

SEPHIRA INVESTMENT ADVISORS (UK) LIMITED

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This “**Brochure**” provides information about the qualifications and business practices of Sephira Investment Advisors (UK) Limited (hereinafter “Sephira”, “**we**”, “**us**”, “**our**” or the “**Firm**”). If you have any questions about the contents of this Brochure, please contact our Chief Compliance Officer (“**CCO**”), Trevor Kensit (+44 (0) 203 598 5419, trevor.kensit@sephira-em.com). The information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (the “**SEC**”) or by any state securities authority.

Sephira Investment Advisors (UK) Limited has applied as an Investment Adviser with the SEC. Registration as an investment adviser does not imply that Sephira or any of its principals or employees possesses a particular level of skill or training in the investment advisory business or any other business.

Additional information about Sephira is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

This Brochure is Sephira's Form ADV Part 2A which has been submitted with the noted changes to the arrangements of the Funds and how the Firm provides Investment Advisory services to those funds.

The Firm has ceased acting as the investment advisor of the following funds that been re-domiciled through a re-structuring event to allow for more investor-appealing fund structure in a suitably investor efficient jurisdiction;

- Sephira GEM Absolute Return Master Fund Limited (a Cayman Island domiciled Master Fund);
- Sephira GEM Absolute Return Fund Limited (a Cayman Island domiciled Feeder Fund)

These funds have been re-domiciled and structured as UCITS vehicle, Sephira GEM UCITS ICAV. This Fund is structured as an open-ended Irish collective asset-management vehicle registered with variable capital in Ireland and authorised by the Central Bank of Ireland, it has two sub-funds Sephira GEM Absolute Return UCITS Fund & Sephira GEM Long Only UCITS Fund. The appointed the Management Company "ManCo" is KB Associates, who are acting as the UCITS Manager, who in turn have appointed Sephira as the sub-investment advisor of the Fund.

Further to the above, there have been no other material changes. In the future, if the Brochure contains material changes from our latest update, we will identify and discuss those changes in this section.

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Item 4: Advisory Business

Sephira Investment Advisors (UK) Limited (hereinafter “Sephira”, “we”, “us”, “our” or the “Firm”) is a limited company under the laws of the United Kingdom. Sephira was incorporated on 12th December 2016.

Sephira Investment Advisors (UK) Limited are sub-advisers for the following funds, providing discretionary investment management services to qualified investors;

- Sephira GEM UCITS ICAV (Sub Funds Sephira GEM Absolute Return UCITS Fund & Sephira GEM Long Only UCITS Fund)
- PRELUDE OPPORTUNITY FUND LP
- BOOTHBAY ABSOLUTE RETURN STRATEGIES LP
- BOOTHBAY DIVERSIFIED ALPHA MASTER FUND LP
- Peregrine Global Funds PCC Limited

We serve as the investment adviser, with discretionary trading authority, to private, pooled investment vehicles, the securities of which are offered through a private placement memorandum to accredited investors, as defined under the Securities Act of 1933, as amended, and qualified purchasers, as defined under the Investment Company Act of 1940, as amended. We do not tailor our advisory services to the individual needs of any particular investor.

We do not currently participate in any Wrap Fee Programs.

Regulatory Assets Under Management

As of date of this Brochure, Sephira has \$ 122,450,625 in assets managed on a discretionary basis.

Item 5: Fees and Compensation

The fees applicable to each of the Funds are set forth in detail in the corresponding Offering Documents. A brief summary of such fees is provided below.

Management Fee

Sephira Investment Advisors (UK) Limited is paid an investment management fee (“**Management Fee**”) in respect of each Class of Shares, payable under the sub-investment advisory agreements to Sephira. The annual rate at which such fee is payable in respect of each Class of Shares is specified in the Offering Documents. The Management Fee is calculated and payable on a monthly basis in arrears at a rate of 1/12 of the annual rate specified as below, with reference to the Net Asset Value (before deduction of that month’s management fee and before deduction of any accrued Performance Fees) of each Class at each Valuation Day. The Management Fee is due and payable in respect of each preceding month on each Valuation Day.

The Fee will range from 0.625% to 1.25%

The Investment Manager, in its sole discretion, may waive or modify the Management Fee for any Investor.

Other Types of Fees or Expenses

Sephira Investment Advisors (UK) Limited is authorized to incur and pay in the name and on behalf of the Funds all expenses which they deem necessary or advisable.

The Firm is responsible for and shall pay, or cause to be paid, all of their own ordinary administrative and overhead expenses, including, without limitation, all costs and expenses related to rent, furniture, fixtures, equipment, office supplies, clerical expenses and all salaries, bonuses and benefits paid to, or on behalf of, personnel of the Firm.

The Funds bear all other expenses, which include, without limitation, the following expenses incurred by or allocable to the Funds: (a) organizational and offering expenses; (b) expenses associated with all investments and transactions considered, evaluated and/or consummated by the Funds, including, without limitation, those expenses incurred before the initial closing of the Funds, including, without limitation, expenses associated with sourcing, negotiating, investigating, researching, financing and structuring of investments and potential investments, whether or not consummated, including, without limitation, third-party research, data, analytics, modeling, structuring, pricing, execution and other third-party information systems, software and service fees (including, without limitation, the expenses with respect to data feeds, subscriptions, expert networks, political intelligence providers, and reports); (c) research-related computer hardware and software expenses, including, without limitation, Bloomberg terminals; (d) the Funds' pro rata share of the Firm's order management system, portfolio management system and any other software used for accounting and/or monitoring of the portfolio; (e) expenses associated with holding, financing, monitoring, hedging, maintaining and disposing of all investments of the Funds and all transaction and other costs associated therewith; (f) travel and related expenses associated with investments and potential investments; (g) professional fees associated with investments and potential investments, including, without limitation, consulting, due diligence, accounting, valuation, financial, legal, and other advisory fees and expenses; (h) transaction fees, brokerage commissions, custodial fees, clearing and settlement charges and similar fees and expenses associated with the acquisition, disposition and settling of investments and potential investments; (i) expenses associated with legal and regulatory filings of the Funds (including, without limitation, pursuant to Section 13 and 16 of the Securities and Exchange Act of 1934, as amended (the "**Exchange Act**")) and the Funds' pro rata portion of the expenses associated with preparation of the Firm's Form 13F, Form 13H and Form PF, and any other similar filing in any other U.S. or non-U.S. jurisdiction; (j) administrative, custodial, appraisal, valuation, legal, regulatory, compliance, consulting, advisory and similar fees and expenses associated with the Funds' operations, investments and transactions, including, without limitation, fees and expenses of the Funds' administrator; (k) expenses incurred in connection with responding to requests or inquiries from any U.S. federal, state, local or non-U.S. governmental entity or authority, regulatory body or self-regulatory organization and all extraordinary expenses; (l) broken-deal, failed transaction, break-up and similar fees, costs and expenses, if any; (m) costs and expenses of leverage or any other borrowings of the Funds, including, without limitation, interest charges and fees; (n) expenses incurred in the collection of monies owed to the Funds, as applicable; (o) auditing and accounting expenses of the Funds, including, without limitation, expenses associated with the preparation of financial statements, tax returns and Schedules K-1 and the fees and expenses of the auditor; (p) any entity level taxes, fees or other governmental charges on the Funds, including, without limitation, any withholding taxes not due to the status or noncompliance of a particular Investor; (q) costs and expenses associated with investor communications and reports and the

delivery thereof to investors; (r) the costs of service providers or software to measure or monitor risk metrics, to aggregate positions and/or to provide reporting with respect to risk metrics and/or positions; (s) costs and expenses associated with meetings of the Investors; (t) insurance expenses; including, without limitation, directors' and officers' liability insurance, general partner liability insurance, errors and omissions insurance and other policies, if any; (u) costs and expenses (including, without limitation, entity-level taxes, fees or other governmental charges) associated with the formation, organization and operation of any subsidiary, special purpose vehicle, alternative investment vehicle, holding company, or similar entity formed with respect to investments, credit facilities or other transactions entered into for the benefit of the Funds; (v) wind-up, liquidation, termination and dissolution expenses; (w) costs, fees and expenses related to registration, qualification and/or exemption under any applicable U.S. federal, state, local or non-U.S. laws, rules or regulations, including, without limitation, blue sky fees, Form D, Form 8.3, CFTC filings and notices and other securities and/or investment-related filing expenses; (x) costs related to any transfers of interests in the Funds, unless otherwise charged to or borne by the applicable transferor and/or transferee; (y) expenses incurred in connection with the preparation of any amendment to the Funds' governing documents and/or Offering Documents; (z) expenses incurred in connection with pursuing, defending or participating in any litigation, arbitration, mediation or similar proceeding by the Funds; (aa) any extraordinary expenses (including, without limitation, all litigation-related and indemnification and contribution expenses, including, without limitation, the amount of any judgment or settlement paid in connection therewith); (bb) the Management Fee; and (cc) all other fees, costs, charges and expenses associated with the business, affairs and/or operations of the Funds.

In general, each Investor will bear its proportionate share of the Fund expenses on a pro rata basis with respect to the size of such Investor's capital account(s) or with respect to the relative net asset value of the shares held by such Investor, as applicable.

Notwithstanding the foregoing, the Fund General Partner and/or the Firm, as applicable, may specially allocate the expenses described herein in any other manner, including by allocating certain expenses to certain (but not all) Investors, if the Fund General Partner and/or the Firm, as applicable, reasonably determines, in its discretion, that it is more equitable to do so.

To the extent that expenses to be borne by the Funds are paid by the Firm or its affiliates, the Funds will reimburse the Firm or its affiliates for such expenses. We may waive any such reimbursement with respect to any Fund expenses. Any waiver by us for reimbursement of any Fund expenses shall not serve as a waiver of reimbursement for any future Fund expenses to be paid by us or our affiliates.

Neither the Firm nor its employees accept compensation, including sales charges or service fees, from any person for the sale of securities or other investment products.

Item 6: Performance-Based Fees and Side-By-Side Management

We and our affiliates are entitled to a performance-based compensation. As a result, we and our affiliates do not face certain conflicts of interest that may arise when an investment adviser accepts performance-based fees from some clients, but not from other clients.

Performance-based allocation arrangements may create an incentive for us to recommend investments which may be riskier or more speculative than those which we would recommend under a different arrangement.

Sephira receives a Performance Fee, which is paid under the sub-investment advisory agreements to Sephira in respect of each Class of Shares as stated in the Offering Document. Any Performance Fee charged is subject to a high-water mark (as described below). The Performance Fee in respect of each Performance Period will be calculated by reference to the net asset value after the deduction of Management Fees but before the deduction of any accrued Performance Fee.

The Performance Fee will be equivalent to between 17.5 per cent and 15 per cent (dependant on share class invested in) per annum, in each case of the increase in the net asset value per Share of each Series above the High Water Mark after adding back any relevant distributions of the applicable Series.

The use of a High-Water Mark ensures that investors will not be charged a Performance Fee until any previous losses are recovered. The methodology used by the Company ensures that each Share is effectively charged a fee which equates with that Share's performance.

The Performance Fee will be accrued and taken into account in the calculation of the net asset value per Share of the applicable Class and Series on each Valuation Day. The Performance Fee is payable in arrears in respect of each Performance Period. However, if Shares are redeemed prior to the end of a Performance Period, an amount equal to any accrued but unpaid Performance Fee in respect of such Shares will crystallise and be paid to the Investment Manager promptly thereafter. Subject to the Directors discretion to determine otherwise: (i) a transfer of Shares that does not involve a change of beneficial ownership will not usually result in a crystallisation of a Performance Fee; and (ii) a transfer of Shares that does involve a change of beneficial ownership will be treated as a redemption and subscription for Shares and any accrued Performance Fee will crystallise accordingly.

A separate Series will be issued on each Subscription Dealing Day in respect of which Shares are subscribed, beginning with the Series issued on the first Subscription Dealing Day (such Series, being the "**Initial Series**"). Each new Series will be issued at the issue price as set out under "Subscriptions and Redemptions" below. At the end of a Performance Period (or, if earlier, upon redemption), any Performance Fee accruing and payable for each Series will crystallise. Subsequently, each issued Series as at that date will be consolidated with the Initial Series, provided that each of the Series concerned has a net asset value per Share above its High-Water Mark and the net asset value per Share of the Initial

Series is also above its High-Water Mark. If consolidation is not achieved, the Series will be consolidated at the end of the next Performance Period in which the above criteria are met. To the extent that the "Initial Series" is fully redeemed prior to the end of a Performance Period (and thus before a consolidation of the other subsequently issued Series above their High-Water Mark with the Initial Series) the next issued Series will be designated as the "Initial Series" into which subsequently issued Series will be consolidated as described above. In the event that the "Initial Series" is not above its High-Water Mark, two or more

subsequently issued Series which are above their respective High-Water Mark may be consolidated as described above.

