

# Prospectus

## BNY MELLON LIQUIDITY FUNDS PLC

THIS PROSPECTUS REPLACES THE PROSPECTUS DATED 6 JANUARY 2023.  
THE DATE OF THIS PROSPECTUS IS 6 JUNE 2023.



(An open-ended umbrella type investment company with variable capital incorporated with limited liability under the laws of Ireland, registered number 245903, with segregated liability between Sub-Funds)



**BNY MELLON**  
INVESTMENT MANAGEMENT

*BNY Mellon Liquidity Funds, plc (the “Company”) is an open-ended umbrella type investment company with variable capital and having segregated liability between its Sub-Funds incorporated with limited liability under the laws of Ireland and is authorised as a UCITS by the Central Bank pursuant to the UCITS Regulations and as an MMF pursuant to the MMF Regulation.*

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

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

# Preliminary

An investment in a Sub-Fund of the Company is not a guaranteed investment and is different from an investment in deposits, particularly as the principal invested in a Sub-Fund is capable of fluctuation. The Company does not rely on external support for guaranteeing the liquidity of any Sub-Fund or stabilising the Net Asset Value per Share. The risk of loss of the principal invested in a Sub-Fund shall be borne by the investor.

**Authorisation of the Company and of its Sub-Funds is not an endorsement or guarantee of the Company or its Sub-Funds by the Central Bank nor is the Central Bank responsible for the contents of this Prospectus. The authorisation of the Company and of its Sub-Funds by the Central Bank shall not constitute a warranty as to the performance of the Company and of Sub-Funds and the Central Bank shall not be liable for the performance or default of the Company or its Sub-Funds.**

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

*It is intended that applications may be made in jurisdictions outside Ireland to enable the Shares of the Company to be marketed freely in these jurisdictions. In the event that such registrations take place, local regulations in EEA countries may require the appointment of paying agents and the maintenance of accounts by such agents through which subscription and redemption monies may be paid. Investors who choose or are obliged under local regulations to pay/receive subscription/redemption monies via an Intermediary rather than directly to the Depositary bear a credit risk against that intermediate entity with respect to*

- a) *subscription monies prior to the transmission of such monies to the Depositary for the account of the Company*  
*and*
- b) *redemption monies and distributions payable by such intermediate entity to the relevant investor.*

*The fees and expenses in connection with the registration and distribution of Shares in such jurisdictions, which will be at normal commercial rates, may be borne by the Company and/or the Sub-Funds.*

*This Prospectus does not constitute, and may not be used for the purposes of, an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or solicitation. The distribution of this Prospectus and the offering of Shares in certain jurisdictions may be restricted and accordingly, persons*

*into whose possession this Prospectus comes are required to inform themselves about and to observe such restrictions. Prospective investors should inform themselves as to*

- a) *the legal requirements within their own jurisdictions for the purchase or holding of Shares;*
- b) *any foreign exchange restrictions which may affect them;*  
*and*
- c) *the income and other tax consequences which may apply in their own jurisdictions relevant to the purchase, holding or disposal of Shares.*

*The Shares have not been and will not be registered in the United States under the Securities Act of 1933, as amended (the "1933 Act"), or any U.S. state securities laws, and neither the Sub-Funds nor the Company has been or will be registered in the United States under the Investment Company Act of 1940, as amended (the "1940 Act"), and Shareholders will not be entitled to the benefits of such registration. Shares may not be offered or sold, directly or indirectly, in the United States, any state thereof or its territories or possessions or to any U.S. Person. The Directors may, however, authorise the offer and sale of Shares to a limited number or category of U.S. Persons and, if so authorised, Shares will be offered and sold only to such persons and in such manner as will not require registration of the Company, any Sub-Fund, or the Shares under the securities laws of the United States or any state thereof. The Shares have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission or other regulatory authority in the United States, nor has any such authority passed upon nor endorsed the merits of this offering or the accuracy or adequacy of this Prospectus as may be amended or supplemented from time to time. Any representation to the contrary is unlawful.*

*Applicants will be required to certify that they are not U.S. Persons precluded from purchasing, acquiring or holding Shares.*

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

*This Prospectus is intended for distribution only to Professional Clients as specified in the DFSA's Rules, including Market Counterparties and must not, therefore, be delivered to, or relied on by, any other type of person.*

*If this material is distributed in, or from, the Dubai International Financial Centre ("DIFC"), it is communicated by The Bank of New York Mellon, DIFC Branch, regulated by the DFSA and located at DIFC, The Exchange Building 5 North, Level 6, Room 601, P.O. Box 506723, Dubai, UAE, on behalf of BNY Mellon Investment Management EMEA Limited, which is a wholly-owned subsidiary of The Bank of New York Mellon Corporation.*

*Shareholders are required to notify the Company immediately in the event that they cease to be a Qualified Holder.*

*The Company may at any time redeem, or request the transfer of, Shares held by persons who are excluded from purchasing or holding Shares as set out in "Restrictions on Ownership, Compulsory Redemption and Transfer of Shares".*

*Distribution of this Prospectus is not authorised unless accompanied by a copy of the latest annual report and audited accounts of the Company and if published after the annual report, the latest half-yearly report of the Company. Such reports and each relevant Supplement to this Prospectus will form part of this Prospectus.*

*Unless otherwise provided, statements made in this Prospectus are based on the law and practice currently in force in Ireland and are subject to changes in that law.*

*Investors should note that investments in securities can be volatile and their value may decline as well as appreciate, there can be no assurance that a Sub-Fund will attain its objective. The price of Shares as well as any income therefrom may go down as well as up to reflect changes in the Net Asset Value of a Sub-Fund. The value of your investments may fluctuate. Past performance provides no guarantee for the future.*

*Attention is also drawn to the section headed "Risk Factors". **Investors should note that an investment in the Company should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.***

*If you do not understand the contents of this document you should consult an authorised financial adviser.*

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# Directory

## Directors

The Directors of the Company whose business address is at

One Dockland Central  
Guild Street  
IFSC  
Dublin 1  
D01E4X0  
Ireland

are as follows:

Gregory Brisk  
J. Charles Cardona  
Claire Cawley  
David Dillon  
Mark Flaherty  
Gerald Rehn  
Caylie Stallard

## Registered Office

One Dockland Central  
Guild Street  
IFSC  
Dublin 1  
D01E4X0  
Ireland

## Secretary

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

## Depository

**The Bank of New York Mellon SA/NV, Dublin Branch**  
4<sup>th</sup> Floor  
Riverside II  
Sir John Rogerson's Quay  
Dublin 2  
D02 KV60  
Ireland

## Manager and Distributor

**BNY Mellon Fund Management (Luxembourg) S.A.**  
2-4, rue Eugène Ruppert  
L-2453 Luxembourg

## Lead Sub-Distributors

**BNY Mellon Investment Management EMEA Limited**  
BNY Mellon Centre  
160 Queen Victoria Street  
London EC4V 4LA  
United Kingdom

**BNY Mellon Securities Corporation**  
240 Greenwich Street  
New York, NY 10286  
USA

## Legal Advisers in Ireland

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

## Investment Advisers

**BNY Mellon Investment Adviser, Inc.**  
240 Greenwich Street  
New York, NY 10286  
USA

**Insight Investment Management (Global) Limited**  
160 Queen Victoria Street  
London, EC4V 4LA  
United Kingdom

## Administrator, Registrar and Transfer Agent

**BNY Mellon Fund Services (Ireland) Designated Activity Company**  
One Dockland Central  
Guild Street  
IFSC  
Dublin 1  
D01E4X0  
Ireland

## Auditors

**Ernst & Young**  
Harcourt Centre  
Harcourt Street  
Dublin 2  
D02 YA40  
Ireland



# Definitions

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

## **“Accounting Date”**

the date by reference to which the annual accounts of the Company shall be prepared and which shall be September 30 in each year, or such other date as the Directors may from time to time decide.

## **“Accounting Period”**

a period ending on an Accounting Date and commencing (in the case of the first such period) on the date of the first issue of Shares or (in any other case) from the end of the last Accounting Period.

## **“Accumulating Shares”**

Shares in respect of which the net income and insofar as applicable net realised capital gains thereof will be rolled-up and will not be distributed.

## **“Accumulating Class Net Asset Value per Share”**

the Net Asset Value per Share of a class constituting only Accumulating Shares, which shall be calculated as the difference between the sum of all of the assets attributable to the class and valued in accordance with the Amortised Cost Method combined with the sum of the net income and, insofar as applicable, net capital gains arising in respect of those assets and the sum of all of the liabilities attributable to the class, divided by the number of its outstanding Shares.

## **“Administration Agreement”**

an agreement dated 10 April 1996 (as amended and restated on 22 December 2000) between the Manager and the Administrator, as amended by a supplemental administration agreement dated 7 November 2008, as further amended by side letters dated 24 April 2009 and 25 May 2018 and novated by a novation agreement dated 1 March 2019 between BNY Mellon Global Management Limited, the Manager (BNY Mellon Fund Management Luxembourg S.A.) and the Administrator, as amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank UCITS Regulations.

## **“Administrator”**

BNY Mellon Fund Services (Ireland) Designated Activity Company or any successor company appointed by the Manager (with the prior approval of the Central Bank) as administrator of the assets of the Company and of each Sub-Fund.

## **“Amortised Cost Method” or “Amortised Cost”**

a valuation method which takes the acquisition cost of an asset and adjusts that value for amortisation of premiums or discounts until maturity.

## **“Anti-Money Laundering and Countering Terrorist Financing Legislation”**

the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 as amended by the Criminal Justice Act 2013 and the Criminal Justice (Money Laundering and Terrorist Financing) (Amendment) Act 2018, as may be amended, substituted or supplemented from time to time.

## **“Applicable Laws”**

all laws and regulations applicable to the Company, including the Data Protection Legislation, the UCITS Regulations, the MMF Regulation, the Central Bank Requirements and the Anti-Money Laundering and Countering Terrorist Financing Legislation.

## **“Application Form”**

such application form as the Directors may prescribe for the purposes of subscribing for Shares in the relevant Sub-Fund.

## **“Articles”**

the Memorandum and Articles of Association of the Company, as amended from time to time.

## **“Base Currency”**

the currency in which a Sub-Fund is denominated.

## **“Business Day”**

any such day or days as set out in the relevant Supplement, or such other day as the Directors may from time to time decide.

## **“BNY Mellon”**

The Bank of New York Mellon Corporation and its affiliates.

## **“Central Bank”**

the Central Bank of Ireland.

## **“Central Bank Requirements”**

the conditions imposed by the Central Bank on investment companies authorised as UCITS for the purposes of the UCITS Regulations, as same may be amended or replaced from time to time including, for the avoidance of doubt, the Central Bank UCITS Regulations.

## **“Central Bank UCITS Regulations”**

the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, (as may be further amended, consolidated and substituted from time to time) and any related guidance issued by the Central Bank from time to time.

## **“Company”**

BNY Mellon Liquidity Funds, plc.

**“Constant Net Asset Value per Share” or “Constant NAV per Share”**

the Constant Net Asset Value per Share of a class which shall be calculated as the difference between the sum of all of the assets attributable to the class valued in accordance with the Amortised Cost Method and the sum of all of the liabilities attributable to the class, divided by the number of outstanding Shares in the class. The Constant NAV per Share shall be rounded to the nearest percentage point or its equivalent when the Constant NAV per Share is published in a currency unit.

**“Council of the EU” or “Council”**

the institution representing the EU Member States’ governments. It is where national ministers from each EU country meet to adopt laws and coordinate policies.

**“Courts Service”**

the organisation responsible for the administration of moneys under the control or subject to the order of the Irish Courts.

**“Data Protection Legislation”**

all laws relating to the Processing of Personal Data, privacy and security including, without limitation, the EU Data Protection Directive 95/46/EC, the Data Protection Acts 1988 to 2018, the ePrivacy Directive (2002/58/EC) and the General Data Protection Regulation (EU) 2016/679 and, where the context so requires, equivalent or replacement legislation of any applicable jurisdiction, delegated legislation of other national data protection legislation, and all other applicable law, regulations and approved codes of conduct, certifications, seals or marks in any relevant jurisdiction relating to the Processing of Personal Data including the opinions, guidance, advice, directions, orders and codes of practice issued or approved by a Supervisory Authority or the Article 29 Working Party or the European Data Protection Board.

**“Depository”**

The Bank of New York Mellon SA/NV Dublin Branch or any successor company appointed by the Company (with the prior approval of the Central Bank) as depository of the Company and of each Sub-Fund.

**“Depository Agreement”**

the Depository Agreement dated 1 July 2016, which replaces the custodian agreement dated 29 October 1999, as amended and novated by a supplemental custodian agreement dated 7 November 2008 and as further amended by a supplemental custodian agreement dated 20 March 2012.

**“Directors”**

the directors of the Company.

**“Distributing Shares”**

Shares in respect of which dividends are declared or paid that may be issued in a Sub-Fund.

**“EEA”**

the European Economic Area being at the date of this Prospectus the EU Member States, Norway, Iceland, Switzerland, Turkey and Liechtenstein.

**“EEA Member State”**

a member state of the European Economic Area.

**“Eligible Markets”**

markets in which a Sub-Fund may invest. A list of such markets is contained in Appendix IV hereto.

**“Environmentally Sustainable Economic Activities”**

economic activities which meet the EU Criteria for Environmentally Sustainable Economic Activities.

**ERISA Plans**

**(i) any retirement plan subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended (ERISA), or (ii) any individual retirement account or plan subject to Section 4975 of the United States Internal Revenue code of 1986, as amended. “ESG”**

environmental, social and governance.

**“ESMA”**

the European Securities and Markets Authority.

**“ESMA Remuneration Guidelines”**

the ESMA Guidelines on sound remuneration policies under the UCITS Directive and AIFMD issued pursuant to Article 14a(4) of the UCITS Directive as may be amended, restated, substituted or supplemented from time to time.

**“EU Criteria for Environmentally Sustainable Economic Activities”**

- the criteria set out in Article 3 of the EU Taxonomy Regulation.

**“EU Member States”**

countries that are members of the European Union, being, at the date of this Prospectus, Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Italy, Ireland, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Spain, Slovakia, Slovenia, and Sweden.

**“EU Taxonomy Regulation”**

- Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investments and, amending Regulation (EU) 2019/2088.

**“EU Taxonomy Regulation Enabling Activities”**

- means economic activities that directly enable other activities to make a substantial contribution to one of the EU Taxonomy Regulation’s environmental objectives provided that such economic activity (i) does not lead to a

lock-in of assets that undermine long-term environmental goals, considering the economic lifetime of those assets and (ii) has a substantial positive environmental impact on the basis of on the basis of life-cycle considerations.

#### **“EU Taxonomy Regulation Transitional Activities”**

means best alternative: in the case of the climate change mitigation objective, transition activities for which there are no technologically and economically feasible low-carbon alternatives and which meet specified criteria such that they support the transition to a climate-neutral economy in a manner that is consistent with a pathway to limit the temperature increase to 1.5 degrees Celsius above pre-industrial levels.

#### **“Exempted Irish Investor”**

- a pension scheme which is an exempt approved scheme within the meaning of Section 774 of the Taxes Act or a retirement annuity contract or a trust scheme to which Section 784 or 785 of the Taxes Act applies;
- a company carrying on life business within the meaning of Section 706 of the Taxes Act;
- an investment undertaking within the meaning of Section 739B(1) of the Taxes Act;
- a special investment scheme within the meaning of Section 737 of the Taxes Act;
- a charity being a person referred to in Section 739D(6)(f)(i) of the Taxes Act;
- a unit trust to which Section 731(5)(a) of the Taxes Act applies;
- a qualifying fund manager within the meaning of Section 784A(1)(a) of the Taxes Act where the Shares held are assets of an approved retirement fund or an approved minimum retirement fund;
- a qualifying management company within the meaning of Section 739B of the Taxes Act;
- an investment limited partnership within the meaning of Section 739J of the Taxes Act;
- a personal retirement savings account (“PRSA”) administrator acting on behalf of a person who is entitled to exemption from income tax and capital gains tax by virtue of Section 787I of the Taxes Act and the Shares are assets of a PRSA;
- a credit union within the meaning of Section 2 of the Credit Union Act, 1997;
- the National Asset Management Agency;
- the National Treasury Management Agency or a Fund investment vehicle (within the meaning of section 37 of the National Treasury Management Agency (Amendment) Act 2014) of which the Minister for Finance is the sole beneficial owner, or the State acting through the National Treasury Management Agency;
- the Motor Insurers’ Bureau of Ireland in respect of an investment made by it of moneys paid to the Motor Insurer Insolvency Compensation Fund under the Insurance Act 1964 (amended by the

Insurance (Amendment) Act 2018), and the Motor Insurers’ Bureau of Ireland has made a declaration to that effect to the Company;

- a company which is within the charge to corporation tax in accordance with Section 110(2) of the Taxes Act in respect of payments made to it by the Company;
  - a company that is within the charge to corporation tax in accordance with Section 739G (2) of the Taxes Act in respect of payments made to it by the Company, that has made a declaration to that effect and that has provided the Company with its tax reference number but only to extent that the relevant Sub-Fund is a money market fund (as defined in Section 739B of the Taxes Act); or
  - any other Irish Resident or persons who are Ordinarily Resident in Ireland who may be permitted to own Shares under taxation legislation or by written practice or concession of the Irish Revenue Commissioners without giving rise to a charge to tax in the Company or jeopardising tax exemptions associated with the Company giving rise to a charge to tax in the Company;
- provided that they have correctly completed the Relevant Declaration.

#### **“FDI”**

financial derivative instruments.

#### **“FCA”**

the Financial Conduct Authority or any relevant successor thereto.

#### **“Intermediary”**

a person who:

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

#### **“Internal Credit Quality Assessment Procedures”**

the credit quality assessment procedures detailed from time to time in the Articles and established by the Manager in accordance with the MMF Regulation.

#### **“Investment”**

any investment authorised by the Articles and which is permitted by the UCITS Regulations.

#### **“Investment Advisers”**

such parties appointed by the Manager from time to time, to act as investment adviser or investment manager of a Sub-Fund in accordance with the Central Bank Requirements and as set out in the relevant Supplement.

**“Investment Advisory Agreement”**

an agreement between the Manager and an Investment Adviser in respect of one or more Sub-Funds.

**“Ireland” or “the State”**

the Republic of Ireland.

**“Irish Resident”**

in the case of:

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

An individual will be regarded as being resident in Ireland for a tax year if he/she is present in Ireland: (1) for a period of at least 183 days in that tax year; or (2) for a period of at least 280 days in any two consecutive tax years, provided that the individual is present in Ireland for at least 31 days in each period. In determining days present in Ireland, an individual is deemed to be present if he/she is in Ireland at any time during the day.

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

A company incorporated in Ireland and also companies not so incorporated but that are managed and controlled in Ireland, will be tax resident in Ireland except to the extent that the company in question is, by virtue of a double taxation treaty between Ireland and another country, regarded as resident in a territory other than Ireland (and thus not resident in Ireland).

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

**“Legal Maturity”**

the date when the principal of a security is to be repaid in full and which is not subject to any optionality.

**“LVNAV MMF”**

an MMF which is both a Short Term MMF and a low volatility net asset value MMF as defined in the MMF Regulation.

**“Management Agreement”**

the agreement dated 28 February 2019 between the Company and the Manager, as amended, supplemented or otherwise modified from time to time in accordance with the Central Bank Requirements.

**“Manager”**

BNY Mellon Fund Management (Luxembourg) S.A., appointed by the Company with the prior approval of the Central Bank as the manager of the Company and of each Sub-Fund.

**“Mark-to-Market”**

the methodology, as described in the section entitled "Mark-to-Market", whereby positions are valued at readily available close out prices that are sourced independently, including exchange prices, screen prices, or quotes from several independent reputable brokers.

**“Mark-to-Model”**

any valuation which is benchmarked, extrapolated or otherwise calculated from one or more market input.

**“Member”**

a person who is registered as the holder of a Share or Shares or of a Subscriber Share or Subscriber Shares in the Register.

**“MMF”**

a collective investment undertaking that: (a) requires authorisation as a UCITS or is authorised as a UCITS under Directive 2009/65/EC; (b) invests in short-term assets; and (c) has distinct or cumulative objectives offering returns in line with money market rates or preserving the value of the investment.

**“MMF Regulation”**

Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds, as may be modified, amended, supplemented, consolidated or re-enacted from time to time.

**“Net Asset Value of the Company”**

the aggregate net asset value of all the Sub-Funds.

**“Net Asset Value of the Sub-Fund”**

the net asset value of a Sub-Fund calculated in accordance with the provisions of the Articles, as described under “The Company - Calculation of the Net Asset Value of each Sub-Fund”.

**“Ordinarily Resident in Ireland”**

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

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

December 2020 and departs from Ireland in that tax year will remain ordinarily resident up to the end of the tax year 1 January 2023 to 31 December 2023.

The concept of a trust's ordinary residence is somewhat obscure and linked to its tax residence.

**"Processing" and "Personal Data"**

shall have the meanings ascribed to them in the Data Protection Legislation.

**"Public Debt MMF"**

a public debt constant net asset value MMF as defined in the MMF Regulation.

**"Public Debt Short-Term MMF"**

a Sub-Fund that is both a Short-Term MMF and a Public Debt MMF.

**"Prospectus"**

the prospectus of the Company and any addenda thereto issued in accordance with the Central Bank Requirements.

