

## KBI INSTITUTIONAL WATER FUND

### **SUPPLEMENT 2 DATED 23<sup>rd</sup> March, 2018 to the Prospectus issued for KBI Institutional Fund ICAV**

This Supplement contains information relating to the KBI Institutional Water Fund (the "Fund"), a Fund of KBI Institutional Fund ICAV (the "ICAV"). The ICAV is an open-ended umbrella type Irish collective asset-management vehicle with limited liability and segregated liability between Funds, registered and authorised by the Central Bank to carry on business as an ICAV pursuant to Part 2 of the Act. The ICAV has been authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations. **This Supplement forms part of and should be read in the context of and in conjunction with the Prospectus for the ICAV dated 7<sup>th</sup> December, 2017 (the "Prospectus") which immediately precedes this Supplement and is incorporated herein.**

**This Supplement replaces Supplement 2 dated 7<sup>th</sup> December, 2017.**

The other existing Funds of the ICAV, details of which are set out in relevant Supplements are KBI Institutional Long Bond Fund, KBI Institutional Energy Solutions Fund, KBI Institutional Agri Fund, KBI Institutional Developed Equity Fund, KBI Institutional GRS Fund, KBI Institutional Emerging Markets Equity Fund, KBI Institutional Eurozone Equity Fund, KBI Institutional Global Equity Fund, KBI Institutional 50/50 Global/Eurozone Equity Fund, KBI Institutional North America Equity Fund, KBI Institutional ACWI Equity Fund, KBI Institutional Pan European Equity Fund, KBI Institutional Global ESG Equity Fund, KBI Institutional EAFE Small Cap Equity Fund and KBI Institutional Global Sustainable Infrastructure Fund.

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

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

#### **1. Interpretation**

The expressions below shall have the following meanings:

"Business Day" means every day, other than a Saturday or Sunday, which are bank business days in Ireland and in such other market or markets to which the Fund has, in the reasonable opinion of the Investment Manager, a substantial exposure or such other day or days as the Directors may determine and notify in advance to Shareholders.

"Dealing Day"	means every Business Day or such other day or days as may be determined by the Directors and notified in advance to Shareholders provided that there shall be at least two Dealing Days in each month.
"Dealing Deadline"	means 11 a.m. Irish time on the relevant Dealing Day or such other time as the Directors may determine and notify in advance to Shareholders.
"Initial Offer Period"	means the initial offer period for the relevant Shares Class as set out in Section 6 of this Supplement.
"Initial Price"	means the initial offer price for the relevant Share Class as set out in Section 6 of this Supplement.
"Valuation Point"	means 12 p.m. (midday) Irish time on the relevant Dealing Day or such other time as the Directors may determine and notify in advance to Shareholders provided, always, that the Dealing Deadline falls before the Valuation Point.

All other defined terms used in this Supplement shall have the same meaning as in the Prospectus.

## **2. Classes of Shares**

The following Classes of Shares are being offered in the Fund:

US Dollar Class A, US Dollar Class A (Distributing), US Dollar Class B, US Dollar Class B (Distributing), US Dollar Class C, US Dollar Class D, US Dollar Class E, US Dollar Class F, Sterling Class A, Sterling Class A (Distributing), Sterling Class B, Sterling Class B (Distributing), Sterling Class C, Sterling Class D, Sterling Class E, Sterling Class F, Sterling Class G (Hedged), Euro Class A, Euro Class B, Euro Class C, Euro Class D, Euro Class E, Euro Class F, Euro Class G, Euro Class H, Euro Class H (Distributing), Euro Class I, Euro Class I (Distributing), Euro Class J, Euro Class K (Hedged), Canadian Dollar Class A, Canadian Dollar Class B, Canadian Dollar Class C, Canadian Dollar Class D, Swiss Franc Class A, Swiss Franc Class B, Swiss Franc Class C and Swiss Franc Class D Shares, Australian Dollar Class A, Australian Dollar Class B, Australian Dollar Class C, Australian Dollar Class D, Czech Koruna Class A, Czech Koruna Class A (Hedged), Czech Koruna Class B and Czech Koruna Class B (Hedged),

## **3. Base Currency**

US Dollars.