For each Series, the “**High Water Mark**” is the greater of:

- the net asset value per Share of such Series on the last day of the most recent Performance Period for which a Performance Fee is crystallised and paid; and
- the issue price per Share of such Series,

in each case adjusted to take account of any relevant distributions made.

No Performance Fee is payable in respect of Management Shares.

The Performance Fee is subject to adjustment upon completion of the relevant audit for the Performance Period.

Item 7: Types of Clients

Our clients are the Funds, as described in Item 4 above, and the Funds are generally open to, among others, institutions, pension plans, endowments, high net-worth individuals, financially sophisticated individuals, and other sophisticated investors.

Item 8: Methods of Analysis, Investment Strategies, and Risk of Loss

The descriptions set forth in this Brochure of specific advisory services that we offer to Clients, and investment strategies pursued and investments made by us on behalf of our Clients, should not be understood to limit in any way our investment activities. We may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that we consider appropriate, subject to each Client’s investment objectives and guidelines as set forth in the Offering Documents. The investment strategies we pursue are speculative and entail substantial risks. Clients should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any Client will be achieved.

Investment Objective

The investment objective of the Funds is to deliver consistent, risk-adjusted absolute returns through a global emerging markets focused investment strategy.

There can be no assurance that the Funds will achieve their investment objective and losses may be incurred.

Risk Management

The Investment Manager operates risk management systems for identifying, measuring, managing and monitoring the risks relevant to the investment objective and policy of the Company and the Master Fund. The Investment Manager meets its risk management objectives by operating according to its risk management policy. The policy and the related procedures allocate risk management responsibilities, stipulate necessary systems and controls and define the main areas of risk.

In accordance with the FCA requirements and AIFMD Rules, the Investment Manager has established a permanent, independent risk management function and given it the necessary authority to fulfil its policy objectives.

The Investment Manager operates a risk management process on behalf of the Funds in relation to the use of FDIs which allows it to accurately measure, monitor and manage the various risks associated with FDIs and other investments, and which is intended to ensure that the Fund's investments including FDI exposure remains within the limits described below. This risk management process also takes into account any exposure created through FDIs embedded in investments held by the Funds.

In particular, the Investment Manager will manage exposure risk using either the commitment approach or an absolute Value at Risk ("VaR") methodology in accordance with the Central Bank's requirements. The particular methodology utilised by a Fund will be set out in the Supplement for the relevant Fund.

The risk management process is described in a statement, a copy of which has been filed with the Central Bank, and which will be updated from time to time to include any additional FDIs which the Investment Manager proposes to employ on behalf of the Funds ("Risk Management Process"). Until such time as an updated risk management statement has been approved by the Central Bank, however, the Investment Manager will not use any FDI which is not for the time being included in the Risk Management Process.

Where a Fund uses simple derivatives for non-complex hedging and/or investment strategies, it may utilise the commitment approach. The commitment approach is a mathematical measure used to calculate the global exposure of the relevant Fund in respect of derivative use at a given time which, for Funds utilising the commitment approach, may not exceed the Net Asset Value of that Fund.

VaR is a statistical methodology that attempts to predict, using historical data, the likely scale of losses that might be expected to occur over a given period of time at a given level of confidence. In other words, the absolute VaR approach is a measure of the maximum potential loss due to the market risk over a specified period of time. The historical observation period will not be less than 1 year; however, a shorter observation period may be used if justified (e.g., as a result of significant recent changes in price volatility).

Where applicable, the use of FDI, and the risk management methodology used by a particular Fund will be set out in the relevant Supplement. Where a Fund does not use FDI, the Supplement will confirm this.

Class Currency Hedging

The ICAV shall enter into certain currency related transactions in order to hedge the

currency exposure of the assets of a Fund attributable to a particular Class designated as a hedged Class into the relevant Class Currency for the purposes of efficient portfolio management. While not the intention, over-hedged or under-hedged positions may arise due to factors outside of the control of the ICAV. Each Fund may employ such techniques and instruments provided that the level of the currency exposure hedged does not exceed 105% of the Net Asset Value of a Class. Hedged positions will be kept under review to ensure that over-hedged positions do not exceed this level and that positions materially in excess of 100% of the Net Asset Value of a Class are not carried forward from month to month. Over-hedged positions will not be permitted to exceed 105% of the Net Asset Value of the Class. All over-hedged positions will be included in the calculation of a Fund's global exposure in accordance with the UCITS Rules. Otherwise, a Fund will not be leveraged as a result of the transactions entered into for the purposes of hedging. Additionally, under-hedged positions shall not fall short of 95% of the portion of net asset value of the Share Class which is to be hedged and underhedged positions will be kept under review to ensure it is not carried forward from month to month. 18 26821084.35 While the ICAV may attempt to hedge against currency exposure at a Class level, there can be no guarantee that the value of a Class will not be affected by fluctuations in the value of the Base Currency relative to the Class Currency (if different). Any costs related to such hedging shall be borne separately by the relevant Class. All gains/losses which may be made by any Class of any Fund as a result of such hedging transactions shall accrue to the relevant Class of Shares. Hedging transactions shall be clearly attributable to the relevant Class of Shares. Any currency exposure of a Class may not be combined with or offset against that of any other Class of a Fund. The currency exposure of the assets attributable to a Class may not be allocated to other Classes. The use of Class hedging strategies may substantially limit holders of Shares in the relevant Class from benefiting if the Class Currency falls against the Base Currency and/or the currency in which the assets of the relevant Fund are denominated.

The Funds may implement currency hedging strategies by borrowing in non-base currencies, using spot and forward contracts and currency futures, options and swap contracts.

In the case of Classes designated as unhedged Classes, a currency conversion will take place on subscription, redemption and conversion and any distributions at prevailing exchange rates. The value of a Class Currency denominated in a currency other than the Base Currency will be subject to share currency designation risk in relation to the Base Currency.

Fund/Portfolio Currency Hedging

As long as a Fund holds securities or currencies denominated in a currency other than the denomination of the Base Currency of a Fund, the value of a Fund may be affected by the value of the local currency relative to the currency in which that Fund is denominated. The ICAV may use currency hedging techniques to remove the currency exposure against the Base Currency as applicable in order to limit currency exposure between the currencies of a Fund's investment portfolio and the Base Currency of a Fund; however, this may not be possible or practicable in all cases. As long as a Fund holds securities denominated in a currency other than the Base Currency of the Fund, the Fund's Net Asset Value will be affected by the value of the local currency relative to the Base Currency.

Potential investors should pay particular attention to the section headed "Risk Factors" for further

information about the risk associated with the Investment Programme within the Offering Document.

As of the date of this Form ADV Part 2A, there is an ongoing outbreak of a novel and highly contagious form of coronavirus (“**COVID-19**”), which the World Health Organization declared a pandemic on March 11, 2020. The outbreak of COVID-19 has caused a worldwide public health emergency with a substantial number of hospitalizations and deaths and has 18 significantly adversely impacted global commercial activity and contributed to both volatility and material declines in equity and debt markets. The global impact of the outbreak is rapidly evolving, and many country, state and local governments have reacted by instituting mandatory or voluntary quarantines, travel prohibitions and restrictions, closure or reduction of offices, businesses, schools, retail stores and other public venues and/or cancellation, suspension or postponement of certain events and activities, including certain non-essential government and regulatory activity. Businesses are also implementing their own precautionary measures, such as voluntary closures, temporary or permanent reductions in work force, remote working arrangements and emergency contingency plans. Such measures, as well as the general uncertainty surrounding the dangers, duration and impact of COVID-19, are creating significant disruption in supply chains and economic activity, impacting consumer confidence and contributing to significant market losses, including having particularly adverse impacts on transportation, hospitality, tourism, sports, entertainment and other industries dependent upon physical presence. As COVID-19 continues to spread, potential additional adverse impacts, including a global, regional or other economic recession of indeterminate duration, are increasingly likely and difficult to assess.

The extent of the impact of COVID-19 on Sephira Investment Advisors (UK) Limited’s and/or the Funds’ operational and financial performance and a Fund’s investments will depend on many factors, including the duration and scope of the resulting public health emergency, the extent of any related restrictions implemented, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, consumer confidence and levels of economic activity, and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. The effects of the COVID-19 pandemic may materially and adversely impact the value, performance and liquidity of a Fund’s investments, Sephira Investment Advisors (UK) Limited’s ability to source, manage and divest investments and Sephira Investment Advisors (UK) Limited’s ability to achieve its investment objectives on behalf of the Funds, all of which could result in significant losses to the Funds and the Funds’ Investors.

COVID-19 may also adversely impact the financial condition of one or more beneficial owners of a Fund, which could result in redemption requests by such beneficial owner as a result of their individual liquidity situations and irrespective of a Fund’s performance. Such beneficial redemption requests could also adversely affect the Funds.

In addition, COVID-19 and the resulting changes to global businesses and economies likely will adversely impact the business and operations of the Funds, Sephira Investment Advisors (UK) Limited, and their respective affiliates. Certain businesses and activities may be temporarily or permanently halted as a result of government or other quarantine measures, voluntary and precautionary restrictions on travel or meetings and other factors, including the potential adverse impact of COVID-19 on the health of key personnel.

Risk of Loss Factors

The following risk factors do not purport to be a complete list or explanation of the risks involved in an investment in the clients advised by us. These risk factors include only those risks we believe to be material, significant or unusual and relate to particular significant investment strategies or methods of analysis employed by us.

An investment involves significant risks and is suitable only for those persons who can bear the economic risk of the loss of their entire investment, who have limited need for liquidity in their investment, and who have met the conditions set forth in the Offering Documents. There can be no assurances that we will achieve our investment objectives. An investment carries with it the inherent risks associated with investments in publicly traded stocks and bonds, options, and related instruments, including, without limitation, the risks described below. Each prospective investor should carefully review the Offering Documents and the documents referred to herein before deciding to invest with Sephira Investment Advisors (UK) Limited.

There are significant risks associated with an investment in the funds to which Sephira acts as sub-advisor. Investment in these funds may not be suitable for all investors. These are intended for sophisticated investors who can accept the risks associated with such an investment including a substantial or complete loss of their investment. No assurance can be given that investors will realise a profit on their investment. Prospective investors should review this Information Memorandum carefully and in its entirety and consult with their professional advisors before making an application for Shares. The discussion below as to risks to which the Firm and funds may be subject is not intended to be exhaustive.

Prospective investors should take into account the following factors in determining whether an investment in the Company is a suitable investment.

General Risks

The risks described in this Prospectus should not be considered to be an exhaustive list of the risks which potential investors should consider before investing in a Fund. Potential investors should be aware that an investment in a Fund may be exposed to other risks of an exceptional nature from time to time. Investment in the ICAV carries with it a degree of risk. There can be no assurance that a Fund will achieve its investment objective and there is potential for an investor to lose some or all of its investment in a Fund. Different risks may apply to different Funds and/or Classes. Prospective investors should review this Prospectus in its entirety carefully and consult with their professional advisors before making an application for Shares. On its own an investment in a Fund may be deemed speculative and is not intended as a complete investment program. A subscription for Shares should be considered only by persons financially able to maintain their investment and who can bear the risk of loss associated with an investment in a Fund. Investors should review closely the investment objectives and investment strategies to be utilised by the relevant Fund as outlined herein and in the relevant

Supplement to familiarise themselves with the risk associated with an investment in a Fund and consult with their professional advisors before making an application for Shares. There is no assurance that a Fund will be able to achieve its investment objective or that a Fund will generate a profit. There is potential for an investor to lose some or all of its investment in a Fund.

The securities and instruments in which each Fund invests are subject to normal market fluctuations and other risks inherent in investing in such investments and there can be no assurance that any appreciation in value will occur.