**"Qualified Holder"**

any person, corporation or entity other than:

- a) a U.S. Person or anyone holding on behalf of a U.S. Person (unless that person is holding Shares with the consent of the Directors);
- b) any other person, corporation or entity which cannot acquire or hold Shares without violating laws or regulations whether applicable to it or the Company or otherwise or whose holding might result (either individually or in conjunction with other Shareholders in the same circumstances) in the Company incurring any liability to taxation or suffering regulatory, pecuniary, fiscal, legal or material administrative disadvantage which the Company might not otherwise incur or suffer or the Company being required to register or register any Class of its securities under the laws of any jurisdiction (including without limitation, the 1933 Act or the 1940 Act);  
or
- c) a depositary, nominee, or trustee for any person, corporation or entity described in (a) to (b) above.

**"Recognised Clearing System"**

any clearing system listed in Section 246A of the Taxes Act (including, but not limited to, Euroclear, Clearstream Banking AG, Clearstream Banking SA and CREST) or any other system for clearing shares which is designated for the purposes of Chapter 1A in Part 27 of the Taxes Act, by the Irish Revenue Commissioners, as a recognised clearing system.

**"Redemption Price"**

the Constant Net Asset Value per Share, Accumulating Class Net Asset Value per Share or Variable Net Asset Value per Share of a class, as applicable.

**"Register"**

the Register of Members to be kept pursuant to the Companies Act 2014.

**"Relevant Declaration"**

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

**"Relevant Period"**

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

**"Residual Maturity"**

the length of time remaining until the Legal Maturity of a security.

**"SFDR" or "Sustainable Finance Disclosure Regulation"**

Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector

**"Shareholder"**

a person who is registered as the holder of Shares in the Register for the time being kept by or on behalf of the Company.

**"Shares"**

Shares of no par value in the capital of the Company which may be designated as different classes of Accumulating Shares or Distributing Shares in one or more Sub-Funds.

**"Short-Term MMF"**

an MMF that invests in eligible money market instruments referred to in Section 1.1 of Appendix II to this Prospectus and is subject to the rules set out under the heading "Portfolio Composition Rules" in the relevant Supplements.

**"Short Sale"**

any sale by a Sub-Fund of an instrument which the Sub-Fund does not own at the time of entering into the agreement to sell, including such sale where, at the time of entering into the agreement to sell, the Sub-Fund has borrowed or agreed to borrow the instrument for delivery at settlement, not including:

- a) a sale by either party under a repurchase agreement where one party has agreed to sell to the other a security at a specified price with a commitment from the other party to sell the security back at a later date at another specified price; or
- b) an entry into a futures contract or other derivative contract where it is agreed to sell securities at a specified price at a future date.

**"Specified US Person"**

- a) a US citizen or resident individual



- b) a partnership or corporation organized in the United States or under the laws of the United States or any State thereof
- c) a trust if
  - i) a court within the United States would have authority under applicable law to render orders or judgments concerning substantially all issues regarding administration of the trust,
  - and
  - ii) one or more US persons have the authority to control all substantial decisions of the trust, or an estate of a decedent that is a citizen or resident of the United States
  - iii) excluding;
    - 1) a corporation the stock of which is regularly traded on one or more established securities markets;
    - 2) any corporation that is a member of the same expanded affiliated group, as defined in section 1471(e)(2) of the U.S. Internal Revenue Code, as a corporation described in clause a);
    - 3) the United States or any wholly owned agency or instrumentality thereof;
    - 4) any State of the United States, any U.S. Territory, any political subdivision of any of the foregoing, or any wholly owned agency or instrumentality of any one or more of the foregoing;
    - 5) any organization exempt from taxation under section 501(a) or an individual retirement plan as defined in section 7701(a)(37) of the U.S. Internal Revenue Code;
    - 6) any bank as defined in section 581 of the U.S. Internal Revenue Code;
    - 7) any real estate investment trust as defined in section 856 of the U.S. Internal Revenue Code;
    - 8) any regulated investment company as defined in section 851 of the U.S. Internal Revenue Code or any entity registered with the Securities Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. 80a-64);
    - 9) any common trust fund as defined in section 584(a) of the U.S. Internal Revenue Code;
    - 10) any trust that is exempt from tax under section 664(c) of the U.S. Internal Revenue Code or that is described in section 4947(a)(1) of the U.S. Internal Revenue Code;
    - 11) a dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any State;

or

- 12) a broker as defined in section 6045(c) of the U.S. Internal Revenue Code.
- 13) This definition shall be interpreted in accordance with the US Internal Revenue Code.

**“Sub-Fund”**

a sub-fund of the Company established by the Directors from time to time with the prior approval of the Central Bank.

**“Sub-Investment Adviser”**

means any sub-advisers appointed by an Investment Adviser and approved by the Manager with the consent of the Directors and in accordance with the Central Bank Requirements for the purpose of assisting in the provision of investment advisory services in respect of a Sub-Fund.

**“Subscriber Shares”**

shares of U.S. \$1.00 each in the capital of the Company designated as “Subscriber Shares” in the Articles and subscribed by or on behalf of the Manager for the purposes of incorporating the Company.

**“Subscription Price”**

the Constant Net Asset Value per Share, Variable Net Asset Value per Share or Accumulating Class Net Asset Value per Share of a class, as applicable.

**“Subsequent Dealing Form”**

such application form as the Directors may prescribe to be used for the purpose of subscription for additional Shares in the relevant Sub-Fund.

**“Supplement”**

a document supplemental to this Prospectus which contains specific information in relation to a particular Sub-Fund.

**“Taxes Act”**

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

**“Treasury Fund”**

BNY Mellon U.S. Treasury Fund, a Sub-Fund of the Company.

**“UCITS”**

an undertaking for collective investment in transferable securities as established under the UCITS Directive.

**“UCITS Directive”**

Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as amended by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 as regards depositary functions, remuneration policies and sanctions,

including its mandatory implementing regulations on an EU or Home Member State level and as further amended from time to time.

### **“UCITS Regulations”**

the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011) as amended by the European Union (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations, 2016 (S.I. No. 143 of 2016), and as may be further modified, amended, supplemented, consolidated or re-enacted from time to time.

### **“United States”**

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

### **“U.S. Dollar Fund”**

BNY Mellon U.S. Dollar Liquidity Fund, a Sub-Fund of the Company.

### **“U.S. Person”**

a person who is a person included in the definition of “U.S. person” under Rule 902 of Regulation S under the 1933 Act.

“U.S. person” under Rule 902 generally includes the following:

- a) any natural person resident in the United States;
- b) any partnership or corporation organised or incorporated under the laws of the United States;
- c) any estate of which any executor or administrator is a U.S. person;
- d) any trust of which any trustee is a U.S. person;
- e) any agency or branch of a non-U.S. entity located in the United States;
- f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;
- g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the United States;  
and
- h) any partnership or corporation if:
  - i) organised or incorporated under the laws of any non-U.S. jurisdiction;  
and
  - ii) formed by a U.S. person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501 (a) of Regulation D under the 1933 Act) who are not natural persons, estates or trusts.

Notwithstanding the preceding paragraph, “U.S. person” under Rule 902 does not include:

- i) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident in the United States;
- ii) any estate of which any professional fiduciary acting as executor or administrator is a U.S. person, if
  - 1) an executor or administrator of the estate who is not a U.S. person has sole or shared investment discretion with respect to the assets of the estate,  
and
  - 2) the estate is governed by non-United States law;
- iii) any trust of which any professional fiduciary acting as trustee is a U.S. person, if a trustee who is not a U.S. person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settler if the trust is revocable) is a U.S. person;
- iv) an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country;
- v) any agency or branch of a U.S. person located outside the United States if
  - 1) the agency or branch operates for valid business reasons,  
and
  - 2) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located;and
- vi) certain international organisations as specified in Rule 902(k) (2) (vi) of Regulation S under the 1933 Act.

An investor who is not a U.S. Person may nevertheless be considered a “U.S. Taxpayer” under U.S. federal income tax laws. For example, an individual who is a U.S. citizen residing outside of the United States is not a U.S. Person but is a “U.S. Taxpayer”. Such a person need not complete the Supplemental Disclosure Statement for U.S. Persons and U.S. Taxpayers, but should review the disclosure relating to U.S. taxation therein as the tax consequences described therein will apply to that person.

### **“U.S. Taxpayer”**

includes a U.S. citizen or resident alien of the United States (as defined for United States federal income tax purposes); any entity treated as a partnership or corporation for U.S. tax purposes that is created or organised in, or under the laws of, the United States or any State thereof; any other partnership that is treated as a U.S. Taxpayer under U.S. Treasury

Department regulations; any estate, the income of which is subject to U.S. income taxation regardless of source and any trust over whose administration a court within the United States has primary supervision and all substantial decisions of which are under the control of one or more U.S. fiduciaries. Persons who have lost their U.S. citizenship and who live outside the United States may nonetheless in some circumstances be treated as U.S. Taxpayers. An investor may be a "U.S. Taxpayer" but not a "U.S. Person". For example, an individual who is a U.S. citizen residing outside of the United States is not a "U.S. Person" but is a "U.S. Taxpayer".

**"Valuation Day"**

shall be any day as the Directors may from time to time determine with respect to each Sub-Fund (and notified in advance to Shareholders) for the purchase, sale and switching of Shares as set forth in the relevant Supplement for that Sub-Fund, or any other day notified in advance to Shareholders provided, however, there shall be a minimum of one such day in each week.

**"Valuation Point"**

such time on a Valuation Day as the Directors may from time to time specify in the case of any Sub-Fund, which will be stated in the Supplement for the relevant Sub-Fund.

**"Variable Net Asset Value per Share"**

the variable net asset value per Share of a class which shall be calculated as the difference between the sum of all of the assets attributable to the class valued in accordance with Mark-to-Market or Mark-to-Model, or both and the sum of all of the liabilities attributable to the class, divided by the number of the outstanding Shares in the class. The Variable NAV per Share shall be rounded to the nearest percentage point or its equivalent when the Variable NAV per Share is published in a currency unit.

**"VNAV MMF"**

a Short Term MMF which is a variable net asset value MMF as defined in the MMF Regulation.

**"Weighted Average Life" or "WAL"**

the average length of time to Legal Maturity of all of the underlying assets in a Sub-Fund reflecting the relative holdings in each asset.

**"Weighted Average Maturity" or "WAM"**

the average length of time to Legal Maturity or, if shorter, to the next interest rate reset to a money market rate, of all of the underlying assets in a Sub-Fund reflecting the relative holdings in each asset.

In this Prospectus, unless otherwise specified, all references to:

"trillion" are to one thousand billion;

"billion" are to one thousand million;

"USD" or "Dollars" or "US\$" or "cents" are to United States dollars or cents;

"EUR" or "Euros" or "€" are to the Euro;

"GBP" or "Sterling" or "Stg£" or "£" are to British pounds sterling.



# The Company

## ESTABLISHMENT

The Company was incorporated on 8 March 1996 under the laws of Ireland as an open-ended umbrella type investment company with variable capital, having segregated liability between its Sub-Funds and limited liability and has been authorised by the Central Bank pursuant to the UCITS Regulations and the MMF Regulation. The Company's share capital is at all times equal to the Net Asset Value of the Company.

## STRUCTURE

The Company is an umbrella type collective investment vehicle with segregated liability between Sub-Funds.

Additional Sub-Funds may, with the prior approval of the Central Bank, be created by the Directors. The name of each Sub-Fund, whether the relevant Sub-Fund is a Public Debt MMF, LVNAV MMF or VNAV MMF, the terms and conditions of its initial offer of Shares, details of its investment objectives, policies and restrictions and of any applicable fees and expenses shall be set out in the Supplements to this Prospectus. This Prospectus may only be issued with one or more Supplements, each containing specific information relating to a particular Sub-Fund. This Prospectus and the relevant Supplement should be read and construed as a single document. Supplements may be added to, or removed from, this Prospectus from time to time as Sub-Funds are authorised or have their authorisation revoked by the Central Bank, as the case may be. The following are the current Sub-Funds of the Company:

BNY Mellon U.S. Dollar Liquidity Fund

BNY Mellon U.S. Treasury Fund

BNY Mellon Sterling Liquidity Fund: This Sub-Fund was closed by way of compulsory redemption whereby all of the Shares in issue in the Sub-Fund as of 31 May, 2018, were compulsorily redeemed. Shares in the Sub-Fund are no longer available for investment.

The Directors may, whether on the establishment of a Sub-Fund or from time to time, create more than one class of Shares in each Sub-Fund, in accordance with the Central Bank Requirements, to which different:

- a) subscription amounts;  
and/or
- b) fees and expenses;  
and/or
- c) dividend entitlements;  
and/or
- d) designated currencies,  
as the Directors may determine, may be applicable.

The classes of Share established in respect of each Sub-Fund shall be set out in the relevant Supplement to the Prospectus. Separate pools of assets will not be maintained for each class.

Each Sub-Fund may offer some or all of the following classes of Shares:

### Distributing Shares

- Administrative Shares
- Advantage Shares
- Agency Shares
- Institutional Shares
- Investor Shares
- Participant Shares
- Service Shares
- Class X Shares
- Premier Shares

### Accumulating Shares

- Advantage (Acc.) Shares
- Institutional (Acc.) Shares
- Participant (Acc.) Shares

Administrative, Participant, Participant (Acc.) and Service Shares may be offered to investors that maintain an account relationship with a financial institution, securities dealer or other financial intermediary. Purchases of Administrative, Participant, Participant (Acc.) and Service Shares must be made through financial intermediaries that have made arrangements with the Manager to make Shares available to their clients. Administrative, Participant, Participant (Acc.) and Service Shares may not be purchased directly by individuals, although financial intermediaries may purchase Shares for accounts maintained by individuals. Generally, each financial intermediary will be required to open a single master account with the Company for Administrative, Participant, Participant (Acc.) and Service Shares. The holding of Shares in such account shall not affect the free transferability of the Shares.

Advantage, Advantage (Acc.), Agency, Institutional, Institutional (Acc.), Administrative, Investor and Premier Shares may be offered to institutional investors acting for themselves or in a fiduciary, advisory, custodial or similar capacity, and may also be purchased by individuals directly from the Company. Class X Shares are limited to institutional (but not individual) investors that are directly or indirectly affiliated with The Bank of New York Mellon Corporation and in respect of which the Directors deem it appropriate for such clients to invest. This restriction however, does not affect the free transferability of these Shares.

The Directors have the right in their sole discretion to waive any restrictions applying to any class of Shares as detailed above at any time.

The Company may establish additional classes of Shares in the future. The creation of further classes of Shares must be notified to the Central Bank.

Subscriptions for the Shares of each Sub-Fund must be made in the denominated currency of the relevant Sub-Fund. Redemption or distribution money paid in respect of a class of Shares will be paid out in the denominated currency of the Sub-Fund.

The Companies Act 2014 provides that there shall be implied into every contract, agreement, arrangement or transaction entered into by the Company with another party (the "Counterparty") the following terms:

- the Counterparty shall not seek whether in any proceedings or by any other means whatsoever or wheresoever to have recourse to any assets of any Sub-Fund of the Company in the discharge of all or any part of a liability which was not incurred on behalf of that Sub-Fund;
  - if the Counterparty shall succeed by any means whatsoever or wheresoever in having recourse to any assets of any Sub-Fund in the discharge of all or any part of a liability which was not incurred on behalf of that Sub-Fund, the Counterparty shall be liable to the Company to a sum equal to the value of the benefit thereby obtained by the Counterparty;
- and
- if the Counterparty shall succeed in seizing or attaching by any means, or otherwise levying execution against, any assets of a Sub-Fund in respect of a liability which was not incurred on behalf of that Sub-Fund, the Counterparty shall hold those assets or the direct or indirect proceeds of the sale of such assets on trust for the Company and shall keep those assets or proceeds separately and identifiable as such trust property.

The assets and liabilities of the Company shall be allocated to each Sub-Fund in the following manner:

## SEGREGATED LIABILITY BETWEEN SUB-FUNDS

All consideration, other than the initial charge (if any), received by the Company for the allotment or issue of Shares of each class, together with all Investments in which such consideration is invested or reinvested, all income, earnings, profits and proceeds thereof shall be segregated and kept separate from all other monies of the Company and in a Sub-Fund, there being one such Sub-Fund in respect of each class of Shares to which the following provisions shall apply:

- a) for each class of Shares the Company shall keep separate books and records in which all transactions relating to the relevant Sub-Fund shall be recorded and, in particular, the proceeds from the allotment and issue of Shares of each such class, the Investments and the liabilities and income and expenditure attributable thereto shall be applied or charged to such Sub-Fund subject to the provisions of this Article;
- b) the liabilities of each Sub-Fund shall be attributable exclusively to that Sub-Fund;
- c) any asset derived from any other asset (whether cash or otherwise) comprised in any Sub-Fund shall be applied in the books of the Company for the same Sub-Fund as the asset from which it was derived and any increase or diminution in the value of such an asset shall be applied to the relevant Sub-Fund;

- d) the assets of each Sub-Fund shall belong exclusively to that Sub-Fund, shall be segregated in the records of the Depositary from the assets of other Sub-Funds, shall not be used to discharge directly or indirectly the liabilities of or claims against any other Sub-Fund and shall not be available for any such purpose;
  - e) in the event that there are any assets of the Company (not being attributable to Subscriber Shares) which the Directors do not consider are attributable to a particular Sub-Fund or Sub-Funds, the Directors shall, with the approval of the Depositary, allocate such assets to and among any one or more of the Sub-Funds in such manner and on such basis as they, in their discretion, deem fair and equitable; and the Directors shall with the approval of the Depositary have the power to and may at any time from time to time vary such basis in respect of assets not previously allocated;
  - f) each Sub-Fund shall be charged with the liabilities, expenses, costs, charges or reserves of the Company in respect of or attributable to that Sub-Fund and any such liabilities, expenses, costs, charges or reserves of the Company not attributable to any particular Sub-Fund or Sub-Funds shall be allocated and charged by the Directors with the approval of the Depositary in such manner and on such basis as the Directors in their discretion deem fair and equitable and the Directors shall have the power to and may at any time from time to time with the approval of the Depositary vary such basis including where certain circumstances so permit, the reallocation of such liabilities, expenses, costs, charges and reserves;
  - g) if, as a result of a creditor proceeding against certain of the assets of the Company or otherwise, a liability, expense, cost, charge or reserve would be borne in a different manner from that in which it has been borne under paragraph (e) above, or in any similar circumstances, the Directors may transfer in the books and records of the Company any assets to and from any of the Sub-Funds;
- and
- h) where the assets of the Company (if any) attributable to the Subscriber Shares give rise to any net profits, the Directors may allocate assets representing such net profits to such Sub-Fund or Sub-Funds as they deem appropriate.

## INVESTMENT OBJECTIVES AND POLICIES

The assets of each Sub-Fund will be invested separately in accordance with the investment objectives and policies of the relevant Sub-Fund which are set out in the relevant Supplements to this Prospectus.

Unless otherwise stated in the relevant Supplement, where a Sub-Fund maintains in its name a reference to a particular currency, country, region, economic sector or type of security, at least three-quarters of the assets of that Sub-Fund will comprise investments corresponding to the relevant currency, country, region, economic sector or type of security (as appropriate).

The specific investment objectives and policies for each Sub-Fund will be formulated by the Directors at the time such Sub-Fund is established and will be set forth in the relevant Supplement for each Sub-Fund.

The Directors, in consultation with the Investment Adviser, are responsible for the formulation of each Sub-Fund's present investment objectives and investment policies and any subsequent changes to those objectives or policies in the light of political and/or economic conditions.

Any alteration to the investment objectives or any material alteration to the investment policies of a Sub-Fund at any time will be subject to the prior approval in writing of all of the Shareholders of that Sub-Fund, or, if a general meeting of the Shareholders of the Sub-Fund is convened, on the basis of a majority of the votes cast at such meeting. The Directors may implement non-material alterations to the investment policy from time to time, if they shall deem it to be in the interests of the relevant Sub-Fund to do so. In the event of an alteration in the investment objective of a Sub-Fund and/or a material alteration to the investment policies of a Sub-Fund, a reasonable notification period shall be provided by the Directors to the Shareholders in that Sub-Fund to enable them seek redemption of their Shares prior to implementation of such alteration.

## **BENCHMARKS**

### **Use of Benchmarks**

Investors should be aware that certain Sub-Funds may be considered to be 'managed in reference to' a specified index or benchmark in accordance with the ESMA Questions and Answers on the Application of the UCITS Directive. A Sub-Fund is considered to be managed in reference to a specific index or benchmark where the index or benchmark plays a role in the management of the UCITS. Shareholders are directed towards the relevant Supplement which will provide information on whether any index or benchmark plays a role in the management of the specific Sub-Fund.

## **PROFILE OF A TYPICAL INVESTOR**

Each Fund is suitable for investors with short-term income needs seeking a relatively low risk investment with stability of principal.

## **INVESTMENT AND BORROWING RESTRICTIONS**

Investment of the assets of each Sub-Fund must comply with the UCITS Regulations and the MMF Regulation. Details of the investment and borrowing restrictions applicable to all Sub-Funds are contained in Appendix II.

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

It is intended that the Company should, subject to the prior approval of the Central Bank, have power to avail itself of any change in the investment restrictions laid down in the UCITS Regulations and the MMF Regulation which would permit investment by the Company in securities, derivative instruments or in any other forms of investment which, as at the date of this Prospectus, is restricted or prohibited under the UCITS Regulations or the MMF Regulation. The Company will give Shareholders

reasonable notice of its intention to avail itself of any such change which is material in nature and the Prospectus will be updated accordingly.