## **4. Investment Objective**

The investment objective of the Fund is to generate the highest possible return for its Shareholders by investing primarily in equity and equity-related securities of international

companies involved in the water sector as further described below. This is reflected in its pursuit of capital gains and income.

## **5. Investment Policy**

In pursuit of its investment objective, the Fund will invest primarily, either directly or indirectly (through investment in underlying collective investment schemes), in equity and equity-related securities (including, but not limited to, warrants, convertibles, rights which are issued by a company to allow holders to subscribe for additional securities issued by that company, ADRs and GDRs) of companies listed or traded on Recognised Exchanges worldwide which, in the opinion of the Investment Manager, generate a substantial proportion of their turnover and operate on a sustainable basis in the water sector. The Fund will invest across all parts of the water sector including but not limited to water and wastewater treatment, water testing, infrastructure, filtration, engineering/consulting services and pumps/valves (but excluding the consumer bottled water sector).

The Fund is not subject to any specific geographic constraints provided however that the Fund will not invest more than 30% of net assets in emerging markets.

For the purpose of gaining exposure to shares of companies of the People's Republic of China ("PRC") listed in China, the Fund may invest up to 10% of its net assets in China A shares issued by companies in the PRC and listed on PRC stock exchanges.

The Fund may also invest, from time to time, up to 10% of net assets in UCITS and non-UCITS (which fall within the requirements set out in the Central Bank's guidance), which have an investment policy in line with the investment policy of the Fund. Such non-UCITS will be domiciled worldwide (including but not limited to Europe, the US and Asia).

Pending investment of the proceeds of a placing or offer of Shares or where market or other factors so warrant, the Fund's assets may be held in money market instruments, including but not limited to certificates of deposit, floating rate notes and commercial paper listed or traded on Recognised Exchanges, and in cash deposits denominated in such currency or currencies as the Directors may determine having consulted with the Investment Manager.

### *Investment Strategy*

Securities for the Fund are selected from a water-themed universe of companies. The Investment Manager actively manages the Fund through specialist stock selection, making its decisions based on a range of factors including but not limited to profitability, financial strength, quality of management, risk profile, and environmental social and governance performance.

### *Efficient Portfolio Management*

The Fund may employ (subject to the conditions and within the limits laid down by the Central Bank) techniques and instruments relating to transferable securities, including but not limited to

forward foreign exchange contracts, futures, stocklending, swaps and any other techniques and instruments as the Investment Manager, as appropriate, may consider appropriate for efficient portfolio management purposes. The Fund may employ techniques and instruments intended to provide protection against exchange rate risks in the context of the management of its assets and liabilities.

Efficient portfolio management transactions referred to above may be entered into by the Investment Manager with one of the following aims a) a reduction of risk b) a reduction of cost with no increase or a minimal increase in risk; c) generation of additional capital or income with no, or an acceptably low level of risk (relative to the expected return).

The Fund may, subject to the conditions and limits laid down by the Central Bank, enter into futures contracts on securities, securities indexes and currencies. The Fund may use the foregoing techniques for efficient portfolio management and to hedge against changes in (i) exchange rates, (ii) securities prices.

Forward currency contracts may, subject to the conditions and limits laid down by the Central Bank, be used in order to hedge currency exposures of the Fund in accordance with the requirements of the Central Bank. Such currency exposure will arise where the assets in which the Fund invests are denominated in a different currency than the Base Currency of the Fund.

The Fund may enter into swap agreements with respect to currencies and securities. The Fund may use these techniques to protect against changes in currency exchange rates.

In respect of currencies the Fund may utilise currency swap contracts where the Fund may exchange currencies at a fixed rate of exchange for currencies at a floating rate of exchange or currencies at a floating rate of exchange for currencies at a fixed rate of exchange. These contracts allow the Fund to manage its exposures to currencies in which it holds investment. For these instruments the Fund's return is based on the movement of currency exchange rates relative to a fixed currency amount agreed by the parties.