In addition, the ICAV will, on request, provide supplementary information to Shareholders relating to the risk management methods employed including the quantitative limits that are applied and recent developments in the risk and yield characteristics of the main categories of investments applicable to the relevant Fund. Prospective investors should consider, among others, the following factors before subscribing for Shares in a Fund:

Brexit Risk

The U.K. withdrew from the EU and the EEA on 31 January 2020. Following withdrawal from the EU, the U.K. entered into a transition period, during which period EU law continued to apply in the U.K.. New EU legislation that took effect before the end of the transition period also applies in the U.K. Following the transition period, there is likely to be considerable uncertainty as to the U.K.'s post-transition framework, and in particular as to the arrangements which will apply to the U.K.'s relationships with the EU and with other countries, which is likely to continue to develop following 31 December 2020. This uncertainty may, at any stage, adversely affect the ICAV or a Fund's investments. There may be detrimental implications for the value of a Fund's investments and/or its ability to implement its investment programme. This may be due to, among other things: (i) increased uncertainty and volatility in U.K., EU and other financial markets; (ii) fluctuations in asset values; (iii) fluctuations in exchange rates; (iv) increased illiquidity of investments located, listed or traded within the U.K., the EU or elsewhere; (v) changes in the willingness or ability of financial and other counterparties to enter into transactions, or the price at which and terms on which they are prepared to transact; and/or (vi) changes in legal and regulatory regimes to which the ICAV, a Fund, the Manager, the Investment Manager and Distributor and certain of the Fund's assets and/or the ICAV's service providers are or become subject.

The U.K.'s departure from the EU has created a degree of political uncertainty, as well as uncertainty in monetary and fiscal policy, which is expected to continue following the end of the transition period. It may have a destabilising effect on some of the remaining members of the EU, the effects of which may be felt particularly acutely by Member States within the Eurozone.

Business Risk

There can be no assurance that the ICAV will achieve its investment objective. The investment results of the ICAV are reliant upon the success of the Investment Manager. Past performance may not necessarily be repeated and is no guarantee or projection of future results.

Collateral Management Risk

In seeking to reduce credit risk through the posting or receiving of collateral in OTC transactions, securities lending agreements and repurchase/reverse repurchase agreements, the management of the collateral posted/received will be subject to liquidity and counterparty risks associated with the relevant collateral instruments. Collateral is also subject to other types of risks as set out below:

Operational risks: including that the valuation of the underlying instrument for which it is posted is inaccurate due to inadequate or failed internal processes, people or systems which may cause the relevant Fund to have an incorrect level of margin posted or received.

Legal risks: including risks associated with contracts and change of regulations in the relevant jurisdiction, etc. as well as the risk that collateral provided in cross-border transactions could result in conflicts of law preventing the Fund from recovering collateral lost or from enforcing its rights in relation to collateral received.

Custody risk: collateral received by the Funds on a title transfer basis will be safekept by the Depositary or by a third party depositary subject to prudential regulation and will be subject to custody risks associated with those entities. Collateral pledged by the Funds will continue

to be safekept by the Depositary.

Reinvestment of Cash Collateral: cash collateral that is reinvested may realize a loss, which would reduce the value of the collateral and result in the relevant Fund being less protected if there is a counterparty default.

While commercially reasonable efforts are utilized to ensure that collateral management is effective, such risks cannot be eliminated.

Common Reporting Standard Risk

Drawing extensively on the intergovernmental approach to implementing FATCA, the OECD developed the Common Reporting Standard (“CRS”) to address the issue of offshore tax evasion on a global basis. Aimed at maximizing efficiency and reducing cost for financial institutions, the CRS provides a common standard for due diligence, reporting and exchange of financial account information. Pursuant to the CRS, participating jurisdictions obtain from reporting financial institutions, and automatically exchange with other tax authorities in participating jurisdictions in which the investors of the reporting financial institutions are tax resident on an annual basis, financial information with respect to all reportable accounts identified by financial institutions on the basis of common due diligence and reporting procedures. Ireland has implemented the CRS and the first information exchanges began in 2017. As a result, the ICAV is required to comply with the CRS due diligence and reporting requirements, as adopted by Ireland. Investors will be required to provide additional information to the ICAV to enable the ICAV to satisfy its obligations under the CRS. Failure to provide requested information may subject an investor to liability for any resulting penalties or other charges and/or mandatory termination of its interest in the ICAV.

Concentration of Investments

Although it is the policy of the ICAV to diversify its investment portfolio, the ICAV may at certain times hold relatively few investments or invest in a limited number of issuers, industries or sectors or countries. The ICAV therefore could be subject to significant losses if it holds a large position in a particular investment that declines in value as well as subject to greater volatility than a portfolio invested in a larger or more diverse array of securities. Additionally, historical correlations may undergo dramatic change, thereby reducing expected diversification protection.

Counterparty Risk

The ICAV is subject to the risk of the inability of any counterparty, including counterparties to efficient portfolio transactions, to perform with respect to transactions, whether due to insolvency, bankruptcy or other causes. Each Fund will have credit exposure to counterparties by virtue of investment positions in options, forwards, swaps, repurchase agreements, participation notes and other OTC contracts held by the Fund. To the extent that a counterparty defaults on its obligation and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. Although each Fund’s portfolio will be diversified as required by the Central Bank UCITS Regulations, Funds will also be exposed to a credit risk in relation to the counterparties with whom they trade and may bear the risk of counterparty default.

COVID – 19 Risk

In December 2019, an outbreak of a contagious respiratory virus now known as COVID - 19 occurred and it has since spread globally. The virus has resulted in government authorities in many countries (including the People’s Republic of China and Hong Kong, the United States and Europe) taking extreme measures to arrest or delay the spread of the virus including the

declaration of states of emergency, restrictions on movement, border controls, travel bans and the closure of offices, schools and other public amenities such as bars, restaurants and sports facilities. This has resulted in major disruption to businesses, both regionally and globally, substantial market volatility, exchange trading suspensions and closures. While the full impact is not yet known, it is anticipated that these events will have a material adverse effect on general global economic conditions and market liquidity.

This may in turn cause material disruptions to business operations of service providers on which the ICAV relies, including the Investment Manager. It may also adversely impact a Fund's investments, the ability of the Investment Manager to access markets or implement a Fund's investment policy in the manner originally contemplated, a Fund's net asset value and therefore the investors. A Fund's access to liquidity could also be impaired in circumstances where the need for liquidity to meet redemption requests may rise significantly.

The impact of a health crisis such as the COVID - 19 pandemic, and other epidemics and pandemics that may arise in the future, could affect the global economy in ways that cannot necessarily be foreseen at the present time. A health crisis may exacerbate other pre-existing political, social and economic risks. Any such impact could adversely affect a Fund's performance, resulting in losses to investors.

Currency Risk

Currency risk is the risk that fluctuations in exchange rates may adversely affect the value of a Fund's investments in its Base Currency. Currency risk includes both the risk that currencies in which a Fund's investments are traded, or currencies in which a Fund has taken an active investment position, will decline in value relative to the Base Currency and, in the case of hedging positions, that the Base Currency will decline in value relative to the currency being hedged. Currency rates may fluctuate significantly for a number of reasons, including the forces of supply and demand in the currency exchange markets, actual or perceived changes in interest rates, and intervention (or the failure to intervene) governments or central banks, or by currency controls or political developments. Certain Funds may engage in proxy hedging of currencies by entering into derivative transactions with respect to a currency whose value is expected to correlate to the value of a currency a Fund owns or wants to own. This presents the risk that the two currencies may not move in relation to one another as expected. In that case, the relevant Fund could lose money on its investment and also lose money on the position designed to act as a proxy hedge. Certain Funds may also take active currency positions and may cross-hedge currency exposure represented by their securities into a non Base Currency.

This may result in a Fund's currency exposure being substantially different than that suggested by its securities investments. All Funds with holdings in currencies other than the Base Currency and/or that invest or trade in securities denominated in currencies other than the Base Currency or related derivative instruments may be adversely affected by changes in holdings in currencies other than the Base Currency exchange rates. Derivative transactions in currencies other than the Base Currency (such as futures, forwards, and swaps) may also involve leveraging risk, in addition to currency risk. Leverage may disproportionately increase a Fund's portfolio losses and reduce opportunities for gain when interest rates, stock prices, or currency rates are changing.

Cyber Security Risk

With the increasing use of the Internet and technology in connection with the operations of the service providers and the ICAV, the ICAV is susceptible to greater operational and information security risks through breaches in cyber security. Cyber security breaches include, without limitation, infection by computer viruses and gaining unauthorised access to the systems of the ICAV through "hacking" or other means for the purpose of misappropriating

assets or sensitive information, corrupting data, or causing operations to be disrupted. Cyber security breaches may also occur in a manner that does not require gaining unauthorised access, such as denial of-service attacks or situations where authorised individuals intentionally or unintentionally release confidential information stored on the systems of the ICAV.

A cyber security breach may cause disruptions and impact the business operations of the ICAV, which could potentially result in financial losses, inability to determine a Fund's net asset value, violation of applicable law, regulatory penalties and/or fines, compliance and other costs. The ICAV and its Shareholders could be negatively impacted as a result. In addition, because the ICAV works closely with third-party service providers (e.g., managers, investment managers, depositary, transfer agent, administrator and distributors), indirect cyber security breaches at such third-party service providers may subject the ICAV and its Shareholders to the same risks associated with direct cyber security breaches. Further, indirect cyber security breaches at an issuer of securities in which a Fund invests may similarly negatively impact the ICAV and its Shareholders. While the ICAV has established risk management systems designed to reduce the risks associated with cyber security breaches, there can be no assurances that such measures will be successful.

In addition to risks to the ICAV and Funds, investors are advised to ensure communication methods with the Manager, the Administrator, the Depositary and any financial advisors, including the Investment Manager and Distributor, are secure so as to prevent fraudulent change of details or fraudulent redemption requests from being submitted through, for example, their email accounts.

DAC 6

Council Directive (EU) 2018/822 ("DAC 6") imposes mandatory disclosure requirements on intermediaries and taxpayers in respect of reportable cross-border tax planning arrangements involving an EU Member State (in short, transactions that meet one of the hallmarks set out in the legislation) that have been implemented as from 25 June 2018. DAC 6 is an EU directive which aims to: (i) increase transparency on transactions that cross EU borders, (ii) reduce the scope for harmful tax competition within the EU and (iii) to deter taxpayers from entering into a particular scheme if it has to be disclosed. The scope of DAC 6 is very wide-reaching and, while some of the hallmarks target arrangements that provide a tax advantage as the main benefit, there are other hallmarks not linked to this main benefit test meaning that there may not be a safe harbour for common commercial arrangements. Subject to the implementation of DAC 6 in EU jurisdictions, the ICAV, the Investment Manager or any intermediary of the ICAV based in the EU could be legally obliged to file information in respect of arrangements involving the ICAV's investments with tax authorities within the EU. As long as the ICAV, the Investment Manager or any intermediary complies with its reporting requirements, DAC 6 is not expected to have a material impact on the ICAV or its investments. However, DAC 6 disclosures may subsequently inform future tax policy across the EU.

Debt Securities

The ICAV may invest in both investment grade and below investment grade debt securities in the expectation that positive returns can be made. For investment grade securities this will normally be with an assumption that the issuer will be able to make payment of interest and/or principal which will be part of the returns together with any appreciation of the debt security.

For sub-investment grade securities or debt securities that are distressed, payments of interest or of principal may or may not be assumed but there could be other opportunities to generate a positive return from an investment. Sub-investment grade debt securities are subject to a greater risk of loss of principal and interest than higher-rated debt securities. The

ICAV may invest in distressed debt securities which are subject to a significant risk of the issuer's inability to meet principal and interest payments on the obligations and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity risk. The ICAV may invest in debt securities which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer's assets. The ICAV may also invest in debt securities that are not protected by financial covenants or limitations on additional indebtedness and may invest in debt securities or obtain exposure to those debt securities by selling the securities short.

The issuers of debt securities may default on their obligations, whether due to insolvency, bankruptcy, fraud or other causes and their failure to make the scheduled payments could cause the ICAV to suffer significant losses. The ICAV will therefore be subject to credit, liquidity and interest rate risks. In addition, evaluating credit risk for debt securities involves uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult. Also, the market for debt securities may be inefficient and illiquid, making it difficult to accurately value financial instruments.

Dodd-Frank Wall Street Reform and Consumer Protection Act

With the passage of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd Frank") in the United States, there has been extensive rulemaking and regulatory changes that have affected and will continue to affect private fund managers, the funds that they manage and the financial industry as a whole. Under the Dodd-Frank, the SEC has mandated additional reporting requirements and is expected to mandate new recordkeeping requirements for investment advisers, which are expected to add costs to the legal, operations and compliance obligations of the Manager, the Investment Manager and the ICAV and increase the amount of time that the Investment Manager spends on non-investment related activities. Until the U.S.

regulators implement all of the requirements of the Dodd-Frank, it is unknown how burdensome such requirements will be. The Dodd-Frank will affect a broad range of market participants with whom the ICAV interacts or may interact, including commercial banks, investment banks, other non-bank financial institutions, rating agencies, mortgage brokers, credit unions, insurance companies and broker-dealers. Regulatory changes that will affect other market participants are likely to change the way in which the Investment Manager conducts business with its counterparties. It may take several years to understand the impact of the Dodd-Frank on the financial industry as a whole, and therefore, such continued uncertainty may make markets more volatile, and it may be more difficult for the Investment Manager to execute the investment strategy of the ICAV. Moreover, it has been suggested that parts of Dodd-Frank may be delayed, modified or eliminated, and legislation has been proposed that would make numerous changes to Dodd-Frank. As a result, there is substantial uncertainty surrounding the regulatory environment for the financial industry in the United States.