In the event of any conflict between the investment restrictions laid down in the MMF Regulation and the investment restrictions laid down in the UCITS Regulations, the investment restrictions in the MMF Regulation shall prevail.

## **Internal Credit Quality Assessment**

The Manager has established Internal Credit Quality Assessment Procedures for determining the credit quality of money market instruments, securitisations and asset backed commercial paper ("ABCPs") in which a Sub-Fund invests. The Investment Adviser of each Sub-Fund applies the Internal Credit Quality Assessment Procedures on behalf of the Manager.

## **HEDGING AND LIQUIDITY MANAGEMENT TECHNIQUES AND INSTRUMENTS**

The Company may, on behalf of each Sub-Fund and subject to the conditions and within the limits laid down by the Central Bank, employ certain techniques and instruments relating to transferable securities, including investments in financial derivative instruments, provided that such techniques and instruments are used for liquidity management purposes or to provide protection against interest rate or exchange rate risk. Such techniques and instruments are set out in Appendix III and may include swaps and repurchase agreements/ reverse repurchase agreements. Where the Company uses financial derivative instruments, the underlying asset of such instruments shall consist solely of interest rates, foreign exchange rates, currencies or indices representing one of those categories of instruments. The Company will only use financial derivative instruments for the purpose of hedging the interest rate or exchange rate risks inherent in the investments of the Sub-Funds. Where it does intend to engage in transactions relating to financial derivative instruments, a risk management process will be submitted to the Central Bank in accordance with the Central Bank's requirements prior to engaging in such transactions. New techniques and instruments may be developed which may be suitable for use by the Company and the Company (subject to such new techniques or instruments being permitted under the MMF Regulation and to the prior approval of the Central Bank) may employ such techniques and instruments.

The use of techniques and instruments for liquidity management or hedging will be in accordance with the best interests of the relevant Sub-Fund. Such techniques and instruments may be used with the aim of hedging certain risks associated with the relevant Sub-Fund's investments, reducing costs and to invest excess cash on a very short-term basis having regard to the risk profile of the Sub-Fund. The use of liquidity management and hedging techniques and instruments will not result in a change to the investment objective as set out in the Supplement for the relevant Sub-Fund.

Investors should consult the sections of the Prospectus entitled "Conflicts of Interest", "Risk Factors - Counterparty and Settlement Considerations", "Financial Derivative Instruments Risk" and "Repurchase and

Reverse Repurchase Agreements” for more information on the risks associated with hedging and liquidity management techniques and instruments.

Additional investment techniques and instruments specific to each Sub-Fund (and any corresponding limits) may be set forth in the relevant Supplement.

## BORROWING

A Sub-Fund may not borrow at any time but each Sub-Fund may, in order to facilitate subscriptions and redemptions, occasionally be temporarily overdrawn intraday due to the timing of cash receipts and disbursements, as well as for other operational reasons.

## LIQUIDITY MANAGEMENT PROCEDURES

Liquidity management procedures have been established by the Manager and describe the processes to be followed to ensure compliance with the weekly liquidity thresholds applicable to each Sub-Fund which is either a Public Debt MMF or LVNAV MMF. Tasks performed include, but are not limited to, stress testing of each Sub-Fund in line with the thresholds as well as liability analysis in understanding the underlying Shareholder base together with an analysis of historical redemption patterns to help anticipate the effect of concurrent redemptions in any Sub-Fund. Further tools are available should they be required such as a liquidity fee on redemptions and/or imposing a gate if net daily redemptions on any Valuation Day is more than 10% of a Sub-Fund’s assets. Investors should also consult the Sections of this Prospectus entitled “Redemption of Shares” and “Suspension”.

### Liquidity Events

In the case of each Sub-Fund which is either a Public Debt MMF or LVNAV MMF, when the proportion of the assets of a Sub-Fund which are considered to be weekly maturing assets falls below 30% of the total assets of the Sub-Fund and the net daily redemptions on a single Valuation Day exceed 10% of the total assets of the relevant Sub-Fund (a “Below 30% Liquidity Event”), subject to the Board first undertaking a documented assessment of the situation to determine the appropriate course of action having regard to the interests of the Shareholders of the Sub-Fund, the Board shall decide whether to apply one or more of the following measures: (i) liquidity fees on redemptions that adequately reflect the cost to the Sub-Fund of achieving liquidity and ensure that Shareholders who remain in the Sub-Fund are not unfairly disadvantaged when other investors redeem their Shares during the period; (ii) a suspension of redemptions for any period of up to 15 Valuation Days; (iii) redemption gates that limit the amount of Shares to be redeemed on any one Valuation Day to a maximum of 10% of the Shares in the Sub-Fund for any period up to 15 Valuation Days or (iv) take no action other than adopt as a priority objective the correction of the situation, taking due account of the interests of the Shareholders of the Sub-Fund.

In the case of each Sub-Fund which is either a Public Debt MMF or LVNAV MMF, when the proportion of the assets of a Sub-Fund which are considered to be weekly maturing assets falls below 10% of the total assets of the relevant Sub-Fund (a “Below 10% Liquidity Event”), subject to the Board first undertaking a documented

assessment of the situation and, on the basis of such assessment and having regard to the interests of the Shareholders of the Sub-Fund, the Board shall apply one or more of the following measures and document the reasons for its choice: (i) liquidity fees on redemptions that adequately reflect the cost to the Sub-Fund of achieving liquidity and ensure that investors who remain in the Sub-Fund are not unfairly disadvantaged when other investors redeem their Shares during the period; (ii) a suspension of redemptions for a period of up to 15 Valuation Days.

Should a Below 30% Liquidity Event or a Below 10% Liquidity Event (together “Liquidity Events”) occur, once the Board has undertaken its documented assessment and decided which measures described above to apply, it will, in addition to promptly providing details of its decision to the Central Bank, publish details of the Liquidity Event and the measure or measures being applied on [www.bnymellonim.com/mmf](http://www.bnymellonim.com/mmf).

Ultimately if it is in the best interests of Shareholders, the Directors may also suspend the calculation of the Net Asset Value of a Sub-Fund, the issue and redemption of Shares of any Sub-Fund and the switching of Shares in one class for those of another.

When, within a period of 90 days, the total duration of the suspensions declared by the Board in respect of a Sub-Fund exceeds 15 Valuation Days, the Sub-Fund shall automatically cease to be a Public Debt MMF or LVNAV MMF (as the case may be). The Company shall immediately inform each Shareholder thereof in writing in a clear and comprehensible way.

## DISTRIBUTION POLICY

The Directors are empowered to declare and pay dividends on any class of Shares in the Company. The dividend policy in respect of each class of Shares shall be set out in the relevant Supplement.

The Accumulating Shares do not distribute dividends to the holders of these Shares. The net revenue of the Sub-Fund will be accumulated and reinvested on their behalf.

Any failure to supply the Company or the Administrator with any documentation requested by them for anti-money laundering purposes, as described below, may result in a delay in:

- a) the settlement of redemption proceeds;  
or
- b) the payment of any sums payable by way of dividend to a Shareholder.

Any such unpaid monies shall remain an asset of the Company until such time as the Administrator has verified the Shareholder’s identity to its satisfaction, following which such redemption proceeds or dividend (as the case may be) will be paid.

### Unclaimed Dividends

All unclaimed dividends may be invested or otherwise made use of for the benefit of the relevant Sub-Fund until claimed. Any dividend unclaimed after 6 years from the date of its declaration (or on the winding up of the Company and/or the termination of the relevant Sub-Fund) shall be forfeited automatically and revert to the relevant Sub-Fund without the necessity for any declaration or other action by the Company.



## APPLICATION FOR SHARES

### Application Procedure

An application to purchase Shares as determined by the Directors must be made as described in the relevant Supplement. Any sales charges or other fees which may apply to the purchase of Shares are set forth in the Supplement for the relevant Sub-Fund. For further information regarding the purchase of Shares please refer to the relevant Supplement.

### Minimum Subscription

Applications by way of single subscription may be subject to a minimum subscription requirement. Different minimum subscriptions may be imposed on initial and subsequent subscriptions and minimum subscriptions may differ between classes and Sub-Funds. The minimum initial subscription for each class in a Sub-Fund is set out in the relevant Supplement. In exceptional circumstances, the minimum initial or subsequent subscription may be reduced by the Directors at their discretion either generally or in respect of specific applications.

### Subscription Price

The Subscription Price per Share shall be one of the Constant Net Asset Value per Share, the Accumulating Class Net Asset Value per Share or the Variable Net Asset Value per Share, as specified in the relevant Supplement.

### Payment for Shares

Payment for Shares must be made as specified in the Supplement for the relevant Sub-Fund. Applicants may be required to compensate the Company at the discretion of the Directors for any loss resulting from late settlement or a failure or default in connection with the settlement of a purchase order for Shares.

### Collection Account

Subscriptions monies received in respect of a Sub-Fund in advance of the issue of Shares may be held in a Collection Account in the name of the Company on behalf of the relevant Sub-Fund and, accordingly, investors will be treated as a general creditor of the Company during the period between receipt of subscription monies and the issue of Shares. Subscriptions monies paid into the Collection Account will be paid into an account in the name of the relevant Sub-Fund on the contractual settlement date. Where subscription monies are received in the Collection Account without sufficient documentation to identify the investor or the relevant Sub-Fund, such monies, subject to applicable Anti-Money Laundering and Countering Terrorist Financing Legislation, shall within five (5) Business Days, be returned: (a) to the relevant investor; or (b) where the investor cannot be identified, to the bank account from which the subscription monies were received. Please note no shares will be issued and no monies invested into the Fund until the Administrator is able to complete its anti-money laundering verification requirements. Your attention is drawn to the section of the Prospectus entitled "Anti-Money Laundering and Countering Terrorist Financing Measures" Shareholders should refer to the risk statement 'Sub-Fund Cash Subscription and Redemption Account ("Collection Account") Risk' in the

Section of this Prospectus entitled 'Risk Factors' for an understanding of their position vis-a-vis monies held in a Collection Account.

### In Specie Issues

The Company may in its absolute discretion, provided that it is satisfied that no material prejudice would result to any existing Shareholders and subject to the provisions of the Companies Act, 2014, allot Shares of any class against the vesting in the Company of investments which would form part of the assets of the relevant Sub-Fund. The number of Shares to be issued in this way shall be the number which would, on the day the investments are vested in the Company, have been issued for cash against the payment of a sum equal to the value of the investments. The value of the investments to be vested shall be calculated on such basis as the Directors may decide, but such value cannot exceed the highest amount at which they would be valued by applying methods described under the heading "Calculation of the Net Asset Value of each Sub-Fund".

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

As at the date of this Prospectus, measures provided for in Anti-Money Laundering and Countering Terrorist Financing Legislation which are aimed towards the prevention of money laundering may require detailed verification of each applicant's identity and where applicable the beneficial owner on a risk sensitive basis and the ongoing monitoring of the business relationship. Politically exposed persons ("PEPs"), an individual who is or who has, at any time in the preceding year, been entrusted with prominent public functions, and immediate family members, or persons known to close associates of such persons, must also be identified. In the case of corporate applicants, this may require production of a certified copy of the certificate of incorporation (and any change of name), memorandum and articles of association (or equivalent), the names, occupations, dates of birth, passports and residential and business address of the directors of the company.

Depending on the circumstances of each application, a detailed verification may not be required where:

- a) the investor is a regulated credit or financial institution;
- or
- b) the application is made through a regulated financial intermediary.

These exceptions will only apply if the financial institution or intermediary referred to above is located in a country which has ratified the recommendations of the Financial Action Task Force and has equivalent anti money laundering legislation to that in place in Ireland. Applicants may contact the Administrator in order to determine whether they meet the above exceptions.

The details above are given by way of example only and in that regard the Administrator and the Company each reserve the right to request any such information as is necessary at the time of application for Shares in a Sub-Fund to verify the identity of an investor and where applicable the beneficial owner of an investor. In particular, the Administrator and the Company each reserve the right to carry out additional procedures in relation to both new and existing investors who are/

become classed as PEPs. Verification of the investor's identity should take place before or during establishment of the business relationship but in any event before issuance of the shares. In the event of delay or failure by an investor or applicant to produce any information required for verification purposes, the Administrator or the Company may refuse to accept the application and subscription monies and/or return all subscription monies. None of the Company, the Directors, the Administrator or the Manager shall be liable to the subscriber where an application for Shares is not processed. If an application is rejected, the Administrator will return application monies or the balance thereof in accordance with any applicable laws to the account from which it was paid at the cost and risk of the applicant. The Administrator may refuse to pay or delay payment of redemption proceeds where the requisite information for verification purposes has not been produced by a Shareholder. Shareholders should refer to the risk statement 'Sub-Fund Cash Subscription and Redemption Account ("Collection Account") Risk' in the Section of this Prospectus entitled 'Risk Factors' for an understanding of their position vis-a-vis monies held in a Collection Account.

The Administrator and the Company reserve the right to obtain any additional information from investors so that it can monitor the ongoing business relationship with such investors.

The Administrator and the Company cannot rely on third parties to meet this obligation, which remains their ultimate responsibility.

The Administrator and the Company also reserve the right to obtain any additional information from investors to keep its customer due diligence records up to date.

### **Data Protection**

Prospective investors are referred to the Application Form for details of the Data Protection Legislation applicable to the Company.

### **Discretion to Reject Subscriptions**

Significant subscriptions into and subsequent redemptions from the Sub-Funds could increase the relevant Sub-Fund's transaction costs such as market spreads and custodial fees and may interfere with the efficient management, performance and liquidity profile of the Sub-Fund. The Directors or their delegate may in their absolute discretion refuse to accept any subscription for Shares in the Company or accept any subscription in whole or in part.

### **Share Class Closures**

The Directors may close some or all of the share classes in a Sub-Fund to subscriptions from existing and/or new Shareholders if the assets attributable to a Sub-Fund are at a level, above which, as determined by the Directors, it is not in the best interest of Shareholders to accept further subscriptions – for instance where market conditions or the volume of subscriptions or where the size of the Sub-Fund may constrain the ability of the Investment Adviser to meet the investment objective of that Sub-Fund.

The Directors may subsequently re-open some or all of the share classes in a Sub-Fund to further subscriptions from existing and/or new Shareholders at their discretion

and the process for closing and, potentially, reopening the share classes may be repeated thereafter as the Directors may determine from time to time.

Shareholders may ascertain the closed or open status of the share classes and if those share classes are open to existing and/or new Shareholders by contacting the Administrator. Closing the share classes to new subscriptions from existing and/or new Shareholders will not affect the repurchase rights of Shareholders.

### **'Know your customer' Policy**

In accordance with the requirements of Article 27 of the MMF Regulation, the Manager is required to establish, implement and apply procedures and exercise all due diligence with a view to anticipating the effect of concurrent redemptions by several investors, taking into account at least the type of investor, the number of Shares in the Sub-Fund owned by an investor and the evolution of inflows and outflows. The Manager is also required to ensure that the value of Shares held by an investor does not materially impact the liquidity profile of the Sub-Fund where it accounts for a substantial part of the total NAV of the Sub-Fund.

### **Unclaimed Assets**

Where the Directors in their absolute discretion determine that it is impossible or impracticable to make a disbursement of monies due to a Shareholder (whether due to a termination, winding up, compulsory redemption or otherwise) and all reasonable measures to make the disbursement have been taken, the Directors may in their absolute discretion determine that any outstanding claims of the Shareholder and any obligations of the Company with respect thereto shall be extinguished, and any such amounts may be retained by the relevant Sub-Fund for the benefit of other Shareholders or paid to a charitable foundation. Any such determination may be subject to a de minimus threshold (as reasonably determined the Directors) or may be made without qualification, on the basis of the Company seeking to meet any applicable legal or regulatory requirements, including its anti-money laundering obligations.

### **Untraced Shareholders**

If the Directors determine in their absolute discretion that it is impossible or impracticable to contact the holder of, or person entitled by transmission to, any Share, the Company shall be entitled to sell such Share at the best price reasonably obtainable. The Company shall account to the relevant Sub-Fund for the net proceeds of such sale (or, if the Sub-Fund is no longer in existence, to such persons as the Directors may determine, provided always that such action is consistent with Central Bank requirements).

## **LATE TRADING**

"Late Trading" is the acceptance of a subscription, redemption, conversion or switch order received after the Company's applicable cut-off time for that Valuation Day. Late Trading is not permitted. As such, orders will not be accepted using the Subscription Price established at the Valuation Point for that Valuation Day if orders are received after that time.

Late Trading will not include a situation in which the Directors are satisfied that orders which are received after the cut-off time have been made by investors before the applicable cut-off time for that Valuation Day (e.g. where the transmission of an order has been delayed for technical reasons).

## ABUSIVE TRADING PRACTICES INCLUDING MARKET TIMING

Abusive trading practices, such as “market timing” may have a detrimental effect on the Sub-Funds and Shareholders. In general, “market timing” refers to the investment behaviour of a person or group of persons buying, selling, converting or switching Shares on the basis of predetermined market indicators. Market timing may also be characterised by transactions that seem to follow a timing pattern, or by frequent or large transactions in Shares. The Directors will not knowingly allow investments which are associated with market timing activities, as these may adversely affect the interests of all Shareholders, and the Directors will take active measures to frustrate such practices where they have reasonable grounds to suspect these strategies are being or may be attempted. In particular, the Directors may monitor Shareholder account activities to detect and prevent excessive and disruptive trading practices and reserve the right to exercise their discretion to reject any subscription or conversion transaction without assigning any reason therefore and without payment of compensation, if in their judgement, the transaction may adversely affect the interest of a Sub-Fund or its Shareholders. The Directors may also monitor Shareholder account activities for any patterns of frequent purchases and sales that appear to be made in response to short-term fluctuations in the Net Asset Value per Share and may take such action as it deems appropriate to restrict such activities. There can be no assurances that abusive trading practices can be mitigated or eliminated.

## ISSUE OF SHARES

Shares will generally be issued in registered form. Certificates will generally not be issued, but ownership will be evidenced by an entry in the Company's Register with a written confirmation of ownership being sent to each Shareholder. Fractional Shares may be issued.

### Initial Issues

Details of the initial offer of Shares in a Sub-Fund, including the initial offer period, the initial offer price, the subscription fee (if any) and the closing date, are set out in the relevant Supplement to this Prospectus. If specified in the relevant Supplement, purchases of Shares in a Sub-Fund may be subject to a front-end sales charge. Any such subscription fee will be deducted from the total subscription amount and will be paid to the Manager or its affiliates for its absolute use and benefit and shall not form part of the assets of the relevant Sub-Fund. The Manager may, in its sole discretion, out of the subscription fee, pay commission to financial intermediaries who refer prospective investors. The Manager may at its sole discretion waive such fee or fees or differentiate between applicants as to the amount of such fee or fees.

## Further Issues

The Company may issue further Shares in a Sub-Fund after any relevant closing date. Shares shall only be issued on a Valuation Day at the Subscription Price for the relevant class. A subscription fee may be imposed which may differ between classes and Sub-Funds provided that such fee shall at no time exceed 7% of the total subscription amount. This subscription fee (if applicable) will also apply to the initial issues of Shares. Any such subscription fee may be deducted from the total subscription amount and will be paid to the Manager for its absolute use and benefit and shall not form part of the assets of the relevant Sub-Fund. The Manager may in its sole discretion, out of the subscription fee, pay commission to financial intermediaries who refer prospective investors. The Manager may at its sole discretion reduce or waive such fee or fees or differentiate between applicants as to the amount of such fee or fees.

The Company reserves the right, but is under no obligation, to accept applications and to act on such applications as applicable for a Sub-Fund prior to the receipt of subscription money. Accordingly, failure by the Administrator to receive subscription money on the relevant Valuation Day may result in certain losses, costs or expenses for the account of that Sub-Fund. Under the terms of the Application Form, each investor agrees to indemnify and hold harmless, the Company, the Directors, the relevant Sub-Fund, the Manager, the Investment Advisers, the Administrator and the Depositary for any losses, costs and expenses incurred by them as a result of the failure or default of the investor to transmit subscription monies in immediately available funds (in respect of both applications and subsequent purchase orders) to the relevant account of the Sub-Fund.

Amendments to an investor's registration details and payment instructions will only be effected on receipt of original documentation.

## REDEMPTION OF SHARES

Shares may be redeemed, at the option of the relevant Shareholder, on any Valuation Day. Such requests will be processed at the Redemption Price for the relevant class of the particular Sub-Fund calculated at the relevant Valuation Day at the Valuation Point. A redemption fee may be imposed, which may differ between classes and Sub-Funds (as detailed in the relevant Supplement to this Prospectus) and which shall at no time exceed 10% of the Redemption Price rounded downwards to the nearest two decimal places of the currency of the Shares in the relevant Sub-Fund. Any such redemption fee will be deducted from the Redemption Price and will be paid to the Manager for its absolute use and benefit. The Manager may at its sole discretion waive such fee or differentiate between Shareholders as to the amount of such fee or fees. For the avoidance of doubt, any such redemption fee is separate and distinct from any liquidity fees that may be applied following the occurrence of a Below 30% Liquidity Event or a Below 10% Liquidity Event which liquidity fees are for the absolute use and benefit of the relevant Sub-Fund.

The Redemption Price for a Share of any class shall be specified in the relevant Supplement.

Financial intermediaries may charge their clients a separate fee for effecting redemptions of Shares. Investors should consult their financial intermediaries in this regard.