The Fund's global exposure (as prescribed in the Central Bank UCITS Regulations) relating to financial derivative instruments shall not exceed 100% of the Net Asset Value of the Fund and will be measured using the commitment approach.

#### *Share Class Currency Hedging*

In the case of Euro Class K (Hedged) and Sterling Class G (Hedged) , it is the intention of the Investment Manager to hedge the currency exposure of each Class between the denominated currency of the relevant Class and USD (the Base Currency of the Sub-Fund). The Investment Manager will seek to achieve this hedging by using financial derivative instruments as set out in the section headed "Share Class Currency Hedging" in the Prospectus.

## **6. Offer**

The Initial Offer Period in respect of US Dollar Class A (Distributing), US Dollar Class B, US Dollar Class B (Distributing), US Dollar Class D, US Dollar Class E, US Dollar Class F, Euro Class B, Euro Class E, Euro Class H (Distributing), Euro Class I (Distributing), Euro Class J, Euro Class K (Hedged), Sterling Class A (Distributing), Sterling Class B, Sterling Class B (Distributing), Sterling Class C, Sterling Class D, Sterling Class F, Sterling Class G (Hedged), Canadian Dollar Class A, Canadian Dollar Class B, Canadian Dollar Class C, Canadian Dollar Class D, Swiss Franc Class A, Swiss Franc Class B, Swiss Franc Class C, Swiss Franc Class D Shares, Australian Dollar Class C, Australian Dollar Class D, Czech Koruna Class A, Czech Koruna Class A (Hedged), Czech Koruna Class B and Czech Koruna Class B (Hedged) shall run from 9 a.m. on 26<sup>th</sup> March, 2018 until 5 p.m. on 25<sup>th</sup> September, 2018.

During the Initial Offer Period for each Share Class, Shares shall be offered at the Initial Price for the relevant Class as set out below and subject to acceptance of applications for Shares by the ICAV and will be issued for the first time on the first Dealing Day after expiry of the Initial Offer Period. The Initial Offer Period for the relevant Share Class may be shortened or extended by the Directors. The Central Bank will be notified of any such extension. Following the Initial Offer Period for the relevant Share Class, Shares in the Fund will be issued at the Net Asset Value per Share of the relevant Class.

The Initial Price shall be US\$10 in the case of US Dollar Share Classes, Euro10 in the case of Euro Share Classes, Stg£10 in the case of Sterling Share Classes, CAD\$10 in the case of the Canadian Dollar Share Classes, CHF10 in the case of the Swiss Franc Share Classes, AUD\$10 in the case of the Australian Dollar Class Shares and CZK 10 in respect of Czech Koruna Class Shares.

US Dollar Class A, USD Class C, Sterling Class A, Sterling Class E, Euro Class A, Euro Class C, Euro Class D, Euro Class F, Euro Class G, Euro Class H, Euro Class I, Australian Dollar A and Australian Dollar B are available at the Net Asset Value of the relevant Share Class on the relevant Dealing Day.

## **7. Minimum Subscription and Minimum Transaction Size**

There is no Minimum Subscription or minimum subsequent subscription per investor applicable to Shares in the Fund.

## **8. Application for Shares**

Applications for Shares may be made through the Administrator or Paying Agent. Applications accepted by the Administrator or Paying Agent on behalf of the Fund and received by the Administrator or Paying Agent prior to the Dealing Deadline for any Dealing Day will be dealt with on that Dealing Day. The Paying Agent is responsible for forwarding applications for Shares it receives to the Administrator. Any applications received after the Dealing Deadline for a particular Dealing Day will be dealt with on the following Dealing Day unless the ICAV in its absolute discretion otherwise determines to accept one or more applications received after

the Dealing Deadline for processing on that Dealing Day provided that such application(s) have been received prior to the Valuation Point for the particular Dealing Day.