Emerging Markets Risk

Where the ICAV invests in or otherwise has exposure to companies incorporated in or whose principal operations are in Emerging Markets, additional risks may be encountered. These include:

Accounting Risk: there may be little financial or accounting information available with respect to issuers located in certain of such countries, and it may be difficult as a result to assess the value or prospects of an investment in such issuers.

Currency Risk: the currencies in which investments are denominated may be unstable, may be subject to significant depreciation and may not be freely convertible.

Country Risk: the value of the ICAV's assets may be affected by political, legal, economic and fiscal uncertainties. Existing laws and regulations may not be consistently applied. **Market Characteristics:** emerging markets are still in the early stages of their development, have less volume, are less liquid and experience greater volatility than more established markets and are not highly regulated. Settlement of transactions may be subject to delay and administrative uncertainties.

Custody Risk: depositaries are not able to offer the level of service and safe-keeping, settlement and administration of securities that is customary in more developed markets and there is a risk that the ICAV will not be recognised as the owner of securities held on its behalf by sub-custodians.

Disclosure: less complete and reliable fiscal and other information may be available to investors.

Emerging Markets Risks – Investments in China

China Markets Risk

The legal rights of investors in China are uncertain, government intervention is common and unpredictable, holding limits and reporting requirements for a Fund and/or investors currently exist and are subject to change, and some of the major trading and custody systems are unproven. Investing in the Chinese market is subject to the risk of investing in emerging markets generally and the risks specific to China.

In China, it is uncertain whether a court would protect the ICAV's right to securities it may purchase, including the right to take legal action, via a RQFII license, the Stock Connect Scheme (defined below), or other methods whose regulations are untested and subject to change.

The China regulatory, legal, and tax framework for capital markets may not be as well developed as developed countries and changes to law, regulations, and tax legislation could affect a Fund's investment in China. Additionally, there may be less publicly available information of Chinese companies and such information may be less reliable as Chinese companies are subject to accounting standards that differ in significant respect to those companies established in developed countries. As such, the lower levers of disclosure and transparency may impact the value of investments in China. In China, the government maintains the currency renminbi (RMB). RMB is comprised of CNY, internal renminbi within China and CNH, external renminbi (which can be owned by anyone).

CNY is not freely convertible and subject to exchange controls. CNH is freely tradeable outside of China but still subject to control, limits, and availability. RMB has now moved to a managed floating exchange rate based on market supply and demand, as well as government actions, referenced to a basket of foreign currencies. As the exchange rates are based primarily on market forces, the exchange rates for RMB against other currencies, including US dollars and Hong Kong dollars, are susceptible to movements based on external factors. Further, RMB is subject to government imposition of restrictions on repatriation of RMB out of China, which creates greater currency risk, liquidity risk, and potential additional and unexpected costs for a Fund investing in China. Additionally, the current structure of RMB creates currency risk within a single nation's currency.

Stock Connect Scheme. A Fund may invest directly or indirectly in eligible China A shares ("Stock Connect Securities") through the Stock Connect Scheme, including investment in financial instruments and other market access products linked to Stock Connect Securities. The Stock Connect Scheme is a securities trading and clearing linked program developed by, amongst others, The Stock Exchange of Hong Kong Limited ("SEHK"), Shanghai Stock Exchange ("SSE"), Shenzhen Stock Exchange ("SZSE") (together with SSE, each a "Stock Connect Market"), Hong Kong Securities Clearing Company Limited ("HKSCC") and China Securities Depository and Clearing Corporation Limited ("ChinaClear"), with an aim to achieve mutual

stock market access between mainland China and Hong Kong. Under the Stock Connect Scheme, the Shanghai Connect and the Shenzhen Connect operate independently from each other although subject to substantially similar regulatory framework and the SEHK is subject to potential suspension of trading to ensure an orderly and fair market.

As the Stock Connect Scheme is relatively new, it remains not fully developed, the rules governing it and trading are subject to change, and the availability of securities and products may fluctuate. Accordingly, trading on the Stock Connect Scheme has additional risks such as liquidity, counterparty, and best execution. Additionally, the various rights of the ICAV associated with investing in Stock Connect Securities are still undefined and may differ from more developed markets.

A Fund may invest in Stock Connect Securities through a “Northbound Trading Link” offered by Stock Connect Scheme, subject to applicable rules and regulations issued from time to time. Under the Northbound Trading Link, a Fund, through its Hong Kong brokers and a securities trading service company established by SEHK respectively in Shanghai (for trading under the Shanghai Connect) and Shenzhen (for trading under the Shenzhen Connect), place orders to trade Stock Connect Securities listed on each relevant Stock Connect Market by routing orders to that relevant Stock Connect Market.

Under the Stock Connect Scheme, HKSCC, also a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited (“HKEx”), will be responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by Hong Kong market participants and investors. Stock Connect Securities held in broker and custody account at Central Clearing and Settlement System (“CCASS”) operated by HKSCC may be vulnerable to default or bankruptcy of HKSCC/CCASS.

Stock Connect Securities eligible for trading on the Northbound Trading Link include certain shares listed on the SSE, SZSE, and SEHK and are subject to change and to various conditions for eligibility.

All trading in Stock Connect Securities is made in RMB which may not be the base currency of a Fund.

Trading on the Stock Connect Scheme is subject to a daily quota that limits the maximum net buy value of cross-border trades via the Northbound Trading Link and such quota may change and affect the availability of buy orders.

Stock Connect Securities are held in ChinaClear. HKSCC is a direct participant in ChinaClear and Stock Connect Securities acquired by investors through Northbound Trading will be:

- a) recorded in the name of HKSCC in the nominee securities account opened by HKSCC with ChinaClear and HKSCC will be the nominee holder of such Stock Connect Securities; and
- b) held under the depository of ChinaClear and registered in the name of HKSCC in the shareholders' register of the listed companies on the relevant Stock Connect Market.

HKSCC will record interests in such Stock Connect Securities in the CCASS stock account of the relevant CCASS clearing participant. HKSCC will be deemed the legal owner of such securities holding their beneficial entitlement on behalf of the clearing participant who has a direct or indirect custody arrangement with the ICAV's custodian. Such Stock Connect Securities will be recorded in a nominee account opened by HKSCC with ChinaClear, and Northbound investors retain rights and interest in such securities according to applicable law.

A Fund investing through the Northbound Trading Link will be recognized as ultimate owner of Stock Connect Securities. A Fund may exercise its rights through HKSCC as nominee holder and retain actual control of voting rights for Stock Connect Securities. HKSCC, as nominee, does not guarantee the title to Stock Connect Securities held through it and is under no obligation to enforce title or other rights associated with ownership on behalf of beneficial owners (such as a Fund). As such, the precise nature and rights of a Fund, investing through the Northbound Trading Link, as beneficial owner is not fully defined and subject to additional

risks.

Should a Fund suffer losses resulting from the performance or insolvency of HKSCC, the ICAV would have no direct legal recourse against HKSCC, because applicable law does not recognize any direct legal relationship between HKSCC and either the ICAV or the depositary.

Should ChinaClear default, HKSCC's contractual liabilities will be limited to assisting participants with claims. The ICAV's attempts to recover lost assets of a Fund could involve considerable delays and expenses and may not be successful.

Some Stock Connect Securities, predominantly shares of innovative growth enterprises, are traded on ChiNext. ChiNext is part of the SZSE's multitiered capital market. Investing on ChiNext may contain different risks from that investing Stock Connect Securities on other markets.

- Renminbi Qualified Foreign Institutional Investor ("RQFII"). A Fund may invest in some mainland China securities using RQFII quota of an RQFII quota holder. Investing through RQFII quota is subject to different risks than other means of investing in mainland China. For example, the RQFII holder's status may be revoked or changed if it does not meet all the necessary conditions or the RQFII quota is subject to change by the RQFII holder or the State Administration of Foreign Exchange ("SAFE"). Investing through an RQFII quota is subject to repatriation and liquidity risks as the market is regulated by SAFE and subject to SAFE taking actions outside the investment manager's control. Although relevant RQFII regulation has recently been revised to relax the limitation on repatriation of funds, it is a very new development therefore subject to uncertainties as to whether and how it will be implemented in practice.

- China Interbank Bond Market. A Fund may invest directly or indirectly in debt instruments through the China Interbank Bond Market ("CIBM"). The CIBM is an over the-counter market outside the two main stock exchanges in China and generally amounts to over 90% of total trading volume by bond value in China. The CIBM is regulated and supervised by the People's Bank of China ("PBOC"). Trading on the CIBM is subject to relevant rules promulgated by the PBOC including, but not limited to, the Announcement (2016) No. 3 ("CIBM Rules"). A Fund is permitted to invest in the CIBM pursuant to, inter alia, CIBM Rules as a foreign institutional investor ("Foreign Access Regime") or the Interim Measures for the Administration of Mutual Bond Market Access between Mainland China and Hong Kong (Decree No.1 [2017]) ("Bond Connect").

The main debt instruments traded on the CIBM include government bonds, corporate bonds, bond repurchase transactions, bond loans, PBOC bills, and other financial debt instruments. The CIBM is in early stages of development, and therefore the market capitalization and trading volume may be lower than those of more developed markets. The PBOC is responsible, inter alia, for establishing rules for listing, trading, and functioning rules of the CIBM, and supervising the market operators of the CIBM.

While there are no quota restrictions under the current CIBM, the repatriation of funds from the PRC may be subject to restrictions in the future if such restrictions are promulgated by the PBOC. Any future restrictions on repatriation of funds from the PRC may impact a Fund's ability to meet redemptions.

There are currently two ways for a Fund to invest through the CIBM:

- 1) Foreign Access Regime.

A foreign institutional investor who wishes to invest directly in the CIBM must do so via an onshore settlement agent. The onshore settlement agent is responsible for making the relevant filings and account openings with the relevant authorities. Under the Foreign Access Regime, there are two trading models: (i) bilateral negotiation and (ii) click-and-deal. Bilateral negotiation is applied to all inter-bank products and utilizes the China Foreign Exchange Trading System & National Interbank Funding Centre ("CFETS"), a unified trading platform for the CIBM. One-click trading is only applied to cash-bonds and interest rate derivatives.

A market-maker mechanism, whereby a third-party entity ensures bilateral quotations for bonds, was officially introduced in 2001 to improve market liquidity and enhance efficiency. Deals through market making can enjoy benefits such as lower trading and settlement costs. Bond transactions must be conducted by way of bilateral trading through independent negotiations and be concluded on a transaction by transaction basis. Bid and ask prices for primary bond transactions and repurchase interest rates must be determined independently by the parties to the transaction. Both parties to a transaction typically send instructions for delivery of bonds and funds, and provide for delivery on the agreed date. Depending on the type of bonds traded on the CIBM, the clearing and settlement institution will be the China Central Depository & Clearing Co., Ltd. ("CCDC") or the Shanghai Clearing House Co., Ltd. ("SCH").

2) Bond Connect.

A foreign investor may, as of July 2017, invest via a northbound trading link under Bond Connect. Bond Connect is an initiative to allow mutual bond market access between Hong Kong and Mainland China established by CFETS, CCDC, SCH, and Hong Kong Exchanges and Clearing Limited and Central Moneymarkets Unit ("CMU"). Bond Connect is governed by the authorities of mainland China.

Under Bond Connect, eligible foreign investors are required to appoint the CFETS or other institutions recognized by the PBOC as registration agents to apply for registration with the PBOC. An offshore custody agent recognized by the Hong Kong Monetary Authority (currently, CMU) must open omnibus nominee accounts with the onshore custody agent recognized by the PBOC (currently, CCDC and SCH).