The Company, the Manager, the Administrator and the Depositary, and each of their respective officers, directors, employees, agents or affiliates, will not be responsible for the authenticity of redemption notices received by telephone, nor will any of them be liable for following telephone instructions reasonably believed to be genuine. Redemption proceeds will only be paid by wire transfer to the bank and the account designated in the Shareholder's application as properly amended from time to time. Cash redemption proceeds may, pending payment to the relevant Shareholder, be held in a Collection Account in the name of the Company on behalf of the relevant Sub-Fund. Shareholders should refer to the risk statement 'Sub-Fund Cash Subscription and Redemption Account ("Collection Account") Risk' in the Section of this Prospectus entitled 'Risk Factors' for an understanding of their position vis-a-vis monies held in any such account. The Administrator and financial intermediaries authorised to receive redemption orders on behalf of a Sub-Fund are authorised to act on telephone instructions from any person representing himself or herself to be an authorised representative of the investor, and reasonably believed by the Administrator or financial intermediary to be genuine. The Manager will require the Administrator and each entity authorised to receive instructions to employ reasonable procedures, such as requiring a form of personal identification, to confirm that instructions are genuine. The Company, the Manager, the Administrator, each other entity authorised to receive instructions and the Depositary each reserve the right to refuse to implement a redemption order placed by telephone.

In times of drastic economic or market changes the telephone redemption privilege may be difficult to implement and may be suspended. In such case, Shareholders should consider the other redemption procedures described in this Prospectus.

Any Shareholder whose total value of Shares in a Sub-Fund falls below the minimum holding as set out in the relevant Supplement for that Sub-Fund due to redemptions may be required to redeem all remaining Shares.

## RESTRICTIONS ON OWNERSHIP, COMPULSORY REDEMPTION AND TRANSFER OF SHARES

The Shares have not been registered in the United States under the 1933 Act, or any U.S. state securities laws, and neither the Sub-Funds nor the Company has been registered under the 1940 Act. Shares generally will not be offered or sold, directly or indirectly, in the United States or its territories or possessions or to any U.S. Person. Shares will be offered and sold only to such persons as may be authorised by the Directors and in such manner as will not require registration of the Company, any Sub-Fund, or the Shares under the securities laws of the United States or any state thereof. In order to ensure compliance with the restrictions referred to above, the Company is, accordingly, not open for investment by any U.S. Persons (including those deemed to be U.S. Persons under the 1940 Act and

regulations thereunder), and/or ERISA Plans except in exceptional circumstances and then only with the prior consent of the Manager.

If the disposal, redemption or transfer of Shares by a Shareholder or a distribution to a Shareholder gives rise to a liability to taxation for the Company or a liability or obligation to withhold tax by the Company, the Directors shall be entitled to:

- a) deduct from the payment due to such Shareholder an amount sufficient to discharge the tax liability (including any interest and/or penalties thereon);
- b) refuse to register any transfer which gives rise to such a liability;
- or
- c) appropriate and cancel such number of Shares held by such Shareholder as have a value sufficient to discharge the tax liability (including interest and/or penalties thereon).

The Manager shall have the right to redeem compulsorily any Shares at the Redemption Price if: such Shares are held by a non-Qualified Holder, or in the Manager's opinion, redemption would eliminate or reduce the exposure of the Company or the Shareholders to adverse tax, pecuniary or regulatory consequences. The Company is entitled to limit the number of Shares of any Sub-Fund redeemed on a Valuation Day to 10% of the total number of Shares of that Sub-Fund in issue. In this event, the limitation will apply pro rata so that all Shareholders wishing to have Shares of that Sub-Fund redeemed on that Valuation Day realise the same proportion of such Shares and Shares not redeemed, but which would otherwise have been redeemed, will be carried forward for redemption on each subsequent Valuation Day until all Shares to which the original redemption request related have been redeemed. If requests for redemption are so carried forward, the Directors will ensure that the Shareholders affected thereby are promptly informed.

## TOTAL REDEMPTION

All of the Shares of a Sub-Fund may be redeemed if:

- a) the holders of 75% in value of the issued Shares of the Sub-Fund approve the redemption at a meeting of that Sub-Fund of which not more than twelve and not less than four weeks' notice has been given;
- or
- b) on any Valuation Day falling after the first anniversary of the first issue of Shares in a Sub-Fund, the Net Asset Value of that Sub-Fund falls below the equivalent of U.S.\$50,000,000 for a period of more than 90 days;
- or
- c) in the opinion of the Directors, it is no longer economically viable to operate the Sub-Fund and redemption is in the best interests of the Shareholders of that Sub-Fund, and the Directors provide no less than 15 days' notice of the proposed redemption to Shareholders of the relevant Sub-Fund.

All of the Shares of the Company shall be redeemed and authorisation by the Central Bank will be revoked if the Depositary has served notice of its intention to retire under the terms of the Depositary Agreement (and has



not revoked such notice) and no new depositary has been formally approved and appointed within six months of the date of service of such notice.

## SWITCHING OF SHARES

Other than as stated below, Shareholders may apply to switch on any Valuation Day all or part of their holding of Shares of any Sub-Fund (the "Original Shares") for Shares of either another Sub-Fund or of a different class of the same Sub-Fund that are being offered at the same time (the "New Shares") by giving notice in proper form to the Administrator, or other entity authorised to receive exchange requests, on behalf of the Company, on or prior to the Valuation Point on the relevant Valuation Day, as set forth in the relevant Supplement for the New Shares.

The Administrator may, however, agree to accept switch requests received after that time. Under normal circumstances, and unless otherwise disclosed in the relevant Supplement, Shareholders will be permitted to switch their Shares for Shares of any other Sub-Fund in which the Shareholder would be permitted to invest directly. The Company may, as set forth in the relevant Supplement, place restrictions on switching requests in respect of other Sub-Funds as will be identified in the relevant Supplement provided, however, that Shareholders shall at all times be permitted to switch their Shares for Shares in at least one other Sub-Fund. Details of this restriction will be disclosed in the relevant Supplement, including details of the Sub-Funds into which Shareholders will not be permitted to switch.

If a switching request is refused, such refusal shall be without prejudice to the rights of the Shareholder to have its Shares redeemed. No switches will be made during any period during which the rights of Shareholders to redeem their Shares is suspended. In addition, no switches will be permitted into or out of a Sub-Fund during any period where the Constant Net Asset Value per Share or Accumulating Class Net Asset Value per Share of a class in the relevant Sub-Fund deviates by more than 20 basis points from the Variable Net Asset Value per Share of that class. The general procedures relating to redemption will apply equally to switching.

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

$$A = \frac{B \times (C \times D)}{E}$$

where

A = the number of New Shares to be allotted;

B = the number of Old Shares to be switched;

C = the Redemption Price per Share of the Old Shares as at the relevant Valuation Day;

D = the currency conversion factor determined by the Administrator, or other entity authorised to accept exchange/switching requests, as representing the effective rate of exchange of settlement on the relevant Valuation Day applicable to the transfer of assets between the relevant Sub-Funds (where the base currencies of the relevant Sub-Funds are different), or where the base currencies of the relevant Sub-Funds are the same D = 1; and

E = the Subscription Price per Share for the New Shares as at the relevant Valuation Day.

When requesting the switching of Shares as an initial investment in a Sub-Fund, Shareholders should ensure that the value of the Original Shares switched is equal to or exceeds the minimum holding for the relevant Sub-Fund specified in the Supplement for that Sub-Fund.

In the case of a switch of a partial holding only, the value of the remaining holding must also be at least equal to the minimum holding for the Sub-Fund as described in the Supplement for that Sub-Fund.

No fees currently are charged to Shareholders directly in connection with switching, although, to the extent permitted by law, the Articles permit the Company to charge a fee of up to 6% of the Net Asset Value of the Shares tendered for switching and the Company reserves the right to charge Shareholders such fees in the future.

The availability of switching may be modified or terminated at any time upon notice to investors.

## TRANSFER OF SHARES

Shares may be transferred by instrument in writing in a form approved by the Directors and subject to the Articles. Transferees must also make the representations and warranties required to be made by applicants for Shares. Transfers are subject to the limitations set forth in "Restrictions on Ownership, Compulsory Redemption and Transfer of Shares".

## CALCULATION OF THE NET ASSET VALUE OF EACH SUB-FUND

### Calculation

Pursuant to the Articles, the Directors are entitled to determine which of the following methods of valuation shall be used in respect of each Sub-Fund. The method of valuation used with respect to each Sub-Fund is set forth in that Sub-Fund's Supplement.

### Amortised Cost

In the case of a Sub-Fund which is a Public Debt MMF, the Directors may, subject to the requirements of the MMF Regulation, use the Amortised Cost Method to value the assets of the Sub-Fund. In the case of a Sub-Fund which is an LVNAV MMF, the Directors may, subject to the requirements of the MMF Regulation, use the Amortised Cost Method to value each asset of the Sub-Fund that has a Residual Maturity of up to 75 days, where the value of the asset calculated using Mark-to-Market (as described under the heading "Mark-to-Market") does not deviate from the value of that asset calculated using the Amortised Cost Method by more than 10 basis points. In the event of such a deviation, the value of the asset shall be calculated using Mark-to-Market. A daily review of the Amortised Cost valuation vis-à-vis the Mark-to-Market valuation will be carried out in accordance with the MMF Regulation.

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

relevant currency. In such circumstances, the Directors shall, in seeking to maintain a Constant Net Asset Value per Share, be entitled to reduce or suspend the declaration or payment of dividends or make no declaration of dividends.

### Mark-to-Market

The Directors shall also calculate the value of the assets of each Sub-Fund by using Mark-to-Market whenever possible.

When using Mark-to-Market: (a) the asset of a Sub-Fund shall be valued at the more prudent side of bid and offer unless the asset can be closed out at mid-market; (b) only good quality market data shall be used; such data shall be assessed on the basis of all of the following factors: (i) the number and quality of the counterparties; (ii) the volume and turnover in the market of the asset of the Sub-Fund; (iii) the issue size and the portion of the issue that the Sub-Fund plans to buy or sell.

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

### Mark-to-Model

Some assets can be inherently difficult to value based on market prices. Where that is the case and where Mark-to-Market does not provide a reliable value of the assets, the Directors may assign a fair value to the asset by using Mark-to-Model, using market data such as yields on comparable issues and comparable issuers or by discounting the asset's cash-flows. Mark-to-Model uses financial models to allocate a fair value to an asset.

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

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

### Suspension

The Directors may at any time declare a temporary suspension of the determination of the Subscription Price/Redemption Price of any particular class of Shares, the issue and redemption of any particular class of Shares and the switching of Shares in one class for Shares in another class:

- a) during the whole or any part of any period when any market on which any significant portion of the Investments of the relevant Sub-Fund from time to time are quoted, listed, traded or dealt in is closed (otherwise than for customary weekend or ordinary holidays) or during which dealings therein are restricted or suspended or trading is restricted;
- b) during the whole or any part of any period when, as a result of political, economic, military or monetary events or any other circumstances outside the control, responsibility or power of the Directors,

during which in the opinion of the Directors, any disposal or valuation of Investments of the relevant Sub-Fund is not reasonably practicable without this being seriously detrimental to the interests of owners of Shares in general or the owner of Shares of the relevant class;

- c) during the whole or any part of any period when the Directors believe that there exist conditions as a result of which disposal by the Company of the Investments attributable to the Fund in question is not practicable or appropriate under normal conditions or without seriously harming the Fund itself or any class of the Fund or its Shareholders;
- d) when for any reason, including a breakdown in the means of communication normally employed in determining the value of the Investments of the relevant Sub-Fund or stock exchange price, such value cannot be properly and fairly be ascertained;
- e) during any period when the Directors are unable to repatriate funds for the purposes of making redemption payments or when such payments cannot in the opinion of the Directors be effected at normal prices or normal rates of exchange or during which there are difficulties or it is envisaged that there will be difficulties in the transfer of monies or assets required for subscriptions, redemptions or trading;
- f) upon the publication by the Company of a notice convening a general meeting of Shareholders at which a resolution to wind up the relevant Sub-Fund or the Company is to be considered provided that such suspension shall be in the best interests of Shareholders;
- g) in the case of a Sub-Fund which is either a Public Debt MMF or LVNAV MMF, on each occasion that the proportion of the assets of any such Sub-Fund which are considered to be weekly maturing assets falls below 30% of the total assets of the Sub-Fund and the net daily redemptions on a single Valuation Day exceed 10% of the total assets of the respective Sub-Fund, subject to the Board first undertaking a documented assessment of the situation to determine the appropriate course of action having regard to the interests of the Shareholders of the Sub-Fund and, in these circumstances any suspension of the redemption of Shares lasting for a maximum of 15 Valuation Days; and
- h) in the case of a Sub-Fund which is either a Public Debt MMF or LVNAV MMF, on each occasion that the proportion of the assets of any such Sub-Fund which are considered to be weekly maturing assets falls below 10% of the total assets of the relevant Sub-Fund, subject to the Board first undertaking a documented assessment of the situation having regard to the interests of the Shareholders of the Sub-Fund and documenting the reasons for its choice and any such suspension of the redemption of Shares lasting for a maximum of 15 Valuation Days.

The Central Bank may also require the suspension of redemption of Shares of any class in the interest of the Shareholders or the public.

Shareholders who have requested the issue or redemption of Shares of any Sub-Fund or switching of Shares of one Sub-Fund to another will be notified of any such suspension in such manner as may be determined by the Directors and, unless withdrawn but subject to the

limitation referred to above, their requests will be dealt with on the first Valuation Day after the suspension is lifted. The Central Bank will be notified without delay and in any event within the same Valuation Day on which such a suspension occurs. Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as practicable.

## **PUBLICATION OF THE SUBSCRIPTION PRICE**

The Directors shall calculate the Variable Net Asset Value per Share of each class on, at least, a daily basis.

The Directors shall also calculate the Constant Net Asset Value per Share or Accumulating Class Net Asset Value per Share, as applicable, of each relevant class on, at least, a daily basis.

Except where the determination of the Subscription Price/Redemption Price of a class and/or the issue and redemption of Shares has been suspended in the circumstances described above, in respect of each class the following will be made public on each Valuation Day at the office of the Administrator and published by the Company on each Valuation Day on [www.bnymellonim.com](http://www.bnymellonim.com) and in such newspapers (if any) as the Directors may determine:

- a) the Variable Net Asset Value per Share;
- b) where applicable, the Constant Net Asset Value per Share or Accumulating Class Net Asset Value per Share; and
- c) where applicable, the difference between the Constant Net Asset Value per Share or Accumulating Class Net Asset Value per Share, on the one hand, and the Variable Net Asset Value per Share, on the other.

It is intended that the information (as set out in (a) to (c) above) posted on [www.bnymellonim.com](http://www.bnymellonim.com) will be up to date.

## **WEEKLY INVESTOR REPORTING**

The Manager shall, in accordance with the MMF Regulation, at least weekly, make all of the following information available to the Shareholders on [www.bnymellonim.com](http://www.bnymellonim.com):

- a) the maturity breakdown of the portfolio of each of the Sub-Funds;
- b) the credit profile of each of the Sub-Funds;
- c) the Weighted Average Maturity and Weighted Average Life of each of the Sub-Funds;
- d) details of the 10 largest holdings in each of the Sub-Funds, including the name, country, maturity and asset type, and the counterparty in the case of repurchase and reverse repurchase agreements;
- e) the total value of the assets of each of the Sub-Funds; and
- f) the net yield of each of the Sub-Funds.

# Management and Administration of the Company

## DIRECTORS

The Directors of the Company are as follows:

### Gregory Brisk (British)

Mr. Brisk is the Head of Governance at BNY Mellon Investment Management. He has been in the finance industry since 1982. Mr. Brisk has a broad range of governance responsibilities across BNY Mellon Investment Management, focussed on adoption of best practices to protect shareholder interests in both fund investor and BNY Mellon owned entities. Prior to this, from 2013-2015, he was Global Head of Risk and Compliance Investment Management incorporating all of asset management and wealth management businesses in BNY Mellon. Mr. Brisk is a board director of BNY Mellon Investment Management Europe Holdings Ltd and BNY Mellon Investment Management (APAC) Holdings Ltd (respectively the European and Asian holding companies for investment management) and also sits on the board of a number of other group entities, including individual investment firms, funds and management companies across Europe, Asia and the USA. From April 2010-2012, Mr. Brisk was Chief Operations Officer, BNY Mellon International Asset Management. Prior to 2010 he was Chief Operations Officer for BNY Mellon Investment Management EMEA Ltd, the international distribution business of the group. Before taking on that role in 2002, Mr. Brisk was the European Head of Risk and Compliance for the Mellon Group. Before joining BNY Mellon in 1999, Mr. Brisk worked at the Financial Services Authority as a banking regulator with responsibility for American banks in London. Mr. Brisk spent his first 17 years working in a variety of roles at the Bank of England.

### J. Charles Cardona (American)

J. Charles Cardona also serves as a Director of various BNY Mellon Investment Adviser Inc. sponsored SEC Regulated Mutual Funds. Prior to focusing on his role as a Director, Mr. Cardona served as the Chief Executive Officer of BNY Mellon Cash Investment Strategies and President of The Dreyfus Corporation (now known as BNY Mellon Investment Adviser, Inc.) from 2008-2016. He was primarily responsible for oversight of various short duration fixed income activities including investment management, distribution and client service. Prior to assuming these roles, Mr. Cardona served as a Vice Chairman of The Dreyfus Corporation and President of the Institutional Services Division of The Dreyfus Corporation's broker-dealer subsidiary. He joined the Institutional Services Division in 1985 with management responsibility for all Institutional Operations and Client Service units. Mr. Cardona served as a member of BNY Mellon's Operating Committee from 2008 through 2016 and the BNY Mellon Investment Management Executive Committee

from 2012 through 2016. Mr. Cardona is a graduate of Manhattan College with a bachelor's degree in business administration.

### Claire Cawley (Irish)

Ms. Cawley, fellow of the Institute of Chartered Accountants (FCA), is an independent investment fund director with over 20 years' experience in the asset management and investment funds industry, having held senior executive and board positions in UBS, Mercer and KB Associates. Her previous executive roles entailed coverage of a wide range of investment management, structuring, governance, business development and regulatory responsibilities. Her most recent executive role included divisional responsibility for the development and management of the global UBS Asset Management Alternative product shelf including representation of UBS on investment fund boards. Prior to her position at UBS, Ms. Cawley held positions at Mercer Global Investments where she worked on the Products team with responsibility for product management, solutions and the implementation of key compliance initiatives and at KB Associates, a consulting firm which specialised in providing services to the investment management sector with a particular focus on fund support. Ms. Cawley trained as a Chartered Accountant in the financial services assurance division of KPMG in Dublin. Ms. Cawley has a Bachelor of Arts (Economics & Finance) from University of Dublin, Trinity College.

### David Dillon (Irish)

Mr. Dillon was admitted to practice as a solicitor in 1978. He is a graduate of University College Dublin where he read law and has an MBA from Trinity College Dublin. Mr. Dillon is a founding partner of Dillon Eustace where he worked principally in the areas of corporate finance, financial services and banking. He worked with the international law firm of Mori Hamada & Matsumoto in Tokyo during 1983/1984. He speaks regularly at the International Bar Association and other international fora. He is also a director of a number of Irish based investment and management companies. He is former chair of the Investment Funds Committee (Committee I) of the International Bar Association. He is a past chairman of the government's IFSC Funds Working Group and was an ex officio member of the Clearing House Group of the International Financial Services Centre. He is currently a member of the IFSC Funds Working Group. He is a non-executive director and shareholder of Bridge Consulting Limited.

### Mark Flaherty (Irish)

Mr. Flaherty joined BNY Mellon Fund Management (Luxembourg) S.A in 2019 as General Manager, Conducting officer and Director. He is member of certain working groups of ALFI, the Luxembourg fund association. Mr Flaherty has worked in the funds industry since 1997 and in Luxembourg since 2001.



His primary focus has been on fund operations, project management and governance of Luxembourg and Irish fund ranges and management companies. Mr Flaherty is an Associate of the Association of Certified Chartered Accountants. He holds the CAIA designation, has a Bachelor of Commerce degree and Masters of Economic Science from the National University of Ireland.

#### **Gerald Rehn (American)**

Mr. Rehn is Head of International Product & Governance for BNY Mellon Investment Management. He leads product strategy, development, ongoing performance oversight, client services and operations for the international business's funds and segregated account platforms. Gerald is a member of the Investment Management Global & EMEA Distribution Executive Committees and a board director for BNY Mellon Global Funds, plc, BNY Mellon Liquidity Funds PLC, BNY Mellon Fund Managers Limited, BNY Mellon Investment Management EMEA Limited, and BNY Mellon Fund Management (Luxembourg) S.A. Gerald joined BNY Mellon in 2013. He began his career in 1999 in the USA and has worked in the Investment Management industry in the USA, UK and UAE since then. He holds an MBA from Cass Business School (2004) and is a Chartered Financial Analyst® (CFA).

#### **Caylie Stallard (New Zealander)**

Ms. Stallard is Head of Product Development & Management - International for BNY Mellon Investment Management EMEA Limited (IM EMEA). Caylie leads a team responsible for the development of new products and on-going range management of the Irish and UK domiciled fund ranges which are distributed across the UK and Europe, Middle East and Africa and APAC ex Japan. Before joining BNY Mellon in 2010, she worked at BT Funds Management (NZ) Limited, the investment management arm of Westpac New Zealand Limited. There she was the product manager of the Westpac KiwiSaver Scheme, a voluntary retirement savings scheme set up by the government. Caylie chairs the BNY Mellon Investment Management, International ex-Japan Product Committee. Caylie joined BNY Mellon in 2010 and holds a Bachelor of Arts (Art History) / Bachelor of Commerce (International Business & Management) conjoint degree from The University of Auckland.