Initial applications should be made using an Application Form obtained from the Administrator or Paying Agent. Subsequent purchases of Shares following the initial subscription may be made to the Administrator or Paying Agent by way of written communication or such other means and should contain such information as may be specified from time to time by the Directors or their delegate. Applications should be accompanied by such other documentation as the Directors or their delegate may from time to time specify or request. Amendments to a Shareholder's registration details and payment instructions will only be made following receipt of original written instructions from the relevant Shareholder.

#### *Fractions*

Fractions of Shares may be issued to four decimal places provided, however, that fractional shares shall not carry any voting rights.

#### *Method of Payment*

Subscription payments net of all bank charges should be paid by wire or electronic transfer to the bank account specified in the Account Opening Form enclosed with this Prospectus. Other methods of payment are subject to the prior approval of the ICAV. No interest will be paid in respect of payments received in circumstances where the application is held over until a subsequent Dealing Day.

#### *Currency of Payment*

Subscription monies are payable in the currency of denomination of the relevant Share Class. However, the ICAV may accept payment in such other currencies as the ICAV may agree at the prevailing exchange rate quoted by the relevant Distributor or Paying Agent. The cost and risk of converting currency will be borne by the investor.

#### *Timing of Payment*

Payment in respect of subscriptions must be received in cleared funds by the Administrator no later than 2 Business Days after the relevant Dealing Day provided that the ICAV reserves the right to defer the issue of Shares until receipt of cleared subscription monies by the Fund. If payment in cleared funds in respect of a subscription has not been received by the relevant time, the ICAV or its delegate may (and in the event of non-clearance of funds, shall) cancel the allotment and/or charge the investor interest at the 7 day London Interbank Offer Rate (LIBOR) as fixed by the British Banking Association (i.e. LIBOR + 1%), which will be paid into the Fund together with an administration fee of Euro 100, which is payable to the ICAV. The ICAV may waive either of such charges in whole or in part. In addition, the ICAV has the right to sell all or part of the investor's holding of Shares in the Fund or any other fund of the ICAV in order to meet such charges.

### *Confirmation of Ownership*

Written confirmation of ownership of Shares will be sent to Shareholders within 48 hours of the purchase being made. Title to Shares will be evidenced by the entering of the investor's on the ICAV's register of Shareholders and no certificates will be issued.

## **9. Redemption of Shares**

Requests for the redemption of Shares should be made to the Distributor by way of written communication or such other means and should include such information as may be specified, from time to time by the Directors or their delegate. The Distributor or Paying Agent is responsible for forwarding redemption requests to the Administrator. Requests for redemption received prior to the Dealing Deadline for any Dealing Day will be dealt with on that Dealing Day. Any requests for redemption received after the Dealing Deadline for a Dealing Day will be dealt with on the next Dealing Day unless the ICAV in its absolute discretion determines otherwise. Redemption requests will only be accepted where cleared funds and completed documents are in place from original subscriptions.

### *Method of Payment*

Redemption payments will be made to the bank account detailed on the Account Opening Form or as subsequently notified in writing to the Distributor or Paying Agent for onward transmission to the Administrator.

### *Currency of Payment*

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

### *Timing of Payment*

Subject to receipt of all required documentation by the Administrator, redemption proceeds in respect of Shares will be paid within 3 Business Days of the relevant Dealing Deadline or such other period as the Directors or their delegate may determine, provided that the redemption proceeds will be paid within 10 Business Days of the relevant Dealing Deadline.

### *Withdrawal of Redemption Requests*

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

### *Compulsory Redemption*

All the Shares of the Fund may be compulsorily redeemed in the circumstances described in the Prospectus under the heading "Compulsory Redemption of Shares".

#### **10. Conversion of Shares**

Subject to the Minimum Subscription and minimum transaction requirements of the relevant Fund or Classes, Shareholders may convert some or all of their Shares in one Fund or Class to Shares in another Fund or Class or another Class in the same Fund in accordance with the formula specified in the Prospectus under the heading "Conversion of Shares".