Although there is no quota limitation under the CIBM Rules for the Foreign Access Regime or Bond Connect, relevant information about a Fund's investment must be filed with the PBOC as well as any significant change to the filed information; all filings must be made by the Fund's onshore settlement agent or registration agent. The PBOC will exercise on-going supervision of the onshore settlement agent and the Fund's trading under the CIBM Rules. The PBOC may take relevant administrative actions such as suspension of trading and mandatory exit against the Fund and/or the Investment Manager in the event of non-compliance with the CIBM Rules. Ownership of CIBM Securities. CIBM securities may be held directly or indirectly by an entity trading on CIBM:

- (a) Foreign Access Regime. When trading via the Foreign Access Regime, CIBM securities are held in the name of the applicable Fund in one of its local accounts (currently either CCDC or SCH).
- (b) Bond Connect. All bonds traded by eligible foreign investors will be registered in the name of the CMU, which will hold such bonds as a nominee owner.

Trading through the CIBM is subject to liquidity risk as low trading volumes in certain debt securities in the CIBM may result in the bid/offer spread of the price of certain debt securities fluctuating significantly. The bid/offer spread of the price of debt instruments in the CIBM may be large, and a Fund may incur significant trading and realization costs and may even suffer losses when selling such investments.

Although delivery-versus-payment (DVP) settlement is the dominant settlement method adopted by CCDC and SCH for all bond transactions in the CIBM, there is no assurance that settlement risks can be eliminated. In addition, DVP settlement practices in the PRC may differ from practices in developed markets. In particular, such settlement may not be instantaneous and be subject to a delay of a period of hours. Where the counterparty does not perform its obligations under a transaction or there is otherwise a failure due to CCDC or SCH (as applicable), a Fund may sustain losses.

Investments in the CIBM are subject to regulatory and tax risks as the CIBM is relatively new and has a short operating history. As the applicable CIBM laws, regulations, and legal requirements are equally new, their interpretation and enforcement involve significant

uncertainty, and subject to change, including tax exemptions relating to purchases through the CIMB. Any change in existing law, regulations, policies, and practices in the PRC may also impact Chinese companies as well as transactions in Chinese companies. Additionally, the PRC laws governing business organizations, bankruptcy, and insolvency may provide substantially less protection to security holders than that provided by the laws of more developed countries. These factors (individually or combined) could have an adverse effect on a Fund. It is also possible that the current laws, regulations, policies, and practices in the PRC will be changed with retroactive effect.

Under Foreign Access Regime, as all filings, registrations, and account openings must be carried out by an onshore settlement agent, offshore custody agent, registration agent, or other third parties, a Fund may be exposed to risk of default, failure, or error on the part of such parties when meeting certain requirements of the CIBM Rules.

- **Chinese Credit Rating Agencies.** A Fund may invest in securities the credit ratings of which are assigned by the Chinese local credit rating agencies. However, the rating criteria and methodology used by such agencies may be different from those adopted by most of the established international credit rating agencies. Therefore, such rating system may not provide an equivalent standard for comparison with securities rated by international credit rating agencies.
- **Urban Investment Bonds.** Urban Investment Bonds are issued by “Local Government Financing Vehicles” or LGFVs. LGFVs are subject to additional risks, including financial difficulties, due to their financial operations.
- **People’s Republic of China (“PRC”) Taxation.** Investments in mainland China securities are subject to additional tax regimes. For example, certain investment in PRC resident enterprises may be subject to a withholding income tax.

While currently unclear, it is possible a Fund may be considered taxpayers with respect to PRC-sourced income and be subject to the PRC Corporate Income Tax which would have various impacts such as taxes on interest, dividends, and capital gains. However, the Investment Manager intends to operate each Fund in a manner so as to minimize the impact of PRC taxation and take action, when needed, to address tax impacts, including, but not limited to, income tax on capital gains arising from the disposal of PRC bond.

Equity Securities Risk

Equity securities are those securities issued by a corporation or other entity that entitle the holder to a pro rata share of the profits of the corporation. Equity securities of an issuer in a Fund’s portfolio may decline in price if the issuer fails to make anticipated dividend payments because, among other reasons, the issuer of the security experiences a decline in its financial condition. Equity investments are subject to greater fluctuations in market value than other asset classes as a result of such factors as a company’s business performance, investor perceptions, stock market trends and general economic conditions. A Fund’s Net Asset Value may be correspondingly impacted.

EU Bank Recovery and Resolution Directive

Pursuant to the EU Bank Recovery and Resolution Directive (2014/59/EU) (“BRRD”) EU member states were required to introduce a recovery and resolution framework for banks and significant investment firms (“institutions”) giving national competent and resolution authorities powers of intervention where such an institution is deemed to be failing or likely to fail. EU member states were required to transpose the BRRD into national law by January 2015 or in certain cases January 2016.

Among other things the BRRD provides for the introduction of a “bail-in tool” under which resolution authorities may write down claims of the institution’s shareholders and creditors and/or convert such claims into equity. Exceptions to this include secured liabilities, client

assets and client money. If following a bail-in it is determined, based on a post-resolution valuation, that shareholders or creditors whose claims have been written down or converted into equity have incurred greater losses than they would have done had the institution had been wound up under normal insolvency proceedings, the BRRD provides that they are entitled to payment of the difference.

Other powers of intervention include the power to close out open derivatives positions, temporarily to suspend payment or delivery obligations, restrict or stay the enforcement of security interests and suspend termination rights.

The implementation of a resolution process in relation to an institution which is a counterparty to or obligor of the ICAV could result in a bail-in being exercised in respect of any unsecured claims of the ICAV, derivatives positions being closed out, and delays in the ability of the ICAV to enforce its rights in respect of collateral or otherwise against the institution concerned. Any payment of compensation due to the ICAV as a result of the ICAV being worse off as a result of a bail-in is likely to be delayed until after the completion of the resolution process and prove to be less than anticipated or expected.

EU General Data Protection Regulation

The GDPR took effect in all EU Member States on 25 May 2018 and replaced previous EU data privacy laws. Although a number of basic existing principles remain the same, the GDPR introduced new obligations on data controllers and rights for data subjects, including, among others:

- accountability and transparency requirements, which requires data controllers to demonstrate and record compliance with the GDPR and to provide more detailed information to data subjects regarding processing;
- enhanced data consent requirements, which includes “explicit” consent in relation to the processing of sensitive data;
- obligations to consider data privacy as any new products or services are developed and limit the amount of information collected, processed, stored and its accessibility;
- constraints on using data to profile data subjects;
- providing data subjects with personal data in a useable format on request and erasing personal data in certain circumstances; and
- reporting of breaches without undue delay (72 hours where feasible).

A breach of the GDPR could expose the ICAV or relevant service provider to regulatory sanction including potentially significant fines. The GDPR identifies a list of points to consider when imposing fines (including the nature, gravity and duration of the infringement). If there is a breach of the GDPR, the ICAV could face significant administrative and monetary sanctions as well as reputational damage which may have a material adverse effect on its operations, financial condition and prospects.

FDIs, Hedging and Other Strategic Transactions Risk

The ability of a Fund to utilise hedging, FDIs, and other strategic transactions successfully will depend in part on the Investment Manager’s ability to predict pertinent market movements and market risk, counterparty risk, credit risk, interest-rate risk, and other risk factors, none of which can be assured. The skills required to successfully utilise hedging and other strategic transactions are different from those needed to select a fund’s securities. Even if the Investment Manager only uses hedging and other strategic transactions in a Fund primarily for hedging purposes or to gain exposure to a particular securities market, if the transaction is not successful, it could result in a significant loss to a Fund. The amount of loss could be more than the principal amount invested. These transactions may also increase the volatility of a Fund and may involve a small investment of cash relative to the magnitude of the risks

assumed, thereby magnifying the impact of any resulting gain or loss. For example, the potential loss from the use of futures can exceed a Fund's initial investment in such contracts. In addition, these transactions could result in a loss to a fund if the counterparty to the transaction does not perform as promised.

A Fund may invest in FDIs, which are financial contracts with a value that depends on, or is derived from, the value of underlying assets, reference rates, or indexes. FDIs may relate to stocks, bonds, interest rates, currencies, or currency exchange rates, and related indexes. A Fund may use derivatives for many purposes, including for hedging, and as a substitute for direct investment in securities or other assets. FDIs may be used in a way to efficiently adjust the exposure of a fund to various securities, markets, and currencies without a Fund actually having to sell existing investments and make new investments. This generally will be done when the adjustment is expected to be relatively temporary or in anticipation of effecting the sale of fund assets and making new investments over time. Further, since many derivatives have a leverage component, adverse changes in the value or level of the underlying asset, reference rate, or index can result in a loss substantially greater than the amount invested in the FDI itself. Certain FDIs have the potential for unlimited loss, regardless of the size of the initial investment. When a Fund uses FDIs for leverage, investments in that Fund will tend to be more volatile, resulting in larger gains or losses in response to market changes. To limit leverage risk, a Fund may segregate assets determined to be liquid or, as permitted by applicable regulation, enter into certain offsetting positions to cover its obligations under FDIs.

The use of FDIs may involve risks different from, or potentially greater than, the risks associated with investing directly in securities and other, more traditional assets. In particular, the use of OTC derivative instruments exposes a Fund to the risk that the counterparty to an OTC derivatives contract will be unable or unwilling to make timely settlement payments or otherwise honor its obligations. OTC derivatives transactions typically can only be closed out with the other party to the transaction, although either party may engage in an offsetting transaction that puts that party in the same economic position as if it had closed out the transaction with the counterparty or may obtain the other party's consent to assign the transaction to a third party. If the counterparty defaults, the relevant Fund will have contractual remedies, but there is no assurance that the counterparty will meet its contractual obligations or that, in the event of default, the relevant Fund will succeed in enforcing them. For example, because the contract for each OTC derivatives transaction is individually negotiated with a specific counterparty, a Fund is subject to the risk that a counterparty may interpret contractual terms (e.g., the definition of default) differently than a Fund when that Fund seeks to enforce its contractual rights. If that occurs, the cost and unpredictability of the legal proceedings required for a Fund to enforce its contractual rights may lead it to decide not to pursue its claims against the counterparty. A Fund, therefore, assumes the risk that it may be unable to obtain payments owed to it under OTC derivatives contracts or that those payments may be delayed or made only after the relevant Fund has incurred the costs of litigation. While the Investment Manager intends to monitor the creditworthiness of counterparties, there can be no assurance that a counterparty will meet its obligations, especially during unusually adverse market conditions.

To the extent a Fund contracts with a limited number of counterparties that Fund's risk will be concentrated and events that affect the creditworthiness of any of those counterparties may have a pronounced effect on the relevant Fund. FDIs also are subject to a number of other risks, including market risk and liquidity risk. Market risk is a general risk that applies to all investments meaning that the value of a particular derivative may change in a way which may be detrimental to a Fund's interests.

Liquidity risk is the risk that an instrument may be difficult or impossible to sell or terminate, which may cause a Fund to be in a position to do something the Investment Manager would

not otherwise choose, including accepting a lower price for the derivative instrument, selling other investments or forgoing another, more appealing investment opportunity. Since the value of FDIs is calculated and derived from the value of other assets, instruments, or references, there is a risk that they will be improperly valued as a result of movements in the value of the underlying asset referenced by the FDIs. FDIs also involve the risk that changes in their value may not correlate perfectly with the assets, rates, or indexes they are designed to hedge or closely track. Suitable FDI transactions may not be available in all circumstances. The relevant Fund is also subject to the risk that the counterparty closes out the derivatives transactions upon the occurrence of certain triggering events. In addition, the Investment Manager may determine not to use derivatives to hedge or otherwise reduce risk exposure. The use of FDI techniques may not always be an effective means of, and sometimes could be counter-productive to achieving a Fund's investment objective. Investment in FDIs will typically expose the Fund to legal risk. Legal risk is the risk that the agreements governing the FDI transactions may be terminated due, for instance, to supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. There is also a risk if such arrangements are not legally enforceable or if the derivative transactions are not documented correctly. Settlement Risk is the risk that one party of a FDI contract will fail to meet the terms of the contract and default before the contract's settlement date, prematurely ending the contract.

The following is a list of certain FDIs and other strategic transactions in which a Fund intends to invest and the main risks associated with each of them:

Currency Forward Contracts. Counterparty risk, liquidity risk (i.e., the inability to enter into closing transactions), currency risk, and risk of disproportionate loss are the principal risks of engaging in transactions involving currency forward contracts.

Futures Contracts. Counterparty risk, liquidity risk (i.e., the inability to enter into closing transactions), and risk of disproportionate loss are the principal risks of engaging in transactions involving futures contracts.

Options. Counterparty risk, liquidity risk (i.e., the inability to enter into closing transactions), and risk of disproportionate loss are the principal risks of engaging in transactions involving options. Counterparty risk does not apply to exchange-traded options.