The address of the Directors is the registered office of the Company. The Directors are all non-executive directors of the Company.

### **MANAGER**

BNY Mellon Fund Management (Luxembourg) S.A. has been appointed by the Company to act as manager of the Company pursuant to the Management Agreement. The Manager was incorporated in Luxembourg on 10 June 1988 as a public limited company in the form of a société anonyme under the laws of the Grand Duchy of Luxembourg. The Manager has responsibility for the management and administration of the Company's affairs, subject to the overall supervision and control of the Directors. The Manager is ultimately a wholly owned subsidiary of The Bank of New York Mellon Corporation and is a part of The Bank of New York Mellon Corporation group of companies.

The Manager has delegated its functions as administrator, registrar and transfer agent to the Administrator. The Manager has delegated its investment management responsibilities to the Investment Advisers.

The Directors of the Manager are Greg Brisk, Mark Flaherty, Udo Goebel, Carole Judd, Gerald Rehn and Marc Saluzzi. Descriptions of Mr. Greg Brisk, Mr. Mark Flaherty and Mr. Gerald Rehn appear under the heading "Directors" above.

#### **Udo Goebel (German)**

Mr. Goebel holds a Master Diploma in Business Administration/Finance from the University of Trier/Germany and has over 20 years' experience in the financial services industry. He joined BNY Mellon in 2005 and is currently a Managing Director and a Member of the Board of BNY Mellon Fund Management (Luxembourg) S.A. (formerly WestLB Asset Management (Luxembourg) S.A.). Between 1997 and 2005 Mr. Goebel headed the Product Development & Product Management team of Allianz Global Investors Luxembourg S.A. and has served on the boards of various investment companies/SICAVs.

#### **Carole Judd (British)**

Mrs Judd's executive career spanned over thirty years in the Financial Services industry. During this time she held senior leadership positions in Asset Management and Investment Consulting businesses in the UK, most notably at Old Mutual and Willis Towers Watson. Following her retirement, she became an Independent Non-Executive Director of BNY Mellon Fund Managers in the UK in 2019 and is a member of the Investment Committee at Nucleus Financial. Mrs Judd holds a degree in Mathematics and Statistics and Post-graduate degree in Operations Research from the University of Cape Town.

#### **Marc Saluzzi (French)**

Mr. Saluzzi qualified as a "Réviseur d'entreprises" in 1996 after graduating from "ISG" (Institut Supérieur de Gestion) in Paris in 1986. He joined PwC in 1986, was admitted as a partner in 1996 and has accumulated more than 30 years of experience in the asset management industry in Luxembourg and in the U.S. Between 2006 and 2010, Mr. Saluzzi led the PwC Global Asset Management team. Between 2011 and 2015, Mr. Saluzzi was the Chairman of ALFI, the Luxembourg fund association. Mr. Saluzzi retired from PwC Luxembourg in 2015 and is currently acting as an independent director of several fund management companies in the United Kingdom, Luxembourg, France and Switzerland.

### **INVESTMENT ADVISERS**

The Manager, in accordance with the Central Bank Requirements, may appoint one or more Investment Advisers to manage on a discretionary basis the investment and reinvestment of the assets of any Sub-Funds or part thereof. As at the date of the Prospectus, the Manager has delegated its responsibilities as manager of the investments of each of the Treasury Fund

and the U.S. Dollar Fund to BNY Mellon Investment Adviser, Inc. Further details of the Investment Advisers are contained in the relevant Supplements:

### **BNY Mellon Investment Adviser, Inc.**

BNY Mellon Investment Adviser, Inc., established in 1951 and headquartered in New York City, is one of the leading asset management and distribution companies in the United States, currently managing more than U.S. \$361 billion in mutual funds and separately managed accounts as at 31 March 2022. BNY Mellon Investment Adviser, Inc. is a wholly owned subsidiary of The Bank of New York Mellon Corporation ("BNY Mellon"). BNY Mellon is a global investment company dedicated to helping its clients manage and service their financial assets throughout the investment lifecycle. Whether providing financial services for institutions, corporations or individual investors, BNY Mellon delivers informed investment management and investment services in 35 countries and more than 100 markets. BNY Mellon is a leading provider of financial services for institutions, corporations and high-net-worth individuals, providing superior asset management and wealth management, asset servicing, issuer services, clearing services and treasury services through a worldwide client-focused team. As of 31 March 2022, BNY Mellon had \$45.5 trillion in assets under custody and/or administration and \$2.3 trillion in assets under management.

Pursuant to the terms of the Investment Advisory Agreements, an Investment Adviser may appoint one or more Sub-Investment Advisers in order to provide investment advice in respect of a Sub-Fund. Where any such Sub-Investment Adviser is paid directly out of the assets of a Sub-Fund, details of such Sub-Investment Adviser will be set out in the Supplement of the relevant Sub-Fund. Details of Sub-Investment Advisers not paid directly out of the assets of a Sub-Fund will be provided to Shareholders on request and will be disclosed in the periodic reports of the Company.

## **ADMINISTRATOR**

The Manager has appointed BNY Mellon Fund Services (Ireland) Designated Activity Company to act as administrator, registrar and transfer agent of the Company with responsibility for performing the day-to-day administration of the Company, including the calculation of the Net Asset Value of the Sub-Funds and the Net Asset Value per Share of each Sub-Fund. The Administrator is a private limited company incorporated in Ireland on 31 May 1994 and is engaged in the provision of fund administration, accounting, registration, transfer agency and related shareholders services to collective investment schemes and investment funds. The Administrator is authorised by the Central Bank under the Investment Intermediaries Act, 1995.

## **DEPOSITARY**

The Depositary has the power to appoint agents, advisors, delegates and sub-custodians. The Depositary's liability shall not be affected by the fact that it has entrusted some or all of the assets in safekeeping to any third party.

The Bank of New York Mellon SA/NV, through its Dublin branch, has been appointed to act as Depositary of the Company's assets pursuant to the Depositary Agreement. The Bank of New York Mellon SA/NV is a wholly owned subsidiary of BNY Mellon.

The Bank of New York Mellon SA/NV is a limited liability company established in Belgium on 30 September 2008 and is authorised and regulated as a significant credit institution by the European Central Bank (ECB), under the prudential supervision of the National Bank of Belgium (NBB) and under the supervision of the Belgian Financial Services and Markets Authority (FSMA) for conduct of business rules. It is operating in Ireland on a branch basis and is regulated by the Central Bank of Ireland for conduct of business rules. The Depositary has been established in and operating in Ireland since 1 February 2013. Its main activity is to act as depositary of collective investment schemes. The Depositary provides safe custody for the Company's assets, which will be held under the control of the Depositary.

The Depositary is a wholly owned subsidiary of BNY Mellon.

The Depositary has the power to appoint agents, advisors, delegates and sub-custodians. The Depositary's liability shall not be affected by the fact that it has entrusted some or all of the assets in safekeeping to any third party.

### **The Duties of the Depositary**

The Depositary acts as the depositary of the Sub-Funds and, in doing so, shall comply with the provisions of the UCITS Directive. In this capacity, the Depositary's duties include, amongst others, the following:

- a) ensuring that each Sub-Fund's cash flows are properly monitored, and that all payments made by or on behalf of investors upon the subscription of Shares of the Sub-Funds have been received;
- b) safekeeping the assets of the Sub-Funds, which includes (a) holding in custody all Financial Instruments and (b) for other assets, verifying the ownership by the Company of such assets and the maintenance of a record accordingly (the "Safekeeping Function");
- c) ensuring that the sale, issue, re-purchase, redemption and cancellation of Shares of each Sub-Fund are carried out in accordance with the applicable national law, the UCITS Directive and the Articles;
- d) ensuring that the value of the Shares of each Sub-Fund is calculated in accordance with the applicable national law, the UCITS Directive and the Articles;
- e) carrying out the instructions of the Investment Advisers, the Company and its agents unless such instructions conflict with the applicable national law, the UCITS Directive, the Articles or the Prospectus;
- f) ensuring that in transactions involving each Sub-Fund's assets any consideration is remitted to the relevant Fund within the acceptable market practice in the context of the particular transaction; and
- g) ensuring that the Sub-Funds' income is applied in accordance with the applicable national law, the UCITS Directive and the Articles.

Apart from cash (which shall be held and maintained in accordance with the terms of the Depositary Agreement), all other assets of the Sub-Funds shall be segregated from the assets of the Depositary, its sub-custodians and from assets held as a fiduciary, custodian or otherwise by the Depositary or sub-custodians or both for other customers. The Depositary shall maintain its records which relate to the assets attributable to each Sub-Fund so as to ensure that it is readily apparent that the assets are held solely on behalf of and belong to the Sub-Fund and do not belong to the Depositary or any of its affiliates, sub-custodians or delegates or any of their affiliates.

The list of sub-custodians appointed by the Depositary is set out in Appendix V to this Prospectus. The use of particular sub-custodians will depend on the markets in which the Company invests. The liability of the Depositary will not be affected by the fact that it has entrusted the Safekeeping Function to a third party. The Depositary must ensure that the sub-custodians:

- a) have adequate structures and expertise;
- b) in circumstances where custody of financial instruments is delegated to them, are subject to effective prudential regulation, including minimum capital requirements and supervision in the jurisdiction concerned, as well as an external periodic audit to ensure that the financial instruments are in their possession;
- c) segregate the assets of the Depositary's UCITS clients from their own assets, assets of their other clients, assets held by the Depositary for its own account and assets held for non-UCITS clients of the Depositary;
- d) ensure that in the event of their insolvency, assets of the Company held by the sub-custodians are unavailable for distribution among, or realisation for the benefit of, creditors of the sub-custodians; and
- e) are appointed by way of a written contract and comply with the general obligations and prohibitions in relation to the Safekeeping Function, reuse of assets and conflicts of interest.

Where the law of a third country requires that certain financial instruments be held in custody by a local entity and no local entities are subject to effective prudential regulation, including minimum capital requirements and supervision in the jurisdiction concerned, the Company may instruct the Depositary to delegate its functions to such a local entity only to the extent required by the law of the third country and only for as long as there are no local entities that satisfy the aforementioned regulation, capital and supervisions requirements. In the event that custody is delegated to such local entities, prior Shareholder notice will be provided advising of the risks involved in such delegation.

Please refer to the section of this Prospectus entitled "Conflicts of Interest" for details of potential conflicts that may arise involving the Depositary.

The Depositary will ensure that the assets of the Sub-Funds held in custody by the Depositary shall not be reused by the Depositary or by any third party to whom the custody function has been delegated for their own account. Reuse comprises any transaction of assets of the Sub-Funds held in custody including, but not limited

to, transferring, pledging, selling and lending. Reuse of the assets of a Sub-Fund held in custody is only allowed where:

- a) the reuse of the assets is carried out for the account of the Sub-Fund;
- b) the Depositary is carrying out the instructions of the Company on behalf of the Sub-Fund;
- c) the reuse is for the benefit of the Sub-Fund and the interest of the investors in the Sub-Fund;
- and
- d) the transaction is covered by high quality and liquid collateral received by the Sub-Fund under a title transfer arrangement with a market value at least equivalent to the market value of the reused assets plus a premium.

The Depositary is liable to the Sub-Funds for the loss of financial instruments of the Sub-Funds which are held in custody as part of the Depositary's Safekeeping Function (irrespective of whether or not the Depositary has delegated its Safekeeping Function in respect of such financial instruments) unless it can prove that the loss of financial instruments held in custody has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. The Depositary shall also be liable to the Sub-Funds for all other losses suffered as a result of the Depositary's bad faith, fraud, negligence, wilful default, recklessness or intentional failure of the Depositary or its delegates to properly perform its or their obligations under the Depositary Agreement.

The Company will indemnify the Depositary against, and hold it harmless from, any losses arising from third party claims that may be suffered by or asserted against the Depositary in connection with or arising out of the Depositary's proper performance of its obligations under the Depositary Agreement, other than losses of financial instruments held in custody for which the Depositary is liable or losses arising from the Depositary's bad faith, fraud, negligence, wilful default, recklessness or intentional failure of the Depositary or its delegates to properly perform its or their obligations under the Depositary Agreement.

Under the Depositary Agreement, the Company has also provided a power of sale under relevant Irish legislation to the Depositary in the event that the Company fails to pay or discharge any of its obligations to repay the Depositary and its affiliates for credit facilities, including contractual settlement, made available to the Company by the Depositary or its affiliates. Prior to exercising such security interest, the Depositary must provide at least 3 Business Days' prior notice to the Company, save that the Depositary shall not be required to provide the notice detailed above or delay exercising its power of sale if the Depositary in its discretion (acting reasonably) considers that to do so would materially prejudice its ability to obtain payment in full. In such circumstances, the Depositary shall only be required to give such prior notice as is reasonably practicable. The Depositary Agreement also provides that the Depositary has a contractual right of set-off to cover any outstanding fees which may be owed to the Depositary. This right may be exercised by the Depositary only against the property of the relevant Fund in relation to which the default on the payment obligation occurred.

The Depositary Agreement provides that the appointment of the Depositary will continue in force unless and until terminated by either party giving to the other not less than 90 days' written notice (or such shorter notice period as such other party may agree to accept) although in certain circumstances (e.g. the insolvency of either party or if the Depositary ceases to be permitted to act as Custodian under Irish law) the Agreement may be terminated forthwith. The Depositary Agreement contains provisions regarding the Depositary's responsibilities and indemnities in favour of the Depositary excluding matters arising as a result of its unjustifiable failure to perform its obligations or its improper performance of them.

Up-to-date information regarding the Depositary including the duties of the Depositary, the delegation arrangements and any conflicts of interest that may arise shall be made available to investors upon request to the Company.

## DISTRIBUTORS AND PAYING AGENTS

The Manager, in its capacity as a distributor of the Shares, may appoint sub-distributors and/or paying agents, in one or more countries with responsibility for the marketing and distribution of the Shares and of each or any Sub-Fund.

## LEGAL ADVISERS

The Company has appointed Dillon Eustace, 33 Sir John Rogerson Quay, Dublin 2, Ireland as its Irish legal advisers.

## AUDITORS

The Company has appointed Ernst & Young, Chartered Accountants, Dublin, as its auditors.

## CONFLICTS OF INTEREST

The Directors, the Manager, the Investment Adviser, the Administrator, the Depositary and their respective affiliates, officers and shareholders, employees and agents (collectively the "Parties") are or may be involved in other financial, investment and professional activities which may on occasion cause conflict of interest with the management of the Company. These include the management of other funds, purchases and sales of securities, investment and management counselling, brokerage services and serving as directors, officers, advisers or agents of other funds or other companies, including companies in which the Company may invest. The Parties will use reasonable endeavours to ensure that the performance of their respective duties will not be impaired by any such involvement that they might have.

In particular, it is envisaged that the Manager or the Investment Adviser and Sub-Investment Advisers may:

- a) be involved in advising or managing other investment funds which may have similar or overlapping investment objectives to or with the Company; and/or

- b) be involved in procuring or providing valuations of some or all of the assets of a Sub-Fund, their fees being linked directly to the valuation of a Sub-Fund's assets.

Each of the parties will respectively ensure that the performance of their respective duties will not be impaired by any such involvement that they may have and that any conflicts which may arise will be resolved fairly.

The Directors shall ensure that any conflict of interest involving any such party shall be resolved fairly and in the best interests of Shareholders.

When allocating investment opportunities, the Investment Adviser will ensure that all such investments will be allocated in a fair and equitable manner.

In addition, there is no prohibition on dealings in the assets of the Company by the Administrator, the Depositary, the Manager, the Investment Adviser or entities related to the Administrator, the Manager, the Depositary or the Investment Adviser provided the transaction is conducted at arm's length, is in the best interests of Shareholders and:

- a) a person approved by the Depositary (or in the case of a transaction involving the Depositary, the Company) as independent and competent certifies that the price at which the transaction is effected is fair;  
or
- b) the execution of the transaction is on best terms on organised investment exchanges under their rules;  
or
- c) where (a) and (b) above are not practical, the transaction is executed on terms which the Depositary is (or in the case of a transaction involving the Depositary, the Company, is) satisfied conform with the principle that the transaction is conducted at arm's length and is in the best interests of Shareholders.

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

## BEST EXECUTION

The Company has satisfied itself that the Investment Advisers have a best execution policy in place to ensure they act in the Sub-Funds' best interests when executing decisions to deal and placing orders to deal on behalf of those Sub-Funds in the context of managing the Sub-Funds' portfolios. For these purposes, all reasonable steps must be taken to obtain the best possible result for the Sub-Funds, taking into account price, costs, speed, likelihood of execution and settlement, order size and nature, research services provided by the broker (to the extent permitted under Applicable Laws and regulations) to each Investment Adviser, or any other consideration relevant to the execution of the order. Information about



the best execution policy and any material change to the policy are available to Shareholders at no charge upon request.

## CLASS ACTIONS POLICY

From time to time the Manager and/or the Directors may be asked to consider participation in litigation relevant to the Company as a whole or specific Sub-Funds. Typically that litigation takes the form of proposed or actual class, group or collective litigation (referred to generally as class actions) where eligible investors are either invited to “opt-in” to litigation or “opt-out” (i.e., to choose not to participate). In respect of opt-out class actions, eligible investors automatically comprise the class and are eligible to participate in any successful judgment or settlement unless they actively elect to opt-out. In respect of opt-in class actions, eligible investors are required to actively opt-in to the class action in order to comprise the class and participate in any successful judgment or settlement. The Manager and the Directors have delegated responsibility for considering participation in both opt-in and opt-out class action litigation to a Class Actions Committee (the “Committee”) pursuant to the terms of a Class Actions Policy (the “Policy”). The Policy provides that the default position in respect of opt-out class actions is that the Company will not opt-out of such class actions, save in the event that there are considered to be compelling reasons, determined in the Committee’s sole discretion, for doing so. That is primarily because participation in opt-out class actions rarely gives rise to any risk or cost to the Company as a whole or the specific Sub-Funds. As regards opt-in class actions, however, participation in such litigation is rarely cost, risk and obligation free and, in fact, such costs, risks and obligations can be significant. On that basis, the Committee has agreed a two-step approach to opt-in class actions. Firstly, the Committee will measure the expected recovery from the class action in question against an agreed value threshold, such threshold to be monitored and adjusted from time to time. In any case where this value threshold is exceeded, the Committee will secondly commission a comprehensive assessment of the class action by external legal advisers. If, following such an assessment, the Committee is unable to identify a significant reason not to participate, the Committee’s policy is to opt into the class action. The Committee consults with legal advisors, the Depositary, the relevant Investment Manager and any other relevant service providers, as it considers appropriate, before any action is taken by the Company. The costs of doing so will ordinarily be for the account of the relevant Sub-Fund. In the event that the Company participates in a class action which is ultimately successful, any financial award received from that action shall be to the benefit of the Company as a whole or the specific Sub-Funds, as opposed to any particular class of investor. It is possible, therefore, that those investors who were invested in the Company or the specific Sub-Funds at the time that the underlying cause of action in the claim arose, or when the Company or the specific Sub-Funds incurred costs relating to participation in the class action, do not ultimately benefit from the award in the class action; for example, if they have redeemed prior to the date of receipt of the award.

## FEES AND EXPENSES

Where fees are stated to be paid out of the assets of the Company as a whole or calculated on the Net Asset Value of the Company as a whole, they shall be borne jointly by all the Sub-Funds pro rata to their respective Net Asset Values at the time when the allocation is made.

Any expenses which are directly or indirectly attributable to a particular Sub-Fund shall be borne solely by that Sub-Fund. Any expenses which are directly or indirectly attributable to a particular class shall be attributed to that class.

Otherwise, and as stated below, fees and expenses shall be borne solely by the relevant Sub-Fund.

### The Manager

The Manager shall be entitled to receive out of the assets of a Sub-Fund an annual management fee in respect of each class, accruing daily and payable monthly in arrears at an agreed annual rate as set out in the relevant Supplement (the “Annual Management Charge”).

No Annual Management Charge shall be attributable to the Class X Shares of any Sub-Fund and accordingly the Annual Management Charge shall represent a deduction from the Net Asset Value attributable to all other classes of Shares only. The Company or the relevant Sub-Fund shall also pay the out-of-pocket expenses of the Manager incurred in carrying out its day-to-day activities under the Management Agreement, as appropriate.

The Manager may waive receipt of all or a portion of its fees, voluntarily assume certain expenses of, or make other arrangements to reduce expenses of a Sub-Fund, to the extent that such expenses exceed such expense limitation as the Manager, by written notice to the Company, may voluntarily declare effective from time to time. Any such waiver, assumption of expenses or other arrangements, while in effect, would have the effect of lowering a Sub-Fund’s overall expense ratio and increasing the yield or investment return to the Shareholders. In such case, the Sub-Fund will not pay the Manager at a later time for any fees the Manager may waive, and the Sub-Fund will not reimburse the Manager for any expenses voluntarily assumed by the Manager. The voluntary expense limitation is not applicable to the Class X Shares. The operating costs subject to the voluntary limitation include the management, depositary and administration fees. Not included within the voluntary expense limitation, however, are any taxes, (including but not limited to any withholding tax applicable to portfolio securities or distributions to Shareholders and the costs related thereto), brokerage, interest on borrowing, insurance premiums, the costs associated with registering the Company, the Sub-Fund or the Shares with any governmental or regulatory authority, or with any regulated stock exchange or market, and extraordinary expenses. The Manager, at any time in its sole discretion, may modify or terminate any such voluntary fee waiver, assumption of expenses or other arrangements to reduce expenses of the Sub-Fund, upon notice in writing to the Company.