Applications for conversion of Shares should be made to the Distributor or Paying Agent by way of written communication or such other means and should include such information as may be specified from time to time by the Directors or their delegate. The Distributor or Paying Agent is responsible for forwarding conversion requests to the Administrator. Requests for conversion should be received prior to the earlier of the Dealing Deadline for redemptions in the Fund from which conversion is requested and the Dealing Deadline for subscriptions in the Fund into which conversion is requested. Any applications received after such time will be dealt with on the next Dealing Day which is a dealing day for the relevant Funds, unless the ICAV in its absolute discretion otherwise determines. Conversion requests will only be accepted where cleared funds and completed documents are in place from original subscriptions.

Where the value of Shares converted from the Original Fund are not sufficient to purchase an integral number of Shares in the Fund, fractions of Shares may be issued to four decimal places provided, however, that fractional shares shall not carry any voting rights.

##### *Withdrawal of Conversion Requests*

Conversion requests may not be withdrawn save with the written consent of the ICAV or its authorised agent or in the event of a suspension of calculation of the Net Asset Value of the Funds in respect of which the conversion request was made.

#### **11. Suspension of Dealing**

Shares may not be issued, redeemed or converted during any period when the calculation of the Net Asset Value of the relevant Fund is suspended in the manner described in the Prospectus under the heading "Suspension of Valuation of Assets". Applicants for Shares and Shareholders requesting redemption and/or conversion of Shares will be notified of such suspension and, unless withdrawn, applications for Shares will be considered and requests for redemption and/or conversion will be processed as at the next Dealing Day following the ending of such suspension.

#### **12. Fees and Expenses**

The fees and expenses relating to the establishment of the Fund have been amortised over the

first five Accounting Periods of the Fund. The Fund shall bear its attributable portion of the fees and operating expenses of the ICAV. The fees and operating expenses of the ICAV are set out in detail under the heading "Fees and Expenses" in the Prospectus.

#### *Investment Manager's Fees*

The Investment Manager shall be entitled to receive out of the assets of the Fund an annual fee of up to 2.5% per annum of the Net Asset Value of the Fund (plus VAT, if any). Within this maximum permitted limit, the Investment Manager's fees may differ between Classes of the Fund as outlined below in the section headed Class Specific Fee Rates.

#### *Administrator's Fees*

The Administrator shall be entitled to receive out of the assets of the Fund an annual fee at a rate not to exceed 0.10% of the Net Asset Value of each relevant Class (plus VAT if any thereon). Within this maximum permitted limit, the Administrator's fee may differ between Classes of the Fund. Details of the different Administrator's fees applicable to each Class are available from the ICAV. Minimum fees may apply depending on Fund value and will be payable by the Fund.

#### *Depositary's Fees*

The Depositary shall be entitled to receive out of the assets of the Fund an annual fee at a rate not to exceed 0.10% of the Net Asset Value of each relevant Class (plus VAT if any thereon). Minimum fees may apply depending on Fund value and will be payable by the Fund.

#### *Distribution Fee*

The Investment Manager shall also be entitled to receive for its own use and benefit a distribution fee of up to 1% per annum of the Net Asset Value of the Fund (plus VAT, if any). Within this maximum permitted limit, the Investment Manager's distribution fee may differ between Classes of the Fund as outlined below in the section headed Class Specific Fee Rates.

#### *Initial Charge*

The Shares shall be subject to an initial charge of not to exceed 5% of the Net Asset Value per Share purchased by Shareholders. Within this maximum permitted limit, the initial charge may differ between Classes of the Fund as outlined below in the Section headed Class Specific Fee Rates. Any such fee will be payable directly to the Distributor or Paying Agent as the case may be for its absolute use and benefit.

Shares in each Class may be subject to an initial charge in the circumstances set out on page 53 of the Prospectus under the heading "Abusive Trading Practices/Market Timing".

