations, institutions or organisations referred to in the first subparagraph that issue or guarantee separately or jointly money market instruments in which it intends to invest more than 5% of its assets.
- 2.11 Notwithstanding the individual limits laid down in paragraph 2.1, an MMF may invest no more than 10% of its assets in bonds issued by a single credit institution that has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. In particular, sums deriving from the issue of those bonds shall be invested in accordance with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.
- 2.12 Where an MMF invests more than 5% of its assets in the bonds referred to in paragraph 2.11 issued by a single issuer, the total value of those investments shall not exceed 40% of the value of the assets of the MMF.
- 2.13 Notwithstanding the individual limits laid down in paragraph 2.1, an MMF may invest no more than 20% of its assets in bonds issued by a single credit institution where the requirements set out in point (f) of Article 10(1) or point (c) of Article 11(1) of Delegated Regulation (EU) 2015/61 are met, including any possible investment in assets referred to in paragraph 2.11.
- 2.14 Where an MMF invests more than 5% of its assets in the bonds referred to in paragraph 2.13 issued by a single issuer, the total value of those investments shall not exceed 60% of the

	value of the assets of the MMF, including any possible investment in assets referred to in paragraph 2.11, respecting the limits set out therein.
2.15	Companies which are included in the same group for the purposes of consolidated accounts under Directive 2013/34/EU of the European Parliament and of the Council or in accordance with recognised international accounting rules, shall be regarded as a single body for the purpose of calculating the limits referred to in paragraphs 2.1 to 2.8.
<b>3</b>	<b>Eligible units or shares of MMFs</b>
3.1	An MMF may acquire the units or shares of any other MMF ('targeted MMF') provided that all of the following conditions are fulfilled: a) no more than 10% of the assets of the targeted MMF are able, according to its fund rules or instruments of incorporation, to be invested in aggregate in units or shares of other MMFs; b) the targeted MMF does not hold units or shares in the acquiring MMF.
3.2	An MMF whose units or shares have been acquired shall not invest in the acquiring MMF during the period in which the acquiring MMF holds units or shares in it.
3.3	An MMF may acquire the units or shares of other MMFs, provided that no more than 5% of its assets are invested in units or shares of a single MMF.
3.4	An MMF may, in aggregate, invest no more than 17.5% of its assets in units or shares of other MMFs.
3.5	Units or shares of other MMFs shall be eligible for investment by an MMF provided that all of the following conditions are fulfilled: (a) the targeted MMF is authorised under the MMFR; (b) where the targeted MMF is managed, whether directly or under a delegation, by the same manager as that of the acquiring MMF or by any other company to which the manager of the acquiring MMF is linked by common management or control, or by a substantial direct or indirect holding, the manager of the targeted MMF, or that other company, is prohibited from charging subscription or redemption fees on account of the investment by the acquiring MMF in the units or shares of the targeted MMF;
3.6	Short-term MMFs may only invest in units or shares of other short-term MMFs.
3.7	Standard MMFs may invest in units or shares of short-term MMFs and standard MMFs.

### MMF Portfolio Composition Rules

*The portfolio rules for Short-Term MMFs, as set out in article 24 of the MMF Regulation, are as follows:*

1. The relevant Portfolio which is authorised as a Short-Term MMF will, on an ongoing basis, pursuant to the MMF Regulation, meet the following portfolio requirements:

- (a) its portfolio is to have a WAM of no more than 60 days;
- (b) its portfolio is to have a WAL of no more than 120 days, subject to the second and third subparagraphs;
- (c) for LVNAV MMFs and public debt CNAV MMFs, at least 10 % of their assets are to be comprised of daily maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of one working day or cash which is able to be withdrawn by giving prior notice of one working day. A LVNAV MMF or public debt CNAV MMF is not to acquire any asset other than a daily maturing asset when such acquisition would result in that Portfolio investing less than 10 % of its portfolio in daily maturing assets;
- (d) for a short-term VNAV MMF, at least 7,5 % of its assets are to be comprised of daily maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of one

working day, or cash which is able to be withdrawn by giving prior notice of one working day. A short-term VNAV MMF is not to acquire any asset other than a daily maturing asset when such acquisition would result in that Portfolio investing less than 7,5 % of its portfolio in daily maturing assets;