The Manager currently has undertaken that if in any fiscal year the aggregate operating expenses allowable to each class of Shares of a Sub-Fund are in excess of the percentage Annual Management Fee of 1% of the overall daily Net Asset Value of the relevant class of Shares, the

Sub-Fund may deduct from payments to be made to the Manager under the Management Agreement, or the Manager will bear such excess expenses.

### **Remuneration Policy of the Manager**

The Manager has designed and implemented a remuneration policy which is consistent with and promotes sound and effective risk management by having a business model which by its nature does not promote excessive risk taking that is inconsistent with the risk profile of the Manager or the Articles of the Company. The Manager's remuneration policy is consistent with the Company's business strategy, objectives, values and interests and includes measures to avoid conflicts of interest.

In line with the provisions of Directive 2014/91/EU and the ESMA Remuneration Guidelines, each of which may be amended from time to time, the Manager applies its remuneration policy and practices in a manner which is proportionate to its size and that of the Company, its internal organisation and the nature, scope and complexity of its activities.

Where the Manager delegates certain portfolio management and risk management functions in respect of the Company it may in its discretion decide the extent to which it will delegate portfolio management and risk management and accordingly the individual delegates may be afforded differing levels of responsibilities and remuneration. The Manager will use best efforts to ensure that:

- a) the entities to which portfolio or risk management activities have been delegated are subject to regulatory requirements on remuneration that are equally as effective as those applicable under the ESMA Remuneration Guidelines;
- or
- b) appropriate contractual arrangements are put in place to ensure that there is no circumvention of the remuneration rules set out in the ESMA Remuneration Guidelines.

The Manager's Remuneration Policy is available at [www.bnymellonim.com](http://www.bnymellonim.com) or a paper copy is available free of charge upon request from the registered office of the Manager.

### **The Administrator**

The Manager will be responsible for and will discharge the Administrator's fee out of the fees paid to the Manager and will be entitled to reimbursement out of the assets of each Sub-Fund for any such fee paid. The Administrator is entitled to a fee payable monthly in arrears at an annual rate not exceeding 0.02% of the average monthly Net Asset Value of each Sub-Fund as of the last Valuation Point in each month.

The Administrator shall also be entitled to be reimbursed for certain expenses incurred by it in the performance of its duties under the Administration Agreement. The Company shall pay the Administrator an annual fee of U.S. \$15,000 for providing its services to the Company on Valuation Days that are public holidays in Ireland. This fee shall be payable monthly in arrears and shall be allocated equally across all of the Sub-Funds of the Company.

### **The Depositary**

Under the Depositary Agreement, the Depositary is entitled to a fee that accrues daily and is payable monthly in arrears at an annual rate not exceeding 0.0075% of the aggregate Net Asset Value of each Sub-Fund as of the last Valuation Point in each month in respect of the Treasury Fund and the U.S. Dollar Fund.

The Depositary shall also be entitled to be reimbursed for certain transactional and other expenses incurred by it in the performance of its duties under the Depositary Agreement.

### **The Investment Advisers**

The Manager will be responsible for and will discharge the Investment Advisers' fees out of the fees paid to the Manager, as described in the relevant Supplement.

### **Nominee/Distribution**

The Manager or the Investment Advisers may, from their own assets, including past profits, pay financial intermediaries for nominee/distribution services and such financial intermediaries may receive different levels of compensation in respect of such services. No such fees shall be paid directly by a Sub-Fund. The services so provided shall not be those that the Central Bank requires to be carried out in Ireland. Investors should consult their financial intermediary in this regard.

### **Directors**

The Directors shall be entitled to a fee and remuneration for their services at a rate to be determined from time to time by the Directors which shall not exceed €40,000 (exclusive of any applicable value added tax) for any Director in any one financial year without the approval of the Board. Any Director who holds any executive office or who serves on any committee, or who otherwise performs services which in the opinion of the Directors are outside the ordinary duties of a Director or who devotes special attention to the business, may be paid such extra remuneration as the Directors may determine. The Directors may also be paid, inter alia, for travelling, hotel and other expenses properly incurred by them in attending meetings of the Directors or in connection with the business of the Company.

### **Soft Commission**

The Manager, the Investment Advisers or any Sub-Investment Adviser may make use of soft commission arrangements (to the extent permitted under applicable laws and regulations) to enable it to obtain specialist services which are beneficial to the Company including services which are not available from traditional brokering services. Such services may be used by the Manager, the Investment Advisers or any Sub-Investment Adviser in servicing other client accounts and may not necessarily be used in respect of the Company. All transactions undertaken on a soft commission basis in respect of the Company will be subject to the fundamental rule of 'best execution' in accordance with the Central Bank Requirements and will also be disclosed in the subsequent relevant semi-annual and annual reports of the Company. The benefits provided under the arrangement must be those which assist in the provision of investment services to the Company. For the avoidance of doubt, soft commission arrangements do not include travel, accommodation, entertainment, general

administrative goods or services, general office equipment or premises, membership fees, employees' salaries or direct money payments.

## **General**

In addition, each Sub-Fund will pay certain other costs and expenses incurred in its operation, including, without limitation, taxes, government duties, expenses for legal, auditing and consulting services, company secretarial fees, costs of preparation, pricing addition of reports and notices, the Central Bank's funding levy, expenses of Shareholders meetings, costs and expenses of publication and distribution of Subscription Prices, promotional expenses, including costs of all marketing material and advertisements, costs of periodic updates to the Prospectus, custody and transfer fees, registration fees (to include all fees in connection with obtaining advance treaty clearances from tax authorities in any jurisdiction for a Sub-Fund and other expenses due to supervisory authorities in various jurisdictions), insurance, interest, brokerage costs, the fees of any distributor or paying agents appointed by the Company, which shall be paid at normal commercial rates, and all professional fees and expenses incurred in connection therewith and the cost of the publication of the Net Asset Value of a Sub-Fund. Each Sub-Fund will also pay its pro rata share of the issue costs, charges and expenses (including the fees of the legal advisors) in relation to the preparation of the Prospectus and all other documents and matters relating to or concerning the issue of Shares and any other fees, charges and expenses on the creation and issue of the Shares.

## **ACCOUNTS**

The Company's year end is 30 September in each year and the semi-annual reporting date is 31 March in each year. The annual report and audited accounts of the Company will be supplied to Shareholders (by either post, facsimile or by electronic means or may be published on [www.bnymellonim.com](http://www.bnymellonim.com)) within four months after the conclusion of each Accounting Period and at least 21 days before the general meeting of the Company. The Company will also supply a semi-annual report and unaudited accounts to Shareholders (by either post, facsimile or by electronic means or may be published on [www.bnymellonim.com](http://www.bnymellonim.com)) within two months after the end of each semi-annual period. The annual audited financial statements for the Company will be sent to Shareholders and prospective investors on request.

# Risk Factors

Investment in certain securities involves a greater degree of risk than is usually associated with investment in the securities of other major securities markets. Potential investors should consider the following risks before investing in any of the Sub-Funds.

In addition to the risks set out below, particular risks specific to a particular Sub-Fund are, where relevant, set out in detail in the relevant Supplement to this Prospectus.

## GENERAL

**Past performance is not necessarily a guide to the future. The price of Shares and income therefrom may fall as well as rise. Accordingly, investors may not get back the full amount originally invested.**

Some of the risk factors are listed below:

## CAPITAL CONTROLS RISK

Economic conditions, such as volatile currency exchange rates and interest rates, political events and other conditions may, without prior warning, lead to government intervention and the imposition of "capital controls." Capital controls include the prohibition of, or restrictions on, the ability to transfer currency, securities or other assets. Levies may be placed on profits repatriated by foreign entities (such as a Sub-Fund). Capital controls may impact the ability of a Sub-Fund to create and redeem Shares.

## COUNTERPARTY AND SETTLEMENT CONSIDERATIONS

Each of the Sub-Funds may be exposed to credit risk and settlement risk on the counterparties with which it trades in relation to options, futures, contracts and other derivative financial instruments that are not traded on an Eligible Market. Counterparties are not afforded the same protections as may apply to participants trading futures or options on Eligible Markets, such as the performance guarantee of an exchange clearing house. Each Sub-Fund will be subject to the possibility of the insolvency, bankruptcy or default of a counterparty with which the Sub-Fund trades such instruments, which could result in substantial losses to the relevant Sub-Fund. Each of the Sub-Funds may also be exposed to a credit risk on counterparties with whom it trades securities, and may also bear the risk of settlement default, in particular in relation to derivatives, debt securities such as bonds, notes and similar debt obligations or instruments. Shareholders should note that settlement mechanisms in emerging markets are generally less developed and reliable than those in more developed countries and that this therefore increases the risk of settlement default, which could result in substantial losses for the Company and the relevant Sub-Fund in respect to investments in emerging markets. Shareholders should also note that the securities of small capitalisation companies as well as the securities of companies domiciled in emerging markets are less liquid and more volatile than more

developed stock markets and this may result in fluctuations in the price of the Shares of the relevant Sub-Fund.

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

## SETTLEMENT RISK

Some Sub-Funds may have dealing procedures which provide for the settlement of subscription monies after the cut-off time for receipt of Application Forms and/or Subsequent Dealing Forms. These Sub-Funds bear the risk that investors fail to pay some or all of the relevant subscription monies or that such payments are not made within the timeframe set out in the relevant Supplement. The Company may pursue such investors to recover any losses suffered by the relevant Sub-Fund. However, the relevant Sub-Fund may suffer a loss if the Company is unable to recover these losses from such investors.

## REPURCHASE AND REVERSE REPURCHASE AGREEMENTS

When the Company enters into a repurchase agreement, it "sells" securities to a broker-dealer or financial institution, and agrees to repurchase such securities for the price paid by the broker-dealer or financial institution, plus interest at a negotiated rate. In a reverse repurchase transaction, the Company "buys" securities from a broker-dealer or financial institution, subject to the obligation of the broker-dealer or financial institution to repurchase such securities at the price paid by the Company, plus interest at a negotiated rate. The use of repurchase and reverse repurchase agreements by the Company involves certain risks. For example, if the seller of securities to the Company under a reverse repurchase agreement defaults on its obligation to repurchase the underlying securities, as a result of its bankruptcy or otherwise, the Company will seek to dispose of such securities, which action could involve procedural costs or delays. In addition, the seller may default in its obligations regarding delivery of eligible collateral. Additionally, the Company may suffer a loss if the value of the collateral which may be sold following a counterparty default is less than the value of the reverse repurchase agreement. In a default if the counterparty was a significant participant in the repurchase market there could be market disruptions as other secured parties looked to sell their collateral at the same time as the Company. This could lead to further delays and possible costs to the Company. The Company is reliant on the custodial or sub-custodial bank to ensure the proper pricing of the collateral and that the agreed upon collateral is in fact delivered by the counterparty. Any mispricing or assignment of improper collateral could subject the Company to costs or losses should the counterparty default. There is also the risk that in a default, legal proceedings could delay or challenge the Company's right to the collateral which could cause further losses.



## COUNTERPARTY RISK TO THE DEPOSITARY

The Company will be exposed to the credit risk of the Depositary as a counterparty or any depository used by the Depositary where cash is held by the Depositary or other depositories. In the event of the insolvency of the Depositary or other depositories, the Company will be treated as a general creditor of the Depositary or other depositories in relation to cash holdings of the Sub-Funds. The Sub-Funds' securities are however maintained by the Depositary or other depositories in segregated accounts and should be protected in the event of insolvency of the Depositary or other depositories. Were such a counterparty to have financial difficulties, even if a Sub-Fund is able to recover all of its capital intact, its trading could be materially disrupted in the interim, potentially resulting in material losses.

## SUB-CUSTODIANS

The Depositary shall be liable to the Company and its Shareholders for the loss by the Depositary or a sub-custodian of financial instruments of the Company held in custody. In the case of such a loss, the Depositary is required, pursuant to the UCITS Directive and the Depositary Agreement, to return the financial instrument of an identical type or the corresponding amount to the Company without undue delay. This standard of liability only applies to assets capable of being registered or held in a securities account in the name of the UCITS Depositary or a sub-custodian and assets capable of being physically delivered to the Depositary.

The Depositary shall also be liable to the Company and its Shareholders for all other losses suffered by the Company and/or its Shareholders as a result of the Depositary's negligent or intentional failure to fully fulfil its obligations pursuant to the UCITS Directive.

The liability of the Depositary is not affected by the fact that it has entrusted the custody of the Company's assets to a third party. In the event that custody is delegated to local entities that are not subject to effective prudential regulation, including minimum capital requirements and supervision in the jurisdiction concerned, prior Shareholder notice will be provided advising of the risks involved in such delegation.

It should be noted that not all jurisdictions have the same rules and regulations as Ireland regarding the custody of assets and the recognition of the interests of a beneficial owner such as the Company. Therefore, in such jurisdictions, there is a risk that if a sub-custodian becomes bankrupt or insolvent, the Company's beneficial ownership of the assets held by such sub-custodian may not be recognised and consequently the creditors of the sub-custodian may seek to have recourse to the assets of the Company. In those jurisdictions where the Company's beneficial ownership of its assets is ultimately recognised, the Company may suffer delay and cost in recovering those assets.

## COVID-19 RISK

In March 2020, the World Health Organisation declared COVID 19 a pandemic. While the full impact is not yet known, COVID 19 may result in continued market volatility and a period of economic decline globally. It may also have a significant adverse impact on the value of a Sub-

Fund's investments and the ability of the Investment Adviser to access markets or implement the Sub-Fund's investment policy in the manner originally contemplated. Government interventions or other limitations or bans introduced by regulatory authorities or exchanges and trading venues as temporary measures in light of significant market volatility may also negatively impact on the Investment Adviser's ability to implement a Sub-Fund's investment policy. Sub-Funds' access to liquidity could also be impaired in circumstances where the need for liquidity to meet redemption requests may rise significantly. Services required for the operation of the Company, including those provided by the Administrator and Depositary may in certain circumstances be interrupted as a result of the pandemic. At the date of the Prospectus, the operation of the Company has not been materially adversely impacted as a result of the pandemic.

## CROSS-LIABILITY OF SUB-FUNDS

The Company is structured as an umbrella fund with segregated liability between its Sub-Funds. As a matter of Irish law, the assets of one Sub-Fund will not be available to meet the liabilities of another. However, the Company is a single legal entity that may operate or have assets held on its behalf or be subject to claims in other jurisdictions that may not necessarily recognise such segregation.

## CYBER SECURITY RISK

The Company, the Manager and their service providers (including the Investment Advisers, the Administrator, the Depositary and the distributors) ("Affected Persons") may be susceptible to operational and information security and related risks of cyber security incidents. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber security attacks include, but are not limited to, gaining unauthorised access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data or causing operational disruption. Cyber-attacks also may be carried out in a manner that does not require gaining unauthorised access, such as causing denial-of-service attacks on websites (i.e., efforts to make services unavailable to intended users). Cyber security incidents affecting the Affected Persons have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, including by interference with a Sub-Fund's ability to calculate its NAV; impediments to trading for a Sub-Fund's portfolio; the inability of Shareholders to transact business with the Company; violations of applicable privacy, data security or other laws; regulatory fines and penalties; reputational damage; reimbursement or other compensation or remediation costs; legal fees; or additional compliance costs. Similar adverse consequences could result from cyber security incidents affecting issuers of securities in which a Sub-Fund invests, counterparties with which a Sub-Fund engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions and other parties. While information risk management systems and business continuity plans have been developed which are designed to reduce the risks associated with cyber



security, there are inherent limitations in any cyber security risk management systems or business continuity plans, including the possibility that certain risks have not been identified.

## DEBT SECURITIES

Certain Sub-Funds may invest in lower-rated debt securities. Credit worthiness concerns or market perception of credit worthiness of issuers may impact the ability of a Sub-Fund to trade such securities at the market value previously expected. In the absence of a liquid trading market for securities held by it, a Sub-Fund at times may be unable to establish the fair value of such securities.

Investors should note that cash interest rates vary over time. The price of debt securities will generally be affected by changing interest rates.

Investors should note that in periods of low inflation the positive growth of Sub-Funds that invest in government debt securities may be limited.

## FINANCIAL DERIVATIVE INSTRUMENTS RISK

Each Sub-Fund may use financial derivative instruments including, but not limited to, futures, forwards, options and swaps subject to the limits and conditions set out in Appendix II. These derivative positions may be executed either on exchange or over the counter. Such financial derivative instruments tend to have a greater volatility than the securities to which they relate and they bear a corresponding greater degree of risk. The primary risks associated with the use of such derivatives are:

- a) failure to predict accurately the direction of the market movements;  
and
- b) market risks, for example, lack of liquidity or lack of correlation between the change in the value of the underlying asset and that of the value of a Sub-Fund's derivatives.

These techniques may not always be possible or effective in enhancing returns or mitigating risk. A Sub-Fund's investment in over the counter derivatives is subject to the risk of counterparty default. In addition, a Sub-Fund may have to transact with counterparties on standard terms which it may not be able to negotiate and may bear the risk of loss because a counterparty does not have the legal capacity to enter into a transaction, or if the transaction becomes unenforceable due to relevant legislation and regulation.

## FOREIGN EXCHANGE/CURRENCY RISK

Although Shares in a Sub-Fund may be denominated in Euro, Dollars or Sterling the Sub-Fund may invest its assets in securities denominated in a wide range of currencies, some of which may not be freely convertible. The Net Asset Value of the Sub-Fund as expressed in Euro, Dollars or Sterling will fluctuate in accordance with the changes in the foreign exchange rate between the Euro, the Dollar, the Sterling and the currencies in which the Sub-Fund's investments are denominated. The Sub-Fund may therefore be exposed to a foreign exchange/currency risk.

Depending on an investor's currency of reference, currency fluctuations between that currency and the Base Currency of a Sub-Fund may adversely affect the value of an investment in that Sub-Fund.

It may not be possible or practicable to hedge against such exchange rate risk. The Investment Advisers may, but are not obliged to, mitigate this risk by using financial instruments. A Sub-Fund may from time to time enter into currency exchange transactions either on a spot basis or by buying currency exchange forward contracts. Neither spot transactions nor currency exchange forward contracts eliminate fluctuations in the prices of a Sub-Fund's assets or in foreign exchange rates, or prevent loss if the prices of these assets should decline. Performance of a Sub-Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by a Sub-Fund may not correspond with the assets held.

## IBOR PHASE OUT RISK

Many financial instruments use or may use a floating rate based on the interbank offered rates (IBORs), especially the London Interbank Offered Rate (LIBOR), which is the offered rate for short-term Eurodollar deposits between major international banks. On July 27, 2017, the head of the United Kingdom's Financial Conduct Authority announced a desire to phase out the use of LIBOR by the end of 2021. Many other countries are also planning to phase out the use of IBORs within the same time period. There remains uncertainty regarding the future utilisation of IBORs and the nature of any replacement rate. As such, the potential effect of a transition away from IBORs on a Sub-Fund or the financial instruments in which a Sub-Fund invests cannot yet be determined. The transition process might lead to increased volatility and illiquidity in markets that currently rely on IBORs to determine interest rates. It could also lead to a reduction in the value of some IBOR-based investments and reduce the effectiveness of new hedges placed against existing LIBOR-based instruments.

## INTEREST RATE RISK

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

## INVESTMENT MANAGEMENT ARRANGEMENTS

BNY Mellon Investment Adviser, Inc. manages the investment and re-investment of the assets of the Treasury Fund and the U.S. Dollar Liquidity Fund.

BNY Mellon (including, but not limited to, the risk department) may have information that could be material to the management of a Sub-Fund and may not share that information with relevant personnel of the Investment Advisers. Accordingly, the Investment Advisers, in making investment decisions, will not obtain or use material inside information that BNY Mellon or its affiliates may possess with respect to such issuers.

Internal BNY Mellon policies, guidance or limitations (including but not limited to, those related to the aggregation of positions among all fiduciary accounts managed or advised by BNY Mellon and all its affiliates (including the Investment Advisers) and the aggregated exposure of such accounts) may restrict investment activities of the Sub-Funds.

## MARKET RISK

The trading price of fixed income securities and other instruments fluctuates in response to a variety of factors. These factors include events impacting the entire market or specific market segments, such as political, market and economic developments, as well as events that impact specific issuers. The Net Asset Value of a Sub-Fund, like investments generally, will fluctuate within a wide range in response to these and other factors. Market events have resulted in a prolonged and significant market downturn and a high degree of market volatility. Possible continuing market turbulence may have an adverse effect on the performance of a Sub-Fund. As a result, an investor could lose money over short or even long periods.

## MONEY MARKET INSTRUMENTS

A Sub-Fund which invests a significant amount of its Net Asset Value in money market instruments may be considered by investors as an alternative to investing in a regular deposit account. Investors should note that a holding in such a Sub-Fund is not comparable to a deposit account insofar as a holding in such a Sub-Fund is subject to the risks associated with investing in a collective investment undertaking, in particular, the fact that the principal sum invested is capable of fluctuation as the Net Asset Value of the Sub-Fund fluctuates.

## NET NEGATIVE YIELD RISK

Market conditions, including but not limited to a reduction in interest rates, may have a material impact on any yield payable in respect of a class of Shares in the Sub-Fund to the extent that the yield will be so low that following the deduction of the charges and expenses applicable to the Shares, it will be Net Negative Yield.

Such market conditions, together with any actions taken by financial institutions in response thereto (such as, for example, by way of reducing interest rates and therefore income payable on investments of the Sub-Fund), are outside the control of the Company.