#### *Redemption Fee*

Except as set out on page 53 of the Prospectus under the heading “Abusive Trading Practices/Market Timing”, the Shares shall not be subject to a redemption fee.

*Conversion Fee*

No conversion fee will apply.

*Anti-Dilution Levy/Duties and Charges*

The ICAV reserves the right to impose “an anti-dilution levy” in certain circumstances as set out on page 49 of the Prospectus under the heading “Anti-Dilution Levy/Duties and Charges”. Any such amount will be limited to 0.25% of redemption proceeds or subscription proceeds (as the case may be) and will be paid into the account of the Fund.

*Class Specific Fee Rates*

The Investment Manager’s investment management fee and distribution fee and the Initial Charge differ from Class to Class as outlined below.

<b>Class of Share</b>	<b>Currency</b>	<b>Investment Manager's Fee</b>	<b>Initial Charge</b>	<b>Distribution Fee</b>
US Dollar Class A	Dollar	0.60% per annum of Net Asset Value attributable to US Dollar Class A	Not applicable	Not applicable
US Dollar Class A (Distributing)	Dollar	0.60% per annum of Net Asset Value attributable to US Dollar Class A (Distributing)	Not applicable	Not applicable
US Dollar Class B	Dollar	up to 1.5% per annum of Net Asset Value attributable to US Dollar Class B	Not applicable	Not applicable
US Dollar Class B (Distributing)	Dollar	up to 1.5% per annum of Net Asset Value attributable to US Dollar Class B (Distributing)	Not applicable	Not applicable
US Dollar Class C	Dollar	1.3% per annum of Net Asset Value attributable to US Dollar Class C	Not applicable	up to 1%
US Dollar Class D	Dollar	0% per annum of Net Asset Value attributable to US Dollar Class D	Not applicable	Not applicable

US Dollar Class E	Dollar	Up to 1% per annum of Net Asset Value attributable to US Dollar Class E	Not applicable	Not applicable
US Dollar Class F	Dollar	Up to 0.45% per annum of Net Asset Value attributable to US Dollar Class F	Not applicable	Not applicable
Euro Class A	Euro	0% per annum of Net Asset Value attributable to Euro Class A	Not applicable	Not applicable
Euro Class B	Euro	up to 1.5% per annum of Net Asset Value attributable to Euro Class B	Not applicable	Not applicable
Euro Class C	Euro	0.375% per annum of Net Asset Value attributable to Euro Class C	Not applicable	Not applicable
Euro Class D	Euro	0.60% per annum of Net Asset Value attributable to Euro Class D	Not applicable	Not applicable
Euro Class E	Euro	up to 1.00% per annum of Net Asset Value attributable to Euro Class E	Not applicable	Not applicable
Euro Class F	Euro	1.30% per annum of Net Asset Value attributable to Euro Class F	Not applicable	up to 0.5%
Euro Class G	Euro	1.6% per annum of Net Asset Value attributable to Euro Class G	Not applicable	Not applicable
Euro Class H	Euro	0.60% per annum of Net Asset Value attributable to Euro Class H	Not applicable	Not applicable
Euro Class H (Distributing)	Euro	0.60% per annum of Net Asset Value attributable to Euro Class H (Distributing)	Not applicable	Not applicable
Euro Class I	Euro	1.80% per annum of Net Asset Value attributable to Euro Class I	Up to 5%	Not applicable
Euro Class I (Distributing),	Euro	1.80% per annum of Net Asset Value attributable to Euro Class I (Distributing)	Up to 5%	Not applicable
Euro Class J	Euro	Up to 0.45% per annum of Net Asset Value attributable to Euro Class J	Not applicable	Not applicable