(e) for LVNAV MMFs and public debt CNAV MMFs, at least 30 % of their assets are to be comprised of weekly maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of five working days or cash which is able to be withdrawn by giving prior notice of five working days. A LVNAV MMF or public debt CNAV MMF is not to acquire any asset other than a weekly maturing asset when such acquisition would result in that Portfolio investing less than 30 % of its portfolio in weekly maturing assets;

(f) for a short-term VNAV MMF, at least 15 % of its assets are to be comprised of weekly maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of five working days, or cash which is able to be withdrawn by giving prior notice of five working days. A short-term VNAV MMF is not to acquire any asset other than a weekly maturing asset when such acquisition would result in that Portfolio investing less than 15 % of its portfolio in weekly maturing assets;

(g) for the purpose of the calculation referred to in point (e), assets referred to in Article 17(7) which are highly liquid and can be redeemed and settled within one working day and have a residual maturity of up to 190 days may also be included within the weekly maturing assets of a LVNAV MMF and public debt CNAV MMF, up to a limit of 17,5 % of its assets;

(h) for the purpose of the calculation referred to in point (f), money market instruments or units or shares of other MMFs may be included within the weekly maturing assets of a short-term VNAV MMF up to a limit of 7,5 % of its assets provided they are able to be redeemed and settled within five working days.

For the purposes of point (b) of the first subparagraph, when calculating the WAL for securities, including structured financial instruments, a Short-Term MMF shall base the maturity calculation on the residual maturity until the legal redemption of the instruments. However, in the event that a financial instrument embeds a put option, a Short-Term MMF may base the maturity calculation on the exercise date of the put option instead of the residual maturity, but only if all of the following conditions are fulfilled at all times:

- (i) the put option is able to be freely exercised by the Short-Term MMF at its exercise date;
- (ii) the strike price of the put option remains close to the expected value of the instrument at the exercise date;
- (iii) the investment strategy of the Short-Term MMF implies that there is a high probability that the option will be exercised at the exercise date.

By way of derogation from the second subparagraph, when calculating the WAL for securitisations and ABCPs, a short-term MMF may instead, in the case of amortising instruments, base the maturity calculation on one of the following:

- (i) the contractual amortisation profile of such instruments;
- (ii) the amortisation profile of the underlying assets from which the cash-flows for the redemption of such instruments result.

2. If the limits referred to in article 24 of the MMF Regulation are exceeded for reasons beyond the control of an Portfolio, or as a result of the exercise of subscription or redemption rights, that Portfolio shall adopt as a priority objective the correction of that situation, taking due account of the interests of its Unitholders.

3. All MMFs referred to in Article 3(1) of this Regulation may take the form of a Short-Term MMF.

*The portfolio rules for Standard MMFs, as set out in article 25 of the MMF Regulation, are as follows:*

- 1. The relevant Portfolio which is authorised as a Standard MMF will, on an ongoing basis, pursuant to the MMF Regulation, meet the following portfolio requirements:-
  - (a) its portfolio is to have at all times a weighted average maturity ("WAM") of no more than 6 months;
  - (b) its portfolio is to have at all times a weighted average life ("WAL") of no more than 12 months, subject to paragraph 4 below;

- (c) at least 7.5% of its assets are to be comprised of daily maturing assets, reverse repurchase agreements which can be terminated by giving prior notice of one working day or cash which can be withdrawn by giving prior notice of one working day. The relevant Portfolio will not acquire any asset other than a daily maturing asset when such acquisition would result in the Portfolio investing less than 7.5% of its portfolio in daily maturing assets;
  - (d) at least 15% of its assets are to be comprised of weekly maturing assets, reverse repurchase agreements which can be terminated by giving prior notice of five working days or cash which can be withdrawn by giving prior notice of five working days. The relevant Portfolio will not acquire any asset other than a weekly maturing asset when such acquisition would result in the relevant Portfolio investing less than 15% of its portfolio in weekly maturing assets;
  - (e) for the purpose of the calculation referred to in sub-paragraph (d) above, money market instruments or units or shares of other MMFs may be included within the weekly maturing assets up to 7.5 % of its assets provided they are able to be redeemed and settled within five working days.
2. For the purposes of sub-paragraph (b) of paragraph 1 above, when calculating the WAL for securities, including structured financial instruments, the relevant Portfolio shall base the maturity calculation on the residual maturity until the legal redemption of the instruments. However, in the event that a financial instrument embeds a put option, the relevant Portfolio may base the maturity calculation on the exercise date of the put option instead of the residual maturity, but only if all of the following conditions are fulfilled at all times: (i) the put option is able to be freely exercised by the relevant Portfolio at its exercise date; (ii) the strike price of the put option remains close to the expected value of the instrument at the exercise date; (iii) the investment strategy of the relevant Portfolio implies that there is a high probability that the option will be exercised at the exercise date.
  3. By way of derogation from the second sub-paragraph of Article 25(1) of the MMF Regulation, when calculating the WAL for securitisations and ABCPs, the relevant Portfolio may instead, in the case of amortising instruments, base the maturity calculation on one of the following: (i) the contractual amortisation profile of such instruments; (ii) the amortisation profile of the underlying assets from which the cash-flows for the redemption of such instruments result.
  4. If the limits referred to in this section are exceeded for reasons beyond the control of the Manager or as a result of the exercise of subscription or redemption rights, the Manager shall adopt as a priority objective the correction of that situation, taking due account of the interests of the Unitholders of the relevant Portfolio.
  5. A Standard MMF shall not take the form of a Public Debt MMF or a LVNAV MMF.