A Negative Net Yield environment creates potential issues for any Sub-Fund which seeks to maintain Constant Net Asset Value Shares in the Sub-Fund in that the yield of the Sub-Fund may be unable to pay a distribution or other charges or expenses or other liabilities of the Sub-Fund, such as the fees of service providers or other operating costs.

Investors should also note that although the Company will seek to maintain Constant Net Asset Value Shares, there can be no assurance that the Company will be able to attain this objective.

Shareholders should also refer to the section entitled Negative Yield Response Measures. There is no guarantee that the measures taken will succeed in preventing an

erosion of capital of the Shareholders' holdings or otherwise produce positive economic outcomes for the Shareholder.

## POLITICAL AND/OR REGULATORY RISKS

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

Laws and regulations introduced by EU Member States to implement the MMF Regulation, which came into force on 21 July 2018 impose new regulatory obligations and costs on the Manager and the Investment Advisers. The impact of the MMF Regulation on EU money market funds is expected to be significant. The exact impact of the MMF Regulation on the Sub-Funds, the Manager and the Investment Advisers remains unclear and will take time to quantify. In particular, there is industry uncertainty as to whether the provisions on the prohibition of borrowing in the MMF Regulation would include circumstances where a Sub-Fund becomes temporarily overdrawn intraday due to the timing of cash receipts and disbursements. This operational mechanism is employed to ensure timely processing of investor subscription and redemption requests.

## PREMIUM RISK

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

## SUB-FUND CASH SUBSCRIPTION AND REDEMPTION ACCOUNT ("COLLECTION ACCOUNT") RISK

The Company operates subscription and redemption accounts in the name of the Company in respect of each Sub-Fund (each a "Collection Account"). All subscription and redemption monies and dividends or cash distributions payable to or from the Sub-Funds will be channelled and managed through the Collection Accounts.

Subscription monies received in respect of a Sub-Fund in advance of the issue of Shares will be held in the Collection Account in the name of the Company in respect of the relevant Sub-Fund. Investors will be unsecured creditors of the Company with respect to any cash amount subscribed and held by the Company in the appropriate Collection Account until such time as the Shares subscribed are issued, and will not benefit from any appreciation in the Net Asset Value of the relevant Sub-Fund in respect of which the subscription request was made or any other shareholder rights (including dividend entitlement) until such time as the relevant

Shares are issued. In the event of the insolvency of that Sub-Fund or the Company, there is no guarantee that the relevant Sub-Fund or Company will have sufficient funds to pay unsecured creditors in full.

Payment by a Sub-Fund of redemption proceeds and dividends is subject to receipt by the Company or its delegate, the Administrator, of original subscription documents and compliance with all anti-money laundering procedures. Payment of redemption proceeds or dividends to the Shareholders entitled to such amounts may accordingly be blocked pending compliance with the foregoing requirements to the satisfaction of the Company or its delegate, the Administrator. Redemption and distribution amounts, including blocked redemption or distribution amounts, will, pending payment to the relevant investor or Shareholder, be held in the Collection Account in the name of the Company in respect of the relevant Sub-Fund. For as long as such amounts are held in the Collection Account, the investors/Shareholders entitled to such payments from a Sub-Fund will be unsecured creditors of the Company with respect to those amounts and, with respect to and to the extent of their interest in such amounts, will not benefit from any appreciation in the Net Asset Value of the relevant Sub-Fund or any other shareholder rights (including further dividend entitlement). Redeeming Shareholders will cease to be Shareholders with regard to the redeemed Shares as and from the relevant redemption date. In the event of the insolvency of that Sub-Fund or the Company, there is no guarantee that the relevant Sub-Fund or the Company will have sufficient funds to pay unsecured creditors in full. Redeeming Shareholders and Shareholders entitled to distributions should therefore ensure that any outstanding documentation and/or information required in order for them to receive such payments to their own account is provided to the Company or its delegate, the Administrator, promptly. Failure to do so is at such Shareholder's own risk.

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

## U.S. BANK HOLDING COMPANY ACT

BNY Mellon is subject to certain U.S. and non-U.S. banking laws, including the Bank Holding Company Act of 1956, as amended (the "BHCA"), and to regulation by the Board of Governors of the Federal Reserve System (the "Federal Reserve"). In addition, BNY Mellon has elected to become a "financial holding company" (an "FHC") under the BHCA, which is a status available to a bank holding company that meets certain criteria. While FHCs may engage in a broader range of activities than bank holding companies that are not FHCs, the activities of FHCs and their affiliates remain subject to certain restrictions imposed by the BHCA and related regulations.

If BNY Mellon is deemed to "control" the Company within the meaning of the BHCA, these restrictions are expected to apply to the Company as well. Accordingly, the BHCA and other applicable banking laws, rules, regulations,

guidelines and the interpretations thereof by the staff of the regulatory agencies which administer them may restrict transactions and relationships between BNY Mellon, on the one hand, and the Company, on the other hand, and may restrict the investments, activities and transactions of the Company. For example, the BHCA regulations may, among other things, restrict the Company's ability to make certain investments or the size of certain investments, impose a maximum holding period on some or all of the Company's investments, restrict the Investment Advisors' ability to participate in the management and operations of the companies in which the Company invests, and restrict the ability of BNY Mellon to invest in the Company. In addition, certain BHCA regulations may require aggregation of the positions owned, held or controlled by related entities. In certain circumstances, therefore, positions held by BNY Mellon (including by the Investment Advisors) for clients may need to be aggregated with positions held by Sub-Funds of the Company. In this case, where BHCA regulations impose a cap on the amount of a position that may be held, the Investment Advisors may utilise available capacity to make investments for the accounts of other clients, which may require the Company to limit and/or liquidate certain investments.

These restrictions may materially adversely affect the Company by, among other things, affecting the Investment Advisors' ability to pursue certain strategies within a Sub-Fund's investment policy or to trade in certain securities. BNY Mellon may cease in the future to qualify as an FHC, which may subject the Company to additional restrictions.

## TAXATION

The attention of investors is drawn to the section of the Prospectus headed "Taxation" and in particular the taxation liability arising on the occurrence of certain events such as the encashment, redemption or transfer of Shares by or payment of dividends to Shareholders who are Irish Resident or Ordinarily Resident in Ireland. In addition, investors should be aware that income or dividends received or profits realised may lead to an additional taxation in their country of citizenship, residence, domicile and/or incorporation. Investors should consult their financial or other professional advisers on the possible tax or other consequences of subscribing, holding, transferring, switching, redeeming or otherwise dealing in the Shares under the laws of their countries of citizenship, residence, domicile and/or incorporation.

Any change in the taxation legislation in Ireland, or elsewhere, could affect (i) the Company or any Sub-Fund's ability to achieve its investment objective, (ii) the value of the Company or any Sub-Fund's investments or (iii) the ability to pay returns to Shareholders or alter such returns. Any such changes, which could also be retroactive, could have an effect on the validity of the information stated herein based on current tax law and practice. Prospective investors and Shareholders should note that the statements on taxation which are set out herein and, and, as applicable, in any Supplement, are based on advice which has been received by the Directors regarding the law and practice in force in the relevant jurisdiction as at the date of this Prospectus. As is the case with any investment, there can be no

guarantee that the tax position or proposed tax position prevailing at the time an investment is made in the Company will endure indefinitely.

If, as a result of the status of a Shareholder, the Company or a Sub-Fund becomes liable to account for tax, in any jurisdiction, including any interest or penalties thereon if an event giving rise to a tax liability occurs, the Company or the Sub-Fund shall be entitled to deduct such amount from the payment arising on such event or to compulsorily redeem or cancel such number of Shares held by the Shareholder or the beneficial owner of the Shares as have a value sufficient after the deduction of any redemption charges to discharge any such liability. The relevant Shareholder shall indemnify and keep the Company or the Sub-Fund indemnified against any loss arising to the Company or the Sub-Fund by reason of the Company or the Sub-Fund becoming liable to account for tax and any interest or penalties thereon on the happening of an event giving rise to a tax liability including if no such deduction, appropriation or cancellation has been made.

Shareholders and prospective investors' attention is drawn to the taxation risks associated with investing in the Company. Please refer to the section headed "Taxation".

## FOREIGN ACCOUNT TAX COMPLIANCE ACT

The foreign account tax compliance provisions ("FATCA") of the Hiring Incentives to Restore Employment Act 2010 which apply to certain payments are essentially designed to require reporting of Specified US Person's direct and indirect ownership of non-US accounts and non-US entities to the US Internal Revenue Service, with any failure to provide the required information resulting in a 30% US withholding tax on direct US investments (and possibly indirect US investments). In order to avoid being subject to US withholding tax, both US investors and non-US investors are likely to be required to provide information regarding themselves and their investors. In this regard the Irish and US Governments signed an intergovernmental agreement ("**Irish IGA**") with respect to the implementation of FATCA (see section entitled "*Compliance with US reporting and withholding requirements*" for further detail) on 21 December 2012.

Under the Irish IGA (and the relevant Irish regulations and legislation implementing same), a foreign financial institution (FFI) that is fully compliant with the relevant regulations should generally not be required to apply 30% withholding tax. The Company will attempt to satisfy any obligations imposed on it to avoid the imposition of any FATCA withholding tax, however no assurance can be given that the Company will be able to satisfy the relevant FATCA obligations. If the Company becomes subject to a FATCA withholding tax as a result of the FATCA regime, the value of the Shares held by Shareholders may suffer material losses. To the extent the Company however suffers US withholding tax on its investments as a result of FATCA, or is not in a position to comply with any requirement of FATCA, the Administrator acting on behalf of the Company may take any action in relation to a Shareholder's investment in the Company to redress such non-compliance and/or to ensure that such withholding is economically borne by the relevant Shareholder whose failure to provide the necessary information or to become a participating foreign financial institution or other action or inaction

gave rise to the withholding or non-compliance, including compulsory redemption of some or all of such Shareholder's holding of shares in the Company.

Shareholders and prospective investors should consult their own tax adviser with regard to US federal, state, local and non-US tax reporting and certification requirements associated with an investment in the Company.

## COMMON REPORTING STANDARD

Drawing extensively on the intergovernmental approach to implementing FATCA, the OECD developed the Common Reporting Standard ("CRS") to address the issue of offshore tax evasion on a global basis. Additionally, on 9 December 2014, the European Union adopted EU Council Directive 2014/107/EU, amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation ("DAC2").

The CRS and DAC2 provide a common standard for due diligence, reporting and exchange of financial account information. Pursuant to the CRS and DAC2, participating jurisdictions and EU member states will obtain from reporting financial institutions, and automatically exchange with exchange partners on an annual basis, financial information with respect to all reportable accounts identified by financial institutions on the basis of common due diligence and reporting procedures. The Company is required to comply with the CRS and DAC2 due diligence and reporting requirements, as adopted by Ireland. Shareholders may be required to provide additional information to the Company to enable the Company to satisfy its obligations under the CRS and DAC2. Failure to provide requested information may subject an investor to liability for any resulting penalties or other charges and/or compulsory redemption of their Shares in the Company.

Shareholders and prospective investors should consult their own tax advisor with respect to their own certification requirements associated with an investment in the Company.

## VOLCKER RULE

U.S. regulators have adopted the "Volcker Rule" which imposes a number of restrictions on financial organisations like BNY Mellon, but also provides various exemptions.

The Volcker Rule excludes "foreign public funds", such as the Sub-Funds of the Company, that meet certain criteria, including, in the case of the Sub-Funds, that ownership interests in the Sub-Funds be sold predominantly to persons other than BNY Mellon and its directors and employees (the regulators expect at least 85% of Sub-Funds to be held by non-U.S. persons who are neither affiliated with, nor directors or employees, of BNY Mellon). Therefore, to the extent BNY Mellon provides seed capital to a Sub-Fund, it will take steps to raise enough fund assets through investments by third parties and/or reduce its seed capital investments so that its investments will constitute less than 15% of the Sub-Fund within, generally three years of the establishment of the Sub-Fund.

If BNY Mellon is required to divest some or all of its seed capital investments in a particular Sub-Fund, it will involve sales of portfolio holdings to raise cash. Such



sales entail the following risks: BNY Mellon may initially own a larger percentage of the Sub-Fund and any mandatory reductions may increase Sub-Fund portfolio turnover rates with corresponding increased brokerage and transfer costs and expenses and tax consequences. Details of BNY Mellon's investment in each Sub-Fund, where applicable, are available upon request.

## **POTENTIAL LIMITATIONS AND RESTRICTIONS ON INVESTMENT OPPORTUNITIES AND ACTIVITIES OF BNY MELLON AND THE COMPANY**

BNY Mellon operates a program reasonably designed to ensure compliance generally with economic and trade sanctions-related obligations applicable directly to its activities (although such obligations are not necessarily the same obligations that the Company may be subject to). Such economic and trade sanctions may prohibit, among other things, transactions with and the provision of services to, directly or indirectly, certain countries, territories, entities and individuals. These economic and trade sanctions, and the application by BNY Mellon of its compliance program in respect thereof, may restrict or limit the Company's investment activities.

**The above should not be considered to be an exhaustive list of the risks which potential investors should consider before investing in any of the Sub-Funds. Potential investors should be aware that an investment in a Sub-Fund may be exposed to other risks of an exceptional nature from time to time.**



# Taxation

## GENERAL

*The information given is not exhaustive and does not constitute legal or tax advice. It does not purport to deal with all of the tax consequences applicable to the Company or its current or future Sub-Funds or to all categories of investors, some of whom may be subject to special rules. Prospective investors should consult their own professional advisers as to the implications of their subscribing for, purchasing, holding, switching or disposing of Shares under the laws of the jurisdictions in which they may be subject to tax.*

*The following is a brief summary of certain aspects of Irish, UK and US taxation law and practice relevant to the transactions contemplated in this Prospectus. It is based on the law and practice and official interpretation currently in effect, all of which are subject to change.*

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

## IRISH TAXATION

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

### Taxation of the Company

The Directors have been advised that, under current Irish law and practice, the Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Act., so long as the Company is resident in Ireland. Accordingly the Company is not chargeable to Irish tax on its income and gains.

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

measures (see paragraph headed “Equivalent Measures” below) there is a presumption that the investor is Irish Resident or Ordinarily Resident in Ireland. A chargeable event does not include:

- An exchange by a Shareholder, effected by way of an arms-length bargain where no payment is made to the Shareholder, of Shares in the Company for other Shares in the Company;
- Any transactions (which might otherwise be a chargeable event) in relation to shares held in a Recognised Clearing System as designated by order of the Irish Revenue Commissioners;
- A transfer by a Shareholder of the entitlement to Shares where the transfer is between spouses and former spouses, subject to certain conditions;  
or
- An exchange of Shares arising on a qualifying amalgamation or reconstruction (within the meaning of Section 739H of the Taxes Act) of the Company with another investment undertaking.

If the Company becomes liable to account for tax if a chargeable event occurs, the Company shall be entitled to deduct from the payment arising on a chargeable event an amount equal to the appropriate tax and/or where applicable, to appropriate or cancel such number of Shares held by the Shareholder or the beneficial owner of the Shares as are required to meet the amount of tax. The relevant Shareholder shall indemnify and keep the Company indemnified against loss arising to the Company by reason of the Company becoming liable to account for tax on the happening of a chargeable event if no such deduction, appropriation or cancellation has been made.

Dividends received by the Company from investment in Irish equities may be subject to Irish dividend withholding tax at a rate of 25% (such sum representing income tax). However, the Company can make a declaration to the payer that it is a collective investment undertaking beneficially entitled to the dividends which will entitle the Company to receive such dividends without deduction of Irish dividend withholding tax.

### Stamp Duty

No stamp duty is payable in Ireland on the issue, transfer, repurchase or redemption of Shares in the Company. Where any subscription for or redemption of Shares is satisfied by the in specie transfer of securities, property or other types of assets, Irish stamp duty may arise on the transfer of such assets.

No Irish stamp duty will be payable by the Company on the conveyance or transfer of stock or marketable securities provided that the stock or marketable securities in question have not been issued by a company registered in Ireland and provided that the conveyance or transfer does not relate to any immovable property situated in Ireland or any right over or interest in such property or to any stocks or marketable securities of a company (other than a company which is an investment undertaking within the meaning of Section 739B (1) of the Taxes Act (that is not an Irish Real Estate Fund within

the meaning of Section 739K of the Taxes Act) or a “qualifying company” within the meaning of Section 110 of the Taxes Act) which is registered in Ireland.

## Shareholders' Tax

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

Any payments to a Shareholder or any encashment, redemption, cancellation or transfer of Shares held in a Recognised Clearing System will not give rise to a chargeable event in the Company (there is however ambiguity in the legislation as to whether the rules outlined in this paragraph with regard to Shares held in a Recognised Clearing System, apply in the case of chargeable events arising on a deemed disposal, therefore, as previously advised, Shareholders should seek their own tax advice in this regard). Thus the Company will not have to deduct any Irish taxes on such payments regardless of whether they are held by Shareholders who are Irish Residents or Ordinarily Resident in Ireland, or whether a non-resident Shareholder has made a Relevant Declaration. However, Shareholders who are Irish Resident or Ordinarily Resident in Ireland or who are not Irish Resident or Ordinarily Resident in Ireland but whose Shares are attributable to a branch or agency in Ireland may still have a liability to account for Irish tax on a distribution or encashment, redemption or transfer of their Shares.

To the extent any Shares are not held in a Recognised Clearing System at the time of a chargeable event (and subject to the discussion in the previous paragraph relating to a chargeable event arising on a deemed disposal), the following tax consequences will typically arise on a chargeable event.

### Shareholders who are neither Irish Residents nor Ordinarily Resident in Ireland

The Company will not have to deduct tax on the occasion of a chargeable event in respect of a Shareholder if

- a) the Shareholder is neither Irish Resident nor Ordinarily Resident in Ireland,
- b) the Shareholder has made a Relevant Declaration on or about the time when the Shares are applied for or acquired by the Shareholder, and
- c) the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct.
- d) In the absence of either a Relevant Declaration (provided in a timely manner) or the Company satisfying and availing of equivalent measures (see paragraph headed “*Equivalent Measures*” below) tax will arise on the happening of a chargeable event in the Company regardless of the fact that a Shareholder is neither Irish Resident nor Ordinarily Resident in Ireland. The appropriate tax that will be deducted is as described below.

To the extent that a Shareholder is acting as an Intermediary on behalf of persons who are neither Irish Resident nor Ordinarily Resident in Ireland no tax will have to be deducted by the Company on the occasion of a chargeable event provided that either

- a) the Company satisfied and availed of the equivalent measures, or
- b) the Intermediary has made a Relevant Declaration that he/she is acting on behalf of such persons and the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct.

Shareholders who are neither Irish Residents nor Ordinarily Resident in Ireland and either

- a) the Company has satisfied and availed of the equivalent measures, or
- b) such Shareholders have made Relevant Declarations in respect of which the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct,
- c) will not be liable to Irish tax in respect of income from their Shares and gains made on the disposal of their Shares. However, any corporate Shareholder which is not Irish Resident and which holds Shares directly or indirectly by or for a trading branch or agency in Ireland will be liable to Irish tax on income from their Shares or gains made on disposals of the Shares.

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

### Shareholders who are Irish Residents or Ordinarily Resident in Ireland

Unless a Shareholder is an Exempt Irish Investor and makes a Relevant Declaration to that effect and the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct or unless the Shares are purchased by the Courts Service, tax at the rate of 41% (25% where the Shareholder is a company and an appropriate declaration is in place) will be required to be deducted by the Company from a distribution (where payments are made annually or at more frequent intervals) to a Shareholder who is Irish Resident or Ordinarily Resident in Ireland. Similarly, tax at the rate of 41% (25% where the Shareholder is a company and an appropriate declaration is in place) will have to be deducted by the Company on any other distribution or gain arising to the Shareholder (other than an Exempt Irish Investor who has made a Relevant Declaration) on an encashment, redemption, cancellation, transfer or deemed disposal (see below) of Shares by a Shareholder who is Irish Resident or Ordinarily Resident in Ireland.

The Finance Act 2006 introduced rules (which were subsequently amended by the Finance Act 2008) in relation to an automatic exit tax for Shareholders who are Irish Resident or Ordinarily Resident in Ireland in respect of Shares held by them in the Company at the ending of a Relevant Period. Such Shareholders (both companies and individuals) will be deemed to have disposed of their Shares (“deemed disposal”) at the

expiration of that Relevant Period and will be charged to tax at the rate of 41% (25% where the Shareholder is a company and an appropriate declaration is in place) on any deemed gain (calculated without the benefit of indexation relief) accruing to them based on the increased value (if any) of the Shares since purchase or since the previous exit tax applied, whichever is later.

For the purposes of calculating if any further tax arises on a subsequent chargeable event (other than chargeable events arising from the ending of a subsequent Relevant Period or where payments are made annually or at more frequent intervals), the preceding deemed disposal is initially ignored and the appropriate tax calculated as normal. Upon calculation of this tax, credit is immediately given against this tax for any tax paid as a result of the preceding deemed disposal. Where the tax arising on the subsequent chargeable event is greater than that which arose on the preceding deemed disposal, the Company will have to deduct the difference. Where the tax arising on the subsequent chargeable event is less than that which arose on the preceding deemed disposal, the Company will refund the Shareholder for the excess (subject to the paragraph headed "15% threshold" below).