Warrants and Rights. A Fund may purchase warrants and rights. Warrants and rights do not carry with them the right to dividends or voting rights with respect to the securities that they entitle the holder to purchase, and they do not represent any rights in the assets of the issuer. As a result, warrants and rights may be considered more speculative than certain other types of equity-like securities. In addition, the values of warrants and rights do not necessarily change with the values of the underlying securities and these instruments cease to have value if they are not exercised prior to their expiration dates.

Fees and Expenses Risk

The ICAV and each Fund will pay fees and expenses regardless of whether it experiences any profits. In addition to the fees and expenses of the Manager, the Investment Manager, the Administrator, the Depositary, the ICAV Secretary and the Directors, each Fund will bear costs of brokerage commissions, option premiums and other transaction costs. These fees and expenses will arise regardless of whether the ICAV realises any profits.

Forward Foreign Exchange Contracts Risk

A Fund may enter into forward foreign exchange contracts. Forward foreign exchange contracts are not traded on exchanges. Rather, they are individually negotiated transactions which are effected through a trading system known as the interbank market which comprises a network of participants electronically linked. Transactions in forward foreign exchange contracts are not regulated by any regulatory authority nor are they guaranteed by an

exchange or clearing house. The relevant Fund is subject to the risk of the inability or refusal of its counterparties to perform with respect to such contracts.

High Portfolio Turnover Risk

High portfolio turnover may result in increased brokerage fees or other transaction costs. These costs are not reflected in a Fund's annual operating expenses, but they can reduce a Fund's investment performance.

High Yield Debt Instruments Risk

Investment in corporate debt securities is subject to the risk of an issuer's inability to meet principal and interest payments on the obligation (credit risk) and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (market risk). Lower rated or unrated securities are more likely to react to developments affecting market and credit risk than are more highly rated securities, which react primarily to movements in the general level of interest rates. In purchasing such securities, the ICAV will rely on the Investment Manager's analysis, judgment and experience in evaluating the creditworthiness of an issuer of such securities. The Investment Manager will consider, among other factors, the issuer's financial resources, its operating history, its sensitivity to economic conditions and trends, the quality of the issuer's management and regulatory matters.

A Fund may invest in below investment-grade fixed income instruments. These may be rated in the lowest rating categories by S&P or by Moody's or be unrated. Fixed income instruments rated in medium to low rating categories of internationally recognised rating services or unrated securities of comparable quality, commonly called junk bonds, are considered speculative and payments of principal and interest thereon may be questionable. In some cases, such securities may be highly speculative, may have poor prospects for reaching investment grade standing and may be in default. As a result, investment in such securities will entail greater speculative risks than those associated with investment in investment-grade bonds (i.e., bonds rated at least A1 or A2 by S&P, Prime 1 or Prime 2 by Moody's, or a similar rating by another internationally recognised rating service). A Fund may purchase corporate debt obligations of issuers not currently paying interest as well as issuers in default. In the past, economic downturns or increases in interest rates have under certain circumstances caused a higher incidence of default by the issuers of the lower quality debt securities. To the extent that the issuer of any lower-quality debt security held by a Fund defaults, the ICAV, on behalf of the relevant Fund, may incur additional expenses in order to enforce its rights under such security or to participate in a restructuring of the obligation. In addition, the prices of lower-quality debt securities generally tend to be more volatile and the market less liquid than is the case with investment grade securities. Adverse economic events can further exacerbate these tendencies. Consequently, a Fund may at times experience difficulty in liquidating its investments in such securities at the prices it desires. There also can be significant disparities in the prices quoted for lower-quality debt securities by various dealers which may make valuing such securities by the ICAV more subjective.

Identification and Exploitation of Investment Strategies Risk

The success of a Fund's investment activities may depend on the Investment Manager's ability to identify undervalued securities and to exploit price discrepancies in the financial markets, as well as to assess the impact of news and events that may affect the financial markets. Identification and exploitation of the investment strategies to be pursued by the Funds involves a high degree of uncertainty.

A Fund may be adversely affected by unforeseen events involving such matters as changes in interest rates or the credit status of an issuer or counterparty, forced redemptions of

securities or acquisition proposals, break-ups of planned mergers, unexpected changes in relative values, volatility levels or liquidity conditions or changes in tax treatment.

Illiquidity Risk

It is not anticipated that there will be an active secondary market for the Shares and it is not expected that such a market will develop. In some circumstances, investments may be illiquid which means that a Fund's ability to sell particular securities or close derivative positions at an advantageous market price may be impaired. In addition, there may be times when it is not possible to obtain quotes at all. Accordingly, a Fund's ability to respond to market movements may be impaired and the relevant Fund may experience adverse price movements upon liquidation of its investments. Settlement of transactions may be subject to delay and administrative uncertainties. A Fund may be adversely affected by a decrease in market liquidity for the instruments in which it invests which may impair the relevant Fund's ability to adjust its positions. The size of the relevant Fund's positions may magnify the effect of a decrease in market liquidity for such instruments. Changes in overall market leverage, de-leveraging as a consequence of a decision by the other counterparties with which a Fund enters into derivative transactions, to reduce the level of leverage available, or the liquidation by other market participants of the same or similar positions, may also adversely affect a Fund's portfolio.

Interest Rate Risk

A Fund may be subject to interest rate risk. Generally, the value of fixed income securities will change inversely with changes in interest rates. As interest rates rise, market value tends to decrease. This risk will be greater for long-term securities than for short-term securities. Unexpected changes in interest rates may adversely affect the value of a Fund's investments, particularly with respect to derivative instruments. FDIs used by a Fund may be particularly sensitive to changes in prevailing interest rates.

Investment Management Risk

Investment decisions will be made for each Fund by the Investment Manager. The success of a Fund will depend on the ability of the Investment Manager to identify suitable investments and to dispose of such investments at a profit. The strategies used and investments selected by the Investment Manager may fail to produce the intended result and a Fund may not achieve its investment objective. The investments selected for a Fund also may not perform as well as other investments that were not selected for a Fund. As a result, a Fund may suffer losses or underperform other funds with the same investment objective or strategies, even in a rising market.

There can also be no assurance that all of the personnel of the Investment Manager will continue to be associated with the Investment Manager for any length of time. The loss of the services of one or more employees of the Investment Manager could have an adverse impact on a Fund's ability to realise its investment objectives.

Prospective investors should not rely on the performance of any other investments or accounts managed by the principals of the Investment Manager in determining whether or not to invest in the Fund.

Issuer Risk

An issuer of a security purchased by a Fund may perform poorly and, therefore, the value of its stocks and bonds may decline and the issuer may default on its obligations. Poor performance may be caused by poor management decisions, competitive pressures, breakthroughs in technology, reliance on suppliers, labor problems or shortages, corporate restructurings, fraudulent disclosures, or other factors.

Legal Risks

The Funds may make investments based on, or enter into contracts described by, significant legal documents. Such documents may include (but not limited to) prospectuses and other offering documents as well as OTC FDI contracts, including contracts for participation notes, differences and credit default swaps. While the ICAV generally seeks advice on material matters, there can be no guarantee that any advice given will be accurate, that a contract will be validly executed by the relevant counterparty or that a contract will ultimately prove to be enforceable against the relevant counterparty. Furthermore, the expected outcome of these contracts or investments may not be realised in practice. If these contracts or investments do not produce the expected result, the relevant Fund could suffer significant losses.

Leverage Risk

Certain of a Fund's transactions (including, among others, forward currency contracts and other FDIs, and reverse repurchase agreements) may give rise to leverage risk. Leverage, including borrowing, may increase volatility in a Fund by magnifying the effect of changes in the value of a Fund's holdings. The use of leverage may cause investors in a Fund to lose more money in adverse environments than would have been the case in the absence of leverage. A Fund may be required to segregate permissible liquid assets to cover its obligations under these transactions and may have to liquidate positions before it is desirable to do so to fulfill its segregation requirements. By setting aside assets equal to only its net obligations under cash settled futures and forwards contracts, a Fund may employ leverage to a greater extent than if a Fund were required to segregate assets equal to the full notional value of such contracts. There is no assurance that a Fund will be able to employ leverage successfully.

MiFID II Regulatory Risk

The MiFID Regulations transpose into Irish law the MiFID II Directive along with its accompanying regulation, the Markets in Financial Instruments Regulation ("MiFIR") (Regulation 600/2014/EU), (collectively, "MiFID II"). The MiFID Regulations and MiFID II took effect on 3 January 2018. MiFID II is a wide ranging piece of legislation that affects financial market structure, trading and clearing obligations, product governance and investor protection.

While MiFIR and a majority of the so-called "Level 2" measures are directly applicable across the European Union (EU) as EU regulations, the MiFID II Directive must be "transposed" into national law by Member States. In the course of the transposition process, individual Member States and their national competent authorities may have introduced requirements over and above those in the European text and which may apply to MiFID II participants that would not otherwise be caught by MiFID II and its implementation may be unclear in scope and subject to differences in regulatory interpretation. Market participants who are not directly subject to MiFID II may be indirectly impacted by its requirements and related regulatory interpretations. It is not possible to predict how these factors may impact on market participants including the ICAV, the Manager and the Investment Manager, the operation of the ICAV and the ability of the Manager and the Investment Manager to implement a Fund's investment objective.

Net Asset Value Considerations Risk

The Net Asset Value per Share is expected to fluctuate over time with the performance of the relevant Fund's investments. A Shareholder may not fully recover his initial investment when he chooses to redeem his Shares or upon compulsory redemption if the Net Asset Value per Share at the time of such redemption is less than the Subscription Price paid by such Shareholder (taking into account any credits related to performance fee equalisation, if

conducted).

OECD BEPS Risk

In 2013 the OECD published its report on Addressing Base Erosion and Profit Shifting (“BEPS”) and its Action Plan on BEPS. The aim of the report and Action Plan was to address and reduce aggressive international tax planning. BEPS remains an ongoing project. On 5 October 2015, the OECD published its final reports, analyses and sets of recommendations (deliverables) with a view to implementing internationally agreed and binding rules which could result in material changes to relevant tax legislation of participating OECD countries. The final package of deliverables was subsequently approved by the G20 Finance Ministers on 8 October 2015. On 24 November 2016, more than 100 jurisdictions concluded negotiations on a multilateral instrument that will amend their respective tax treaties (more than 2,000 tax treaties worldwide) in order to implement the tax treaty-related BEPS recommendations. The multilateral instrument was signed on 7 June 2017 and entered into force on 1 July 2018. The multilateral instrument will then enter into effect for a specific tax treaty at certain times after all parties to that treaty have ratified the multilateral instrument. The multilateral instrument came into effect in Ireland on 1 May 2019. The final actions to be implemented in the tax legislation of the countries in which the ICAV will have investments, in the countries where the ICAV is domiciled or resident, or changes in tax treaties negotiated by these countries, could adversely affect the returns from the ICAV.

Commodity Pool Operator – “De Minimis Exemption”

The Investment Manager is exempt from registration with the CFTC as a CPO pursuant to CFTC Rule 4.13(a)(3). Therefore, unlike a registered CPO, the Investment Manager is not required to deliver a CFTC disclosure document to prospective investors, nor are they required to provide investors with certified annual reports that satisfy the requirements of CFTC rules applicable to registered CPOs.

The potential consequence of this exemption, the so-called “de minimis exemption”, includes a limitation on the relevant Fund’s exposure to the commodity markets. CFTC Rule 4.13(a)(3) requires that a pool for which such exemption is filed must meet one or the other of the following tests with respect to its commodity interest positions, including positions in security futures products, whether entered into for bona fide hedging purposes or otherwise:

- (a) the aggregate initial margin, premiums, and required minimum security deposit for retail forex transactions, will not exceed five per cent. of the liquidation value of the pool’s portfolio, after taking into account unrealised profits and unrealised losses on any such positions it has entered into; or
- (b) the aggregate net notional value of such positions does not exceed 100 per cent. of the liquidation value of the pool’s portfolio, after taking into account unrealised profits and unrealised losses on any such positions it has entered into.

Operating History Risk

There can be no assurance that a Fund will achieve its investment objectives. The past investment performance of the directors or other personnel or secondees of the Investment Manager cannot be construed as an indication of the future results of an investment in a Fund.