Euro Class K (Hedged)	Euro	Up to 2% per annum of Net Asset Value attributable to Euro Class K (Hedged)	Not applicable	Not applicable
Sterling Class A	Sterling	0.75% per annum of Net Asset Value attributable to Sterling Class A	Not applicable	Not applicable
Sterling Class A (Distributing)	Sterling	0.75% per annum of Net Asset Value attributable to Sterling Class A (Distributing)	Not applicable	Not applicable
Sterling Class B	Sterling	up to 1.50% per annum of Net Asset Value attributable to Sterling Class B	Not applicable	Not applicable
Sterling Class B (Distributing)	Sterling	up to 1.50% per annum of Net Asset Value attributable to Sterling Class B (Distributing)	Not applicable	Not applicable
Sterling Class C	Sterling	up to 0.50% per annum of Net Asset Value attributable to Sterling Class C	Not applicable	Not applicable
Sterling Class D	Sterling	0% per annum of Net Asset Value attributable to Sterling Class D	Not applicable	Not applicable
Sterling Class E	Sterling	1% per annum of Net Asset Value attributable to Sterling Class E	Not applicable	Not applicable
Sterling Class F	Sterling	Up to 0.45% per annum of Net Asset Value attributable to Sterling Class F	Not applicable	Not applicable
Sterling Class G (Hedged)	Sterling	Up to 2.00% per annum of Net Asset Value attributable to Sterling Class G (Hedged)	Not applicable	Not applicable
Canadian Dollar Class A	Canadian Dollar	up to 0.75% per annum of Net Asset Value attributable to Canadian Dollar Class A	Not applicable	Not applicable
Canadian Dollar Class B	Canadian Dollar	up to 1.5% per annum of Net Asset Value attributable to Canadian Dollar Class B	Not applicable	Not applicable
Canadian Dollar Class C	Canadian Dollar	up to 2.0% per annum of Net Asset Value attributable to Canadian Dollar Class C	Not applicable	Not applicable
Canadian	Canadian	0% per annum of Net Asset	Not	Not

Dollar Class D	Dollar	Value attributable to Canadian Dollar Class D	applicable	applicable
Swiss Franc Class A	Swiss Franc	up to 0.75% per annum of Net Asset Value attributable to Swiss Franc Class A	Not applicable	Not applicable
Swiss Franc Class B	Swiss Franc	up to 1.5% per annum of Net Asset Value attributable to Swiss Franc Class B	Not applicable	Not applicable
Swiss Franc Class C	Swiss Franc	up to 2.0% per annum of Net Asset Value attributable to Swiss Franc Class C	Not applicable	Not applicable
Swiss Franc Class D	Swiss Franc	0% per annum of Net Asset Value attributable to Swiss Franc Class D	Not applicable	Not applicable
AUD Dollar Class A	Australian Dollar	up to 0.75% per annum of Net Asset Value attributable to AUD Dollar Class A	Not applicable	Not applicable
AUD Dollar Class B	Australian Dollar	up to 0.85% per annum of Net Asset Value attributable to AUD Dollar Class B	Not applicable	Not applicable
AUD Dollar Class C	Australian Dollar	up to 2.00% per annum of Net Asset Value attributable to AUD Dollar Class C	Not applicable	Not applicable
AUD Dollar Class D	Australian Dollar	up to 0% per annum of Net Asset Value attributable to AUD Dollar Class D	Not applicable	Not applicable
Czech Koruna Class A	Czech Koruna	up to 2.5% per annum of Net Asset Value attributable to Czech Koruna Class A	5%	Not applicable
Czech Koruna Class A (Hedged)	Czech Koruna	up to 2.5% per annum of Net Asset Value attributable to Czech Koruna Class A (Hedged)	5%	Not applicable
Czech Koruna Class B	Czech Koruna	up to 1.0% per annum of Net Asset Value attributable to Czech Koruna Class B	Not applicable	Not applicable
Czech Koruna Class B (Hedged)	Czech Koruna	up to 1.0% per annum of Net Asset Value attributable to Czech Koruna Class B (Hedged)	Not applicable	Not applicable

In the case of US Dollar Class A (Distributing), US Dollar Class B (Distributing), Euro Class H (Distributing), Euro Class I (Distributing), Sterling Class A (Distributing) and Sterling Class B (Distributing), investment management fees and recurring expenses, or a portion thereof, will be charged against the capital of the relevant Class in such manner as the Directors may from

time to time decide. Shareholders should note that capital of the relevant Class may be eroded and income shall be achieved by foregoing the potential for future capital growth. Thus, on redemptions of holdings Shareholders of the relevant Class may not receive back the full amount invested. The policy of charging investment management fees and recurring expenses, or a portion thereof, to capital seeks to maximise distributions but it will also have the effect of lowering the capital value of your investment and constraining the potential for future capital growth.