## APPENDIX IV

### List of Sub-Custodians

1. Jurisdiction	2. Subcustodian	3. Subcustodian Delegate
Argentina	Citibank N.A., Buenos Aires Branch	
Australia	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Australia Limited
Austria	UniCredit Bank Austria AG	
Bahrain	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
Bangladesh	Standard Chartered Bank	
Belgium	Deutsche Bank AG	
Bermuda	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Bermuda Limited
Bosnia and Herzegovina (Federation of Bosnia-Herzegovina)	Raiffeisen Bank International AG	Raiffeisen Bank Bosnia DD BiH
Bosnia and Herzegovina (Republic of Srpska)	Raiffeisen Bank International AG	Raiffeisen Bank Bosnia DD BiH
Botswana	Standard Chartered Bank Botswana Limited	
Brazil	Citibank N.A., Brazilian Branch	Citibank Distribuidora de Titulos e Valores Mobiliarios S.A ("DTVM")
Bulgaria	Citibank Europe plc, Bulgaria Branch	
CD's - USD	Deutsche Bank AG, London Branch*	
Canada	The Northern Trust Company, Canada	
Canada*	Royal Bank of Canada	
Chile	Citibank N.A.	Banco de Chile
China A Share	Bank of Communications Co., Ltd	Not applicable
China A Share	China Construction Bank Corporation	Not applicable
China A Share	Deutsche Bank (China) Co., Ltd., Shanghai Branch	Not applicable

China A Share	Industrial and Commercial Bank of China Limited	Not applicable
China A Share	Standard Chartered Bank (China) Limited	Not applicable
China B Share	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (China) Company Limited
China B Share	Citibank N.A., Hong Kong Branch	Not applicable
Clearstream	Clearstream Banking S.A.,	Not applicable
Colombia	Cititrust Columbia S.A. Sociedad Fiduciaria	
Costa Rica	Banco Nacional de Costa Rica	
Croatia	UniCredit Bank Austria AG	Zagrebacka Banka d.d.
Cyprus	Citibank Europe PLC	
Czech Republic	UniCredit Bank Czech Republic and Slovenia, a.s.	
Denmark	Nordea Bank AB (publ)	
Denmark	Svenska Handelsbanken AB (publ)	
Egypt	Citibank N.A., Cairo Branch	
Egypt	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Egypt SAE
Estonia	Swedbank AS	
Finland	Nordea Bank AB (publ)	
Finland	Svenska Handelsbanken AB (publ)	Not applicable
France	The Northern Trust Company	
Germany	Deutsche Bank AG	
Ghana	Standard Chartered Bank Ghana Limited	
Greece	Citibank Europe PLC	
Hong Kong	The Hongkong and Shanghai Banking Corporation Limited	
Hong Kong (Stock Connect Shanghai/Shenzhen)	The Hongkong and Shanghai Banking Corporation Limited	
Hungary	UniCredit Bank Hungary Zrt.	