P-Notes Risk

P-Notes involve risks that are in addition to the risks normally associated with a direct investment in the underlying equity securities. P-Notes are generally unsecured contractual obligations that are subject to liquidity risk and a high degree of counterparty risk. P-notes are subject to counterparty risk since the notes constitute generally unsecured contractual obligations of the financial institutions issuing the notes, and the Fund is relying on the

creditworthiness of such institutions and has no rights under the notes against the issuers of the underlying securities. While the holder of a P-Note is entitled to receive from the issuing bank or broker-dealer any dividends or other distributions paid on the underlying securities, the holder is not entitled to the same rights as an owner of the underlying securities, such as voting rights.

In addition, P-Notes are subject to liquidity risk. P-Notes are also not traded on exchanges, are privately issued, and may be illiquid. To the extent a P-Note is determined to be illiquid, it would be subject to the Fund's limitation on investments in illiquid securities. There can be no assurance that the trading price or value of a P-Note will equal the value of the underlying value of the equity securities they seek to replicate.

Performance Fees Risk

A fee based on the performance of a Fund may be payable by a Fund to the Investment Manager or an investment advisor. Such fee may be paid on unrealised gains that are not subsequently realised. Such fees may create an incentive to undertake investments carrying greater risks.

Price Fluctuations Risk

It should be remembered that the value of Shares and the income (if any) derived from them can go down as well as up.

Repurchase/Reverse Repurchase Agreement Risk

Repurchase and reverse repurchase agreements are subject to counterparty risk. In the case of a repurchase agreement, the counterparty may fail to repurchase its securities which may cause the relevant Fund to suffer delays and incur costs in exercising its rights under the agreement. In addition, if the securities held by the Fund as collateral for the repurchase agreement go down in market value, this may cause a loss to the Fund. In the case of a reverse repurchase agreement, the counterparty may fail to return the securities sold to the counterparty by the relevant Fund which may cause the Fund to lose money if it is unable to recover the securities and the value of the collateral held (including if the value of the investments made with cash collateral is less than the value of the securities).

Risks Relating to Investments in Other Funds

A Fund may invest other collective investment schemes to gain market exposure to securities consistent with the investment policy of the relevant Fund subject to the requirements of the Central Bank and the limits set out in this Prospectus. In the case of a large subscription, the Investment Manager may select other collective investment schemes that are representative of the underlying markets in which the relevant Fund invests in order to invest cash until securities can be purchased with the proceeds. Such securities are sold where they are no longer consistent with or assisting the relevant Fund in achieving its investment objective. Investments in the securities of other collective investment schemes involve duplication of certain expenses. By investing in another collective investment scheme, a Fund becomes a shareholder in that UCITS or ETF. As a result, shareholders will indirectly bear a Fund's proportionate share of the fees and expenses paid by the shareholders of the other collective investment scheme, in addition to the fees and expenses shareholders in a Fund directly bear in connection with a Fund's own operations.

Risks Specifically Relating to Investments in ETFs

Where a Fund invests in ETFs, as disclosed in its investment policies, the following risks will be relevant:

- (I) Passive Investments Risk

ETFs are not "actively managed" and therefore, when there is a decline in the underlying index, bonds or a basket of assets, the ETF that tracks the index, bonds or a basket of assets should also decrease in value. The underlying ETF manager will not take defensive positions in declining markets and therefore a Fund may lose a significant part of its investment if the underlying index, bonds or a basket of assets falls.

(II) Tracking Errors

Tracking errors refer to the disparity in performance between an ETF and its underlying index, bonds or a basket of assets. Tracking errors can arise due to factors such as the impact of transaction fees and expenses incurred to the ETF, changes in composition of the underlying index, bonds or a basket of assets, and the ETF manager's replication strategy as detailed further below.

(III) Trading at Discount or Premium

An ETF may be traded at a discount or premium to its net asset value. This price discrepancy is caused by supply and demand factors, and may be particularly likely to emerge during periods of high market volatility and uncertainty. This phenomenon may also be observed for ETFs tracking specific markets or sectors that are subject to direct investment restrictions.

(IV) ETF Termination

An ETF, like any fund, may be terminated early under certain circumstances, for example, where the underlying index, bonds or a basket of assets is no longer available for benchmarking or if the size of the ETF falls below a pre-determined NAV threshold as set out in the constitutive documents and offering documents of the underlying ETF. Potential investors should also note that the market-making activities and the trading of ETF units may be adversely affected in the secondary market as the creation of units will cease once the termination of the ETF is announced. As a result, the trading price of such ETF units may become very volatile resulting in substantial losses to the Fund. Furthermore, the net asset value of an ETF may drop substantially once the expenses and costs of the termination is set aside upon announcement of the termination. A Fund may suffer a substantial loss as a result of these expenses and costs associated with the termination. For an ETF that has provided for any potential tax liabilities, a Fund may not be able to get any refund or further distribution from the tax provision upon termination of the ETF.

(V) Foreign Exchange Risk

ETFs with underlying assets not denominated in the base currency of the ETF are also exposed to exchange rate risk. Currency rate fluctuations can adversely affect the underlying asset value, also affecting the ETF price.

(VI) Tax Risks

An ETF may be subject to tax imposed by the local authorities in the market related to the index, commodity, bonds or a basket of assets that it tracks which could impact the performance of the Fund.

(VII) Liquidity Risk Securities

Market makers are exchange participants that provide liquidity to facilitate trading in ETFs. Although most ETFs are supported by one or more securities market makers, there is no assurance that active trading will be maintained. In the event that the securities market makers default or cease to fulfil their role, a Fund may not be able to buy or sell the underlying ETF.

(VIII) Counterparty Risk Involved in ETFs with Different Replication Strategies

An ETF using a full replication strategy generally aims to invest in all constituent stocks/assets in the same weightings as its benchmark. ETFs adopting a representative sampling strategy will invest in some, but not all of the relevant constituent stocks/assets. For ETFs that invest directly in the underlying assets rather than through synthetic instruments issued by third parties, counterparty risk tends to be less of concern. In contrast, ETFs utilising a synthetic replication strategy use swaps or other derivative instruments to gain exposure to a

benchmark. Currently, synthetic replication ETFs can be further categorized into:

- (i) swap-based ETFs which allow ETF managers to replicate the benchmark performance of ETFs without purchasing the underlying assets. Swap-based ETFs are exposed to counterparty risk of the swap dealers and may suffer losses if such dealers default or fail to honour their contractual commitments; and
- (ii) (ii) derivative embedded ETFs which allow ETF managers to use other derivative instruments to synthetically replicate the economic benefit of the relevant benchmark. The derivative instruments may be issued by one or multiple issuers. Derivative embedded ETFs are subject to counterparty risk of the derivative instruments' issuers and may suffer losses if such issuers default or fail to honour their contractual commitments.

Even where collateral is obtained by an ETF, it is subject to the collateral provider fulfilling its obligations. There is a further risk that when the right against the collateral is exercised, the market value of the collateral could be substantially less than the amount secured resulting in significant loss to the ETF.

Securities Lending Risk

In the event of bankruptcy or other default of a borrower of portfolio securities, a Fund could experience both delays in liquidating the loan collateral or recovering the loaned securities and losses including (a) possible decline in the value of the collateral or in the value of the securities loaned during the period which the relevant Fund seeks to enforce its rights thereto, (b) possible sub-normal levels of income and lack of access to income during this period, and (c) expenses of enforcing its rights. In an effort to reduce these risks, the Investment Manager will monitor the creditworthiness of the firms to which a Fund lends securities. Although not a principal investment strategy, a Fund may engage in securities lending to a significant extent.

Share Currency Designation Risk

A Class of Shares of a Fund may be designated in a currency other than the Base Currency of the relevant Fund. Changes in the exchange rate between the Base Currency and such designated currency may lead to a depreciation of the value of such Shares as expressed in the designated currency. The investor bears the risk of any such depreciation.

Suspension Risk

Investors are reminded that, in certain exceptional circumstances, their right to purchase and sell Shares may be suspended (see the section "Determination of the Net Asset Value: Temporary Suspension of Valuation of the Shares and of Sales and Redemptions").

Swing Pricing Risk

Shareholders are advised that the application of a swing pricing policy may mean that the volatility of a Fund's Net Asset Value might not reflect the true performance of the underlying portfolio performance. Typically, an adjustment for swing pricing will increase the Net Asset Value per Share when there are net inflows into a Fund and decrease the Net Asset Value per Share when there are net outflows. As this adjustment is related to the net inflows and outflows pertaining to a Fund it is not possible to accurately predict when an adjustment for swing pricing will be necessary at any future point in time or how frequently the ICAV may need to make such adjustments.

Synthetic Short Sales Risk

Synthetic short sales (through the use of FDI) are considered a speculative investment practice. The Investment Manager may attempt to limit a Fund's exposure to a possible market decline in the value of its portfolio securities through synthetic short sales of securities

that the Investment Manager believes possess volatility characteristics similar to those being hedged. In addition, the Investment Manager may use synthetic short sales for non-hedging purposes to pursue its investment objectives. For example, the Investment Manager may effect a synthetic short sale of a security if, in the Investment Manager's view, the security is over valued in relation to the issuer's prospects for growth. A synthetic short sale of a security involves the risk of an unlimited increase in the market price of the security which could result in an inability to cover the short position and thus a theoretically unlimited loss. Synthetic short sales may also subject a Fund to leverage risk (i.e. the risk that losses could well exceed a Fund's investment). There can be no assurance that securities necessary to cover a short position will be available for purchase.

Tax Considerations

Each of the Funds may invest in securities that produce income or capital gains that are subject to withholding and other taxes in respect of income or gains derived from its investments in underlying investee countries. Shareholders and potential investors are advised to consult their professional advisors concerning possible taxation or other consequences of subscribing, holding, selling, converting or otherwise disposing of Shares in the Funds under the laws of jurisdictions in which they may be subject to taxes. Taxation law and practice and the levels and bases of and reliefs from taxation relating to the Funds and to its investors may change from time to time. In addition, developing or emerging countries typically have less well defined tax laws and procedures and such laws may permit retroactive taxation so that a Fund could in the future become subject to local tax liabilities it could not have reasonably anticipated in conducting its investment activities or valuing its interests. The ICAV may not be able to benefit from a reduction in the rate of such foreign tax by virtue of the double taxation treaties between Ireland and other countries. The ICAV may not, therefore, be able to reclaim any foreign withholding tax suffered by it in particular countries. If this position changes and the ICAV obtains a repayment of foreign tax, the Net Asset Value of the ICAV will not be restated and the benefit will be allocated to the then-existing Shareholders rateably at the time of repayment. A summary of some of the Irish, UK and US tax consequences applicable to the Funds is set out in the section "Taxation". However, Shareholders and potential investors should note that the information contained in that section does not purport to deal with all of the tax consequences applicable to the Funds or all categories of investors, some of whom may be subject to special rules.

Tax Reporting and Withholding

Certain countries have adopted tax laws which require reporting and/or withholding in certain circumstances in connection with an investor's acquisition, holding and/or disposal of an investment in the ICAV. Depending on the nature of the requirements, these tax laws impose (or will impose in the future) reporting and/or withholding obligations. To the extent that the ICAV determines to incur the costs of compliance with tax or other laws, the Directors may require that investors whose acquisition, holding or disposal triggers the compliance requirements to share pro rata the cost to the ICAV of doing so with other such investors. To the extent that the ICAV holds an investment in a jurisdiction where the law, regulation or market practice is unclear as to whether a withholding or tax return is required, the Directors shall make a judgement in good faith about the tax and accounting treatment adopted by the ICAV, as applicable, and this judgement shall be final.

Taxation of Dividends/Deemed Dividends

The ICAV may at the Directors' discretion, pay dividends to shareholders. However, in so far as dividends are paid, shareholders should note that the ICAV does not intend to operate dividend equalisation in respect of any Class of Share. Accordingly, Shareholders could receive

a greater or lesser share of dividend income than anticipated in certain circumstances such as when, respectively, Class size is shrinking or expanding prior to the payment of a dividend. To the extent actual dividends are not declared in relation to all income of a Class with reporting fund status for a period, further reportable income under the reporting fund rules will be attributed only to those shareholders in the relevant Class who remain as Shareholders at the end of the relevant accounting period. This could have the effect of increasing the proportion of income (rather than capital gains) tax paid by a Shareholder subject to UK taxation. See the UK tax section in the "Taxation" section for further information.