In respect of all other Share Classes of the Fund, recurring expenses (excluding investment management fees) will be charged to capital in such manner as the Directors may from time to time decide. Shareholders of accumulating Share Classes should note that capital of the relevant Class may be temporarily eroded as a result of this charging method. Upon redemptions of holdings, Shareholders in accumulating Share Classes receive both capital and income, accordingly, while they may not receive back the full amount of capital invested, the overall redemption amount is unaffected. The policy of charging recurring expenses, or a portion thereof, to capital in respect of accumulating Share Classes will have the effect of temporarily increasing the income element of your investment but it will also have the effect of lowering the capital value of your investment, until such time as income is capitalised (which is currently every six months).

### **13. Dividends and Distributions**

With the exception of US Dollar Class A (Distributing), US Dollar Class B (Distributing), Euro Class H (Distributing), Euro Class I (Distributing), Sterling Class A (Distributing) and Sterling Class B (Distributing), all Share Classes are accumulating shares. The income and earnings and gains of the Fund, attributable to each Share Class will be accumulated and reinvested on behalf of the relevant Shareholders.

The Directors may declare a dividend once a year (or more frequently at their discretion) out of the net income available for distribution in relation to the US Dollar Class A (Distributing), US Dollar Class B (Distributing), Euro Class H (Distributing), Euro Class I (Distributing), Sterling Class A (Distributing) and Sterling Class B (Distributing) Shares (whether in the form of dividends, interest or otherwise), and/or net realised and unrealised capital gains (i.e. realised and unrealised capital gains net of all realised and unrealised losses), subject to certain adjustments. The Directors may also declare interim dividends on the same basis. Dividends will normally be paid on or before the date falling four months after the previous financial year end in respect of the amount available for distribution as at that previous financial year end. All distributing Share Classes shall rank for dividends as and from the beginning of the accounting period in which they were issued. If declared, dividends will be paid to holders of the relevant Share Class. Dividends will normally be paid by electronic or telegraphic transfer. All dividends unclaimed after a period of six years shall be forfeited and shall revert to the Fund and be attributed to the relevant Share Class. Dividends shall not bear interest against the Fund.

The ICAV will automatically re-invest any distribution entitlements in further Shares of the relevant Class of the Fund if distributions are less than US\$100 (or equivalent), £50 or €100 in value (depending on the relevant denomination of the Shares) unless the ICAV has received instructions in writing to the contrary from the relevant Shareholder.

Sterling Class A and Sterling Class E Shares have already been issued and approved as Reporting Shares for UK Tax purposes by HM Revenue & Customs. It is the Directors' intention to also treat additional Sterling Class C, Sterling Class D and Sterling Class F Shares as Reporting Shares once issued. Although the Directors will endeavour to ensure that all the unissued or newly issued Shares listed above are approved by HM Revenue & Customs as Reporting Shares and that the issued Shares continue to be so approved, it cannot be guaranteed that this result will be achieved or maintained at all times. The ICAV currently intends that all other Share Classes in this Fund will be Non-Reporting Shares, however, the ICAV cannot guarantee that this position will not change.

UK potential investors are advised to review the section headed "Additional Information for Investors in the United Kingdom" on page 106 of the Prospectus for more information.

#### **14. Risk Factors**

The attention of investors is drawn to the "Risk Factors" section in the Section of the Prospectus entitled "The ICAV".

#### **15. Profile of a Typical Investor**

The Fund is suitable for investors seeking long-term (10 years) investment returns, who are prepared to accept high volatility.