### 10% Threshold

The Company will not have to deduct tax ("exit tax") in respect of this deemed disposal where the value of the chargeable shares (i.e. those Shares held by Shareholders to whom the declaration procedures do not apply) in the Company (or Sub-Fund being an umbrella scheme) is less than 10% of the value of the total Shares in the Company (or the Sub-Fund) and the Company has made an election to report certain details in respect of each affected Shareholder to the Irish Revenue Commissioners (the "Affected Shareholder") in each year that the de minimus limit applies. In such a situation the obligation to account for the tax on any gain arising on a deemed disposal will be the responsibility of the Shareholder on a self-assessment basis ("self-assessors") as opposed to the Company or the Sub-Fund (or their service providers). The Company is deemed to have made the election to report once it has advised the Affected Shareholders in writing that it will make the required report.

### 15 % Threshold

As previously stated where the tax arising on the subsequent chargeable event is less than that which arose on the preceding deemed disposal (e.g. due to a subsequent loss on an actual disposal), the Company will refund the Shareholder the excess. Where however immediately before the subsequent chargeable event, the value of chargeable shares in the Company or in the Sub-Fund within an umbrella scheme does not exceed 15% of the value of the total Shares, the Company may elect to have any excess tax arising repaid directly by the Irish Revenue Commissioners to the Shareholder. The Company is deemed to have made this election once it notifies the Shareholder in writing that any repayment due will be made directly by the Irish Revenue Commissioners on receipt of a claim by the Shareholder.

### Other

To avoid multiple deemed disposal events for multiple Shares an irrevocable election under Section 739D(5B) can be made by the Company to value the Shares held at the 30<sup>th</sup> June or 31<sup>st</sup> December of each year prior to the

deemed disposal occurring. While the legislation is ambiguous, it is generally understood that the intention is to permit a fund to group shares in six month batches and thereby make it easier to calculate the exit tax by avoiding having to carry out valuations at various dates during the year resulting in a large administrative burden.

The Irish Revenue Commissioners have provided updated investment undertaking guidance notes which deal with the practical aspects of how the above calculations/objectives will be accomplished.

Shareholders (depending on their own personal tax position) who are Irish Resident or Ordinarily Resident in Ireland may still be required to pay tax or further tax on a distribution or gain arising on an encashment, redemption, cancellation, transfer or deemed disposal of their Shares. Alternatively they may be entitled to a refund of all or part of any tax deducted by the Company on a chargeable event.

### Equivalent Measures

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

### Personal Portfolio Investment Undertaking

The Finance Act 2007 introduced provisions regarding the taxation of Irish Resident individuals or Ordinarily Resident in Ireland individuals who hold shares in investment undertakings. These provisions introduced the concept of a personal portfolio investment undertaking ("PPIU"). Essentially, an investment undertaking will be considered a PPIU in relation to a specific investor where that investor can influence the selection of some or all of the property held by the investment undertaking either directly or through persons acting on behalf of or connected to the investor. Depending on individuals' circumstances, an investment undertaking may be considered a PPIU in relation to some, none or all individual investors i.e. it will only be a PPIU in respect of those individuals who can "influence" selection. Any gain arising on a chargeable event in relation to an investment undertaking which is a PPIU in respect of an individual on or after 20<sup>th</sup> February 2007, will be taxed at the rate of 60%. Specific exemptions apply where the property invested in has been widely marketed and made available to the public or for non-property investments entered

into by the investment undertaking. Further restrictions may be required in the case of investments in land or unquoted shares deriving their value from land.

## Reporting

Pursuant to Section 891C of the Taxes Act and the Return of Values (Investment Undertakings) Regulations 2013, the Company is obliged to report certain details in relation to Shares held by investors to the Irish Revenue Commissioners on an annual basis. The details to be reported include the name, address and date of birth if on record of, and the value of the Shares held by, a Shareholder. In respect of Shares acquired on or after 1 January 2014, the details to be reported also include the tax reference number of the Shareholder (being an Irish tax reference number or VAT registration number, or in the case of an individual, the individual's PPS number) or, in the absence of a tax reference number, a marker indicating that this was not provided. No details are to be reported in respect of Shareholders who are;

- Exempt Irish Investors (as defined above);
- Shareholders who are neither Irish Resident nor Ordinarily Resident in Ireland (provided the relevant declaration has been made); or
- Shareholders whose Shares are held in a Recognised Clearing System.

## Capital Acquisitions Tax

The disposal of Shares may be subject to Irish gift or inheritance tax (Capital Acquisitions Tax). However, provided that the Company falls within the definition of investment undertaking (within the meaning of Section 739B (1) of the Taxes Act), the disposal of Shares by a Shareholder is not liable to Capital Acquisitions Tax provided that

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

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

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

## UK TAXATION

**The following information is based on enacted laws and current practice in the UK. It is not comprehensive and is subject to change. Prospective investors should consult their own professional advisers as to the implications of buying, holding or disposing of Shares.**

## The Company

The Directors intend to conduct the affairs of the Company so that it does not become resident in the U.K. for taxation purposes. Accordingly, provided the Company does not exercise a trade within the U.K. or carry on a trade in the U.K. through a permanent establishment, the Company will not be subject to U.K. income or corporation tax other than on certain U.K. source income.

It is not expected that the activities of the Company will be regarded as trading activities for the purposes of U.K. taxation. However, to the extent that trading activities are carried on in the U.K. they may in principle be liable to U.K. tax. The profit from such trading activities will not, based on Section 1146 of the Corporation Tax Act 2010 and Section 835M of the Income Tax Act 2007, be assessed to U.K. tax provided that the Company and the Investment Adviser meet certain conditions. The Directors and the Investment Adviser intend to conduct the respective affairs of the Company and the Investment Adviser so that all the conditions are satisfied, so far as those conditions are within their respective control. Certain income received by the Company, which has a U.K. source, may be subject to deduction of tax in the U.K.

## Taxation of Shareholders

Subject to their personal circumstances, Shareholders resident in the United Kingdom for taxation purposes will be liable to United Kingdom income tax or corporation tax in respect of dividends and other distributions of income by the Sub-Fund. The tax treatment and applicable rate will depend on whether the income distributions are treated as dividends or interest.

The attention of Shareholders is drawn to Chapter 3 of Part 6 of the Corporation Tax Act 2009 and Section 378A of the Income Tax (Trading and Other Income) Act 2005 which provide that certain distributions from offshore funds that are economically similar to payments of yearly interest will be chargeable to tax as if they were yearly interest. A distribution is treated as interest if the offshore fund, at any time during the "relevant period", holds more than 60% of its assets in the form of qualifying investments (the "qualifying investment test"). Qualifying investments include money placed at interest (other than cash awaiting investment), debt securities or certain other investments.

Shareholders subject to UK income tax will pay tax at their full income tax marginal rate on such 'interest distributions' if the Company holds more than 60% of its assets in qualifying investments at any time during the relevant period. Otherwise, income distributions received will be taxed as dividends at the lower dividend marginal rates.

Under the corporate debt tax regime in the UK any corporate Shareholder which is within the charge to UK corporation tax will be taxed on the increase in value of its holding on a fair value basis (rather than on disposal) or will obtain tax relief on any equivalent decrease in value, if the investments of the Company consist of more than 60% (by value) of "qualifying investments" at any time during the relevant period. If the Company does not hold more than 60% (by value) of "qualifying investments" at any time during the relevant period, Shareholders who are subject to UK corporation tax should generally expect to be exempt from UK taxation in respect of dividends from the Company provided that the dividend income does not fall to be treated as trading income.



Shareholdings in the Company are likely to constitute interests in an “offshore fund” for the purposes of Part 8 of the Taxation (International and Other provisions etc.) Act 2010. Each class of Shares within a Sub-Fund is treated as an offshore fund for the purposes of United Kingdom taxation. A Shareholder who is resident or ordinarily resident in the UK for taxation purposes and holds an interest in an offshore fund will be taxed on any accrued gain at the time of sale, redemption or other disposal as income (“offshore income gains”), unless the share class was a “reporting fund” (or previously a fund with distributor status) throughout the period during which the Shareholder holds an interest.

It is currently not the intention of the Investment Adviser to obtain reporting fund status for any classes of Shares of the Company. Shareholders who are neither resident nor ordinarily resident in the United Kingdom for taxation purposes should not generally be subject to United Kingdom taxation on any gain realised on any sale, redemption or other disposal of their Shares unless their holding of Shares is connected with a branch or agency through which the relevant Shareholder carries on a trade, profession or vocation in the United Kingdom.

The attention of individuals resident or ordinarily resident in the UK for tax purposes is drawn to Chapter II of Part XIII of the Income Taxes Act 2007, which may render them liable to income tax in respect of undistributed income or profits of the Company. These provisions are aimed at preventing the avoidance of income tax by individuals through a transaction resulting in the transfer of assets or income to persons (including companies) resident or domiciled abroad and may render them liable to income or corporation tax in respect of undistributed income or profits of the Company on an annual basis.

The attention of persons resident or ordinarily resident in the UK (and who, if they are individuals, are domiciled in the UK) is drawn to the provisions of Section 13 of the Taxation of Chargeable Gains 1992. Under this section, if the Company were to be treated as a close company were it resident in the UK, holders of more than a 10% interest in the Company could be assessed to UK tax on their relevant share the Company’s capital gains.

These provisions could, if applied, result in a person being treated as if part of any gain accruing to the Company (such as on a disposal of its investments that constitutes a chargeable gain for those purposes) had accrued to that person directly; that part being equal to the proportion of the assets of the Company to which that person would be entitled on the winding up of the Company at the time when the chargeable gain accrued to the Company. The rules were extended by the provisions of section 14A of Taxation of Chargeable Gains Act 1992, with effect from 6 April 2008, to individuals who are domiciled outside the U.K., subject to the remittance basis in particular circumstances.

As disposals of Shares in certain classes are subject to tax as offshore income gains, the MMF Regulation rather than Section 13 may apply. Regulation 24 substitutes ‘offshore income gain’ for any reference to ‘chargeable gain’ in Section 13. There is some uncertainty as regards whether Regulation 24 actually operates in the way that it was intended, since it may be interpreted as only applying to offshore income gains generated by offshore funds, as opposed to any capital gains accruing to the offshore funds. Despite this uncertainty, it would be prudent to assume that Regulation 24 applies to all capital gains realised by offshore funds in the same way

as Section 13, since this would appear to have been the intention of the UK tax authorities when the legislation was drafted.

The attention of UK resident corporate Shareholders is drawn to the provisions of Chapter IV of Part XVII of the Income and Corporation Taxes Act 1988 (or Part 9A of the Taxation (International and Other Provisions) Act 2010. These provisions may subject United Kingdom resident companies to corporation tax on profits of non-resident companies, controlled by persons resident in the United Kingdom, in which they have an interest. These provisions affect United Kingdom resident companies who are entitled to at least 25% of the profits of a non-United Kingdom resident company, where that non-United Kingdom resident company is controlled by residents of the United Kingdom (or is controlled by two persons taken together, one of whom is resident in the United Kingdom for tax purposes and has at least 40% of the interests, rights and powers by which those persons control the Company, and the other of whom has at least 40% and not more than 55% of such interests, rights and powers). The legislation is not directed towards the taxation of chargeable gains. The effect of these provisions could be to render such corporate Shareholder companies liable to United Kingdom corporation tax in respect of their share of the profits of the Company unless a number of available exemptions are met.

A charge to tax cannot arise however, unless the non-resident company is under the control of persons resident in the United Kingdom and, on an apportionment of the non-resident’s “chargeable profits”, more than 25% would be attributed to the United Kingdom resident and persons associated or connected with them.

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

Liability to UK stamp duty will not arise provided that any instrument in writing, transferring Shares in the Company, or shares acquired by the Company, are executed and retained at all times outside the UK. However, the Company may be liable to transfer taxes in the UK on acquisitions and disposals of investments. In the UK, stamp duty or Stamp Duty Reserve Tax at a rate of 0.5% will be payable by the Company on the acquisition of shares in companies that are either incorporated in the UK or that maintain a share register there.

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

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

## **UNITED STATES**

The following discussion is a general summary of certain U.S. federal tax consequences that may result to the Company and its Shareholders in connection with their investment in the Company. The discussion does not purport to deal with all of the U.S. federal income tax consequences applicable to the Company or to all categories of investors, some of whom may be subject to special rules. The discussion assumes that the Company will not hold any interests (other than as a creditor) in



any “United States real property holding corporations” as defined in the U.S. Internal Revenue Code. Furthermore, the discussion assumes that no U.S. Taxpayer will own directly or indirectly, or will be considered as owning by application of certain tax law rules of constructive ownership, any Shares. Investors should consult their own tax advisers regarding the tax consequences to them of an investment in the Company in light of their particular circumstances.

**An investor may be a “U.S. Taxpayer” but not a “U.S. Person”. For example, an individual who is a U.S. citizen residing outside of the United States is not a “U.S. Person” but is a “U.S. Taxpayer”. Definitions of a “U.S. Person” and a “U.S. Taxpayer” may be found under the heading “Definitions”.**

## **Taxation of the Company**

While there is no direct guidance on the U.S. federal tax treatment of non-U.S. legal entities like the Company and its Sub-Funds, the Company has treated and will continue to treat each Sub-Fund as a separate entity for U.S. federal tax purposes. For purposes of this summary, it is assumed that this tax treatment will be respected by the U.S. tax authorities.

As a foreign corporation, each Sub-Fund generally will not be subject to U.S. federal income taxation on income or gain realized by it from trading and investment activities, provided that the Sub-Fund is not engaged in, or deemed to be engaged in, a U.S. trade or business to which such income or gain is treated as effectively connected. A Sub-Fund should not be considered to be so engaged, so long as (i) such fund is not considered a dealer in stocks, securities or commodities and does not regularly offer to enter into, assume, offset, assign, or otherwise terminate positions in derivatives with customers, (ii) such fund’s U.S. business activities (if any) consist solely of investing in and/or trading stocks or securities, commodities of a kind customarily dealt in on an organized commodity exchange (in transactions of a kind customarily consummated at such place) and derivatives for their own account, and (iii) any entity in which such fund invests that is classified as a disregarded entity, partnership or trust for U.S. federal income tax purposes is not engaged in, or deemed to be engaged in, a U.S. trade or business, and (iv) such fund does not dispose of a “United States real property interest” as defined in Section 897 of the Code. Unless otherwise disclosed in the relevant Supplement, each Sub-Fund intends to conduct its affairs in a manner that meets such requirements. However, because a Sub-Fund cannot give complete assurance that it will not be treated as conducting a trade or business within the United States, it should be noted that if a Sub-Fund were engaged in, or deemed to be engaged in, a U.S. trade or business in any year, such fund (but not any of the Shareholders) would be required to file a U.S. federal income tax return for such year and pay tax on its income and gain that is effectively connected with such U.S. trade or business at U.S. corporate tax rates. In addition, such fund generally would be required to pay a branch profits tax equal to 30% of the earnings and profits of such U.S. trade or business that are not reinvested therein.

Each Sub-Fund also will be subject to a 30% U.S. withholding tax on the gross amount of (i) any U.S. source interest income that falls outside the portfolio interest exception and other available exceptions to withholding

tax, (ii) any U.S. source dividend income or dividend equivalent payments, and (iii) any other U.S. source fixed or determinable annual or periodical gains, profits or income, in each case to the extent such amounts are not effectively connected with a U.S. trade or business. For these purposes, interest will generally qualify for the portfolio interest exception if it is paid on an obligation that is in registered form, provided that the applicable Sub-Fund provides certain required certifications, or in certain other circumstances. However, interest on an obligation will not qualify for the portfolio interest exception if (i) the applicable Sub-Fund is considered a 10-percent shareholder of the issuer of the obligation, (ii) the applicable Sub-Fund is a controlled foreign corporation and is considered to be a related person with respect to the issuer of the obligation or (iii) such interest is determined by reference to certain financial information of the issuer of the obligation (e.g., the issuer’s receipts, sales, income or profits) or is otherwise considered to be contingent interest.

**Non-U.S. Shareholders.** Shareholders that are non-U.S. Taxable Persons generally should not be subject to U.S. federal income taxation on income or gain realized from the sale, exchange, or redemption of Shares held as a capital asset unless such income or gain is otherwise effectively connected with a U.S. trade or business or, in the case of gain realized by a non-U.S. Taxable Person that is an individual, such individual is present in the United States for 183 days or more during a taxable year and certain other conditions are met.

Investors should consult their professional Tax Adviser for additional information.

## **COMPLIANCE WITH US REPORTING AND WITHHOLDING REQUIREMENTS**

The foreign account tax compliance provisions (“**FATCA**”) of the Hiring Incentives to Restore Employment Act 2010 represent an expansive information reporting regime enacted by the United States (“**US**”) aimed at ensuring that Specified US Persons with financial assets outside the US are paying the correct amount of US tax. FATCA will generally impose a withholding tax of up to 30% with respect to certain US source income (including dividends and interest) unless the FFI enters directly into a contract (“**FFI agreement**”) with the US Internal Revenue Service (“**IRS**”) or alternatively the FFI is located in a IGA country (please see below). An FFI agreement will impose obligations on the FFI including disclosure of certain information about US investors directly to the IRS and the imposition of withholding tax in the case of non-compliant investors. For these purposes the Company would fall within the definition of a FFI for the purpose of FATCA.

In recognition of both the fact that the stated policy objective of FATCA is to achieve reporting (as opposed to being solely the collecting of withholding tax) and the difficulties which may arise in certain jurisdictions with respect to compliance with FATCA by FFIs, the US has developed an intergovernmental approach to the implementation of FATCA. In this regard the Irish and US Governments signed an intergovernmental agreement (“**Irish IGA**”) on 21 December 2012 and provisions were included in Finance Act 2013 for the implementation of the Irish IGA and also to permit regulations to be made by the Irish Revenue Commissioners with regard to registration and reporting requirements arising from the

Irish IGA. In this regard the Irish and US Governments signed an intergovernmental agreement ("Irish IGA") on the 21st December 2012 and provisions were included in Finance Act 2013 for the implementation of the Irish IGA and also to permit regulations to be made by the Irish Revenue Commissioners with regard to registration and reporting requirements arising from the Irish IGA. In this regard, the Irish Revenue Commissioners (in conjunction with the Department of Finance) have issued Regulations – S.I. No. 292 of 2014 which is effective from 1 July 2014. Supporting Guidance Notes have been issued by the Irish Revenue Commissioners and are updated on ad-hoc basis.

The Irish IGA is intended to reduce the burden for Irish FFIs of complying with FATCA by simplifying the compliance process and minimising the risk of withholding tax. Under the Irish IGA, information about relevant US investors will be provided on an annual basis by each Irish FFI (unless the FFI is exempted from the FATCA requirements) directly to the Irish Revenue Commissioners. The Irish Revenue Commissioners will then provide such information to the IRS (by 30 September of the following year) without the need for the FFI to enter into a FFI agreement with the IRS. Nevertheless, the FFI will generally be required to register with the IRS to obtain a Global Intermediary Identification Number commonly referred to as a GIIN.

Under the Irish IGA, FFIs should generally not be required to apply 30% withholding tax. To the extent the Company does suffer US withholding tax on its investments as a result of FATCA, the Directors may take any action in relation to an investor's investment in the Company to ensure that such withholding is economically borne by the relevant investor whose failure to provide the necessary information or to become a participating FFI gave rise to the withholding.

Each prospective investor should consult their own tax advisor regarding the requirements under FATCA with respect to their own situation.

## COMMON REPORTING STANDARD

On 14 July 2014, the OECD issued the Standard for Automatic Exchange of Financial Account Information ("the Standard") which therein contains the Common Reporting Standard ("CRS"). This has been applied in Ireland by means of the relevant international legal framework and Irish tax legislation. Additionally, on 9 December 2014, the European Union adopted EU Council Directive 2014/107/EU, amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation ("DAC2") which, in turn, has been applied in Ireland by means of the relevant Irish tax legislation.

The main objective of the CRS and DAC2 is to provide for the annual automatic exchange of certain financial account information between relevant tax authorities of participating jurisdictions or EU member states.

The CRS and DAC2 draw extensively on the intergovernmental approach used for the purposes of implementing FATCA and, as such, there are significant similarities between the reporting mechanisms. However, whereas FATCA essentially only requires reporting of specific information in relation to Specified US Persons

to the IRS, the CRS and DAC2 have significantly wider ambit due to the multiple jurisdictions participating in the regimes.

Broadly speaking, the CRS and DAC2 will require Irish Financial Institutions to identify Account Holders (and, in particular situations, Controlling Persons of such Account Holders) resident in other participating jurisdictions or EU member states and to report specific information in relation to these Account Holders (and, in particular situations, specific information in relation to identified Controlling Persons) to the Irish Revenue Commissioners on an annual basis (which, in turn, will provide this information to the relevant tax authorities where the Account Holder is resident). In this regard, please note that the Company will be considered an Irish Financial Institution for the purposes of the CRS and DAC2.

For further information on the CRS and DAC2 requirements of the Company, please refer to the below "CRS/DAC2 Data Protection Information Notice".

Shareholders and prospective investors should consult their own tax advisor regarding the requirements under CRS/DAC2 with respect to their own situation.

### CRS/DAC2 Data Protection Information Notice

The Company hereby confirms that it intends to take such steps as may be required to satisfy any obligations imposed by (i) the Standard and, specifically, the CRS therein, as applied in Ireland by means of the relevant international legal framework and Irish tax legislation and (ii) DAC2, as applied in Ireland by means of the relevant Irish tax legislation, so as to ensure compliance or deemed compliance (as the case may be) with the CRS and the DAC2 from 1 January 2016.

In this regard, the Company is obliged under Section 891F and Section 891G of the Taxes Act