Umbrella Cash Account Risk

Subscriptions monies received by the Fund in advance of the issue of Shares will be held in the Umbrella Cash Account in the name of the ICAV and will be treated as an asset of the relevant Fund. Investors will be unsecured creditors of the relevant Fund with respect to the amount subscribed and held by the relevant Fund until such Shares are issued, and will not benefit from any appreciation in the NAV of the relevant Fund or any other shareholder rights (including dividend entitlement) until such time as Shares are issued. In the event of an insolvency of the relevant Fund or the ICAV, there is no guarantee that the Fund or ICAV will have sufficient funds to pay unsecured creditors in full. Payment by the relevant Fund of redemption proceeds and dividends is subject to receipt by the Administrator of original subscription documents and compliance with all anti-money laundering procedures. Notwithstanding this, redeeming Shareholders will cease to be Shareholders, with regard to the redeemed Shares, and will be unsecured creditors of the Fund, from the relevant redemption date. Pending redemptions and distributions, including blocked redemptions or distributions, will, pending payment to the relevant Shareholder, be held in the Umbrella Cash Account in the name of the ICAV. Redeeming Shareholders and Shareholders entitled to such distributions will be unsecured creditors of the Fund and will not benefit from any appreciation in the NAV of the relevant Fund or any other shareholder rights (including further dividend entitlement), with respect to the redemption or distribution amount held by the relevant Fund. In the event of an insolvency of the relevant Fund or the ICAV, there is no guarantee that the Fund or ICAV will have sufficient funds to pay unsecured creditors in full. Redeeming Shareholders and Shareholders entitled to distributions should ensure that any outstanding documentation and information is provided to the Administrator promptly. Failure to do so is at such Shareholder's own risk. In the event of the insolvency of another Fund of the ICAV, recovery of any amounts to which the relevant Fund is entitled, but which may have transferred to such Fund as a result of the operation of the Umbrella Cash Account, will be subject to the principles of Irish company law and the terms of the operational procedures for the Umbrella Cash Account. There may be delays in effecting and / or disputes as to the recovery of such amounts, and the insolvent Fund may have insufficient funds to repay amounts due to the relevant Fund.

Undervalued Securities Risk

Certain Funds may have a key objective to identify and invest in undervalued securities ("misvalued securities"). The identification of investment opportunities in misvalued securities is a difficult task, and there can be no assurance that such opportunities will be successfully recognised. While purchases of undervalued securities offer opportunities for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from the relevant Fund's investments may not adequately compensate for the business and financial risks assumed. A Fund may make certain speculative investments in securities which the Investment Manager believes to be misvalued; however, there can be no assurance that the securities purchased will in fact be misvalued. In addition, the relevant Fund may be required to maintain positions in such securities for a

substantial period of time before realising their anticipated value. During this period, a portion of the relevant Fund's capital may be committed to the securities, thus possibly preventing the relevant Fund from investing in other opportunities. In addition, the relevant Fund may finance any such purchases with borrowed funds and thus will have to pay interest on such funds during such waiting period.

Unlisted Securities Risk

Unlisted securities tend to be more volatile and have a higher risk profile than listed securities. There being no recognised market for unlisted securities, it may be difficult for the relevant Fund to obtain reliable information about the value of any such security, or the extent of the risks to which it is exposed or to dispose of any such security quickly and/or on terms advantageous to the relevant Fund. The attention of investors is drawn to the fact that valuation of unlisted securities and difficult to value securities depends on subjective factors and can be difficult to establish with accuracy.

The Administrator may be relying on valuations of unlisted or difficult to value securities provided by the Investment Manager. This could lead to potential conflicts of interest on the part of the Investment Manager whose fees will, as will the return to investors, increase as the value of the relevant Fund increases. However, the Investment Manager will endeavour to resolve such conflicts by valuing such unlisted or difficult to value securities based on their probable realisation value with prudence and good faith. U.S. Foreign Account Tax Compliance Act ("FATCA") Pursuant to FATCA, the ICAV (or each Fund) will be required to comply with extensive reporting and withholding requirements designed to inform the U.S. Department of the Treasury of U.S.- owned non-U.S. investment accounts. Failure to comply (or be deemed compliant) with these requirements will subject the ICAV (or a Fund) to U.S. withholding taxes on certain U.S. source income. Pursuant to an intergovernmental agreement between the United States and Ireland, the ICAV (or each Fund) may be deemed compliant, and therefore not subject to the withholding tax, if it identifies and reports U.S. reportable account information directly to the Irish government. Shareholders may be requested to provide additional information to the ICAV to enable the ICAV (or each Fund) to satisfy these obligations. Failure to provide requested information or (if applicable) satisfy its own FATCA obligations may subject a Shareholder to liability for any resulting U.S. withholding taxes, U.S. tax information reporting and/or mandatory redemption, transfer or other termination of the Shareholder's interest in its Shares.

The ICAV may be unable to comply with its FATCA obligations if Shareholders do not provide the required certifications or information. In such circumstances, the ICAV could become subject to FATCA withholding tax in respect of its U.S. source income if the U.S. Internal Revenue Service specifically identified the ICAV as being a 'non-participating financial institution' for FATCA purposes. Any such FATCA withholding tax would negatively impact the financial performance of the ICAV and all Shareholders may be adversely affected in such circumstances. Detailed guidance as to the mechanics and scope of this new reporting and withholding regime is continuing to develop. There can be no assurance as to the timing or impact of any such guidance on future operations of the ICAV (and each Fund). The administrative cost of compliance with FATCA may cause the operating expenses of the ICAV (and each Fund) to increase, thereby reducing returns to investors. FATCA may also require the ICAV (or each Fund) to provide to the Irish government (for exchange with the U.S. Internal Revenue Service) private and confidential information relating to certain investors. See section headed "Taxation."

Volatility Risk

There are a large number of risks inherent in trading of the nature contemplated by the Funds. Price movements are volatile and are affected by a wide variety of factors, including changing supply and demand relationships, credit spread fluctuations, interest rate and exchange rate fluctuations, international events and government policies and actions with respect to economic, exchange control, trade, monetary, military and other issues.

Risk Factors Not Exhaustive

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

Item 9: Disciplinary Information

To the best of our knowledge, there are no legal or disciplinary events that are material to an Investor's or prospective investor's evaluation of our advisory business or the integrity of our management.

Item 10: Other Financial Industry Activities and Affiliations

Neither we nor our management persons are registered as broker-dealers, and neither of us has any application pending to register with the SEC as a broker-dealer or registered representative of a broker-dealer, respectively.

Item 11: Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading

Code of Ethics

Sephira Investment Advisors (UK) Limited has adopted a “**Code of Ethics**” that establishes the high standard of conduct that we expect of our employees and procedures regarding our employees’ personal trading of securities. Our employees are required to certify their adherence to the terms set forth in the Code of Ethics upon commencement of employment and annually thereafter. Employees also are required to provide quarterly certifications of compliance with certain Code of Ethics provisions.

The foundation of our Code of Ethics is based upon the following underlying fiduciary principles:

- Employees must at all times place the interests of the Funds and Investors first;
- Employees must ensure that all personal securities transactions are conducted consistent with the Code of Ethics’ Employee Personal Investment Policy (described below); and
- Employees should not take inappropriate advantage of their position at the Firm.

Employees are not permitted to maintain personal brokerage accounts for the purpose of trading “**Reportable Securities**” (as defined in the Code of Ethics, and which includes a wide variety of investments such as stocks, bonds, fixed income, options, warrants, futures, and derivatives) except for the purpose of holding or liquidating any such holdings after the commencement of employment. Employees are permitted to liquidate positions held at the time of employment in Reportable Securities (a “**Liquidating Trade**”) subject to pre-clearance

by the CCO. Employees are prohibited from participating in Initial Public Offerings (“IPOs”). Employees are also prohibited from personally, or on behalf of a Client, purchasing or selling securities that appear on the Firm’s Restricted List.

Employees must obtain pre-approval from the CCO before: (i) engaging in any outside business activities; or (ii) making any private investments.

We will provide a copy of our Code of Ethics to our Investors, or any prospective investor, upon request, to be viewed on the premises.

Item 12: Brokerage Practices

Sephira Investment Advisors (UK) Limited) is authorized to determine the broker-dealer to be used for executing securities transaction for the Funds. In selecting broker-dealers to execute transactions, we do not need to solicit competitive bids and do not have an obligation to seek the lowest available commission cost. It is not our practice to negotiate “execution only” commission rates; therefore, the Funds may be deemed to be paying for research, brokerage or other services provided by the broker which are included in the commission rate.

We shall also have the authority to select and appoint custodians of the assets of the Funds. The Firm’s authority is limited by its own internal policies and procedures and each Fund’s investment guidelines.

Best Execution

In selecting an appropriate broker-dealer to effect a client trade, we seek to obtain “**Best Execution**,” meaning generally the execution of a securities transaction for a client in such a manner that a client’s total costs or proceeds in the transaction are most favorable under the circumstances. Accordingly, in seeking Best Execution, we will take into consideration the price of a security offered by the broker-dealer, as well as a broker-dealers’ full range and quality of their services including, among other things, their facilities, reliability and financial responsibility, execution capability, commission rates, responsiveness to us, brokerage and research services provided to us (for example, research ideas, analysis, and investment strategies), special execution and block positioning capabilities, clearance, and settlement and custodial services.

Soft Dollars

The Firm may use “**Soft Dollars**”. In such cases, Soft Dollar credits, generated by the Fund’s trading activities, would be used to purchase brokerage and research services or products that would otherwise have been Fund expense. We intend to keep any such arrangements within the parameters of the safe harbor of Section 28(e) of the Exchange Act.

Neither Sephira Investment Advisors (UK) Limited nor any related person receives client referrals from any broker-dealer or third party. However, subject to best execution, we may consider, among other things, capital introduction and marketing assistance with respect to Investors in the Funds in selecting or recommending broker-dealers for the Funds.

The provision by a broker of research and other services and property to us creates an incentive for us to select such broker since we would not have to pay for such research and

other services and property as opposed to solely seeking the most favorable execution for a client. Any research, services or property provided by a broker may benefit any client and such benefits may not be proportionate to commission dollars related to the provision of such research, services or property.

Item 13: Review of Accounts

Our Portfolio Manager and investment professionals continuously monitor and analyze the transactions, positions, and investment levels of the Fund to ensure that they conform with the investment objectives and guidelines that are stated in the Fund's Offering Documents. In these reviews, the Firm pays particular attention to any changes in the investment's fundamentals, overall risk management and changes in the markets that may affect price levels.

Account Reporting

We perform various periodic reviews of each client's portfolio. Such reviews are conducted by our officers.

We will distribute an audited financial report with respect to the previous fiscal year to all Investors within 120 days of fiscal year end. We may also distribute quarterly unaudited net asset value statements, quarter-end performance reports, and a quarterly investor letter to all Investors.

Item 14: Client Referrals and Other Compensation

We do not receive economic benefits from non-clients for providing investment advice and other advisory services. Neither we nor any of our related persons, directly or indirectly, compensate any person who is not a supervised person for client referrals.

Item 15: Custody

We will be deemed to have custody of Client funds and securities because we have the authority to obtain Client funds or securities, for example, by deducting advisory fees from a Client's account or otherwise withdrawing funds from a Client's account. Account statements related to the Clients are sent by qualified custodians to Sephira Investment Advisors (UK) Limited.

We will comply with Rule 206(4)-2 of the Investment Advisers Act of 1940, as amended (the "**Advisers Act**") (i.e., the "custody rule") by meeting the conditions of the pooled vehicle annual audit approach. Upon completion of the relevant Fund's annual audit by an independent auditor that is registered with, and subject to inspection by, the Public Company Accounting Oversight Board (PCAOB), we will distribute the Fund's audited financials to Investors within 120 days of such Fund's fiscal year end.

Item 16: Investment Discretion

We will have full discretionary investment authority with respect to the Funds, including authority to make decisions with respect to which securities to be bought and sold, as well as the amount and price of those securities.

Item 17: Voting Client Securities

In compliance with Rule 206(4)-6 of the Advisers Act (i.e., the “proxy voting rule”), we have adopted proxy voting policies and procedures. The general policy is to vote all proxy proposals, amendments, consents or resolutions (collectively, “**Proxies**”) in a prudent and diligent manner that will serve the applicable Client’s best interests and is in line with the Client’s investment objectives.

We may take into account all relevant factors, as determined by us in our discretion, including, without limitation:

- the impact on the value of the securities or instruments owned by the relevant client and the returns on those securities;
- the anticipated associated costs and benefits;
- the continued or increased availability of portfolio information; and
- industry and business practices.

Generally, clients may not direct our vote in a particular solicitation.

Clients may obtain a copy of our Proxy voting policies and our Proxy voting record upon request.

Item 18: Financial Information

We are not required to include a balance sheet for our most recent fiscal year, are not aware of any financial condition reasonably likely to impair our ability to meet contractual commitments to Clients, and have not been the subject of a bankruptcy petition at any time during the past ten years.