India	Citibank N.A.	
India	The Hongkong and Shanghai Banking Corporation Limited	
Indonesia	Standard Chartered Bank	
Ireland	Euroclear UK and Ireland Limited (Northern Trust self-custody)**	
Israel	Bank Leumi Le-Israel B.M.	
Italy	Deutsche Bank SpA	
Japan	The Hongkong and Shanghai Banking Corporation Limited	
Jordan	Standard Chartered Bank	
Kazakhstan	Citibank Kazakhstan JSC	
Kenya	Standard Chartered Bank Kenya Limited	
Kuwait	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
Latvia	Swedbank AS	
Lithuania	AB SEB bankas	
Luxembourg	Euroclear Bank S.A./N.V.	
Malaysia	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Malaysia Berhad
Mauritius	The Hongkong and Shanghai Banking Corporation Limited	
Mexico	Banco Nacional de Mexico S.A. integrante del Grupo Financiero Banamex	
Morocco	Société Générale Marocaine de Banques	
Namibia	Standard Bank Namibia Ltd	
Netherlands	Deutsche Bank AG	
New Zealand	The Hongkong and Shanghai Banking Corporation Limited	
Nigeria	Stanbic IBTC Bank Plc	
Norway	Nordea Bank AB (publ)	

Norway	Svenska Handelsbanken AB (publ)	
Oman	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Oman S.A.O.G
Pakistan	Citibank N.A., Karachi Branch	
Panama	Citibank N.A., Panama Branch	
Peru	Citibank del Peru S.A.	
Philippines	The Hongkong and Shanghai Banking Corporation Limited	
Poland	Bank Polska Kasa Opieki Spółka Akcyjna,	
Portugal	BNP Paribas Securities Services	
Qatar	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
Romania	Citibank Europe PLC	
Russia	AO Citibank	
Saudi Arabia	The Hongkong and Shanghai Banking Corporation Limited	HSBC Saudi Arabia
Serbia	UniCredit Bank Austria A.G.	UniCredit Bank Serbia JSC
Singapore	DBS Bank Ltd	
Slovakia	Citibank Europe PLC	
Slovenia	UniCredit Banka Slovenija d.d.	
South Africa	The Standard Bank of South Africa Limited	
South Korea	The Hongkong and Shanghai Banking Corporation Limited	
Spain	Deutsche Bank SAE	
Sri Lanka	Standard Chartered Bank	
Swaziland	Standard Bank Swaziland Ltd	Not applicable
Sweden	Svenska Handelsbanken AB (publ)	
Switzerland	Credit Suisse (Switzerland) Ltd	
Taiwan	Bank of Taiwan	
Taiwan	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (Taiwan) Limited

Taiwan	Citibank Taiwan Limited	
Taiwan	JPMorgan Chase Bank N.A.	
Tanzania	Standard Chartered Bank (Mauritius) Limited	Standard Chartered Bank Tanzania Limited
Thailand	Citibank N.A., Bangkok Branch	
Tunisia	Union Internationale De Banques	
Turkey	Deutsche Bank AG & Deutsche Bank AS	
Uganda	Standard Chartered Bank Uganda Limited	
United Arab Emirates (ADX)	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
United Arab Emirates (DFM)	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
United Arab Emirates (NASDAQ)	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
United Arab Emirates	First Abu Dhabi Bank PJSC	
United Kingdom	"Euroclear UK and Ireland Limited (Northern Trust self-custody)"	
United States	The Northern Trust Company	
Uruguay	Banco Itau Uruguay S.A.	
Vietnam	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (Vietnam) Ltd
Vietnam	Citibank N.A., - Hanoi Branch	
Zambia	Standard Chartered Bank Zambia PLC	

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

## **Service Providers of the Trust**

### **The Trust:**

Central Treasury Trust

### **Manager and UCITS management company:**

Davy Investment Fund Services Limited  
49 Dawson Street  
Dublin 2  
Ireland

### **Board of Directors of Manager:**

Tom Berrigan  
Eamon Doyle  
Robert Kelleher  
Paul O'Shea  
Brenda Buckley  
Edward B. Ward  
Marie O'Connor

### **Trustee**

Northern Trust Fiduciary Services (Ireland) Limited  
Georges Court  
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Dublin 2  
Ireland

### **Administrator**

Northern Trust International Fund  
Administration Services (Ireland) Limited  
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Ireland

### **Investment Manager and Distributor**

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Ireland

### **Legal Advisers**

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Dublin 2

### **Company Secretary to the Manager**

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### **Auditor**

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### **Sub-Investment Manager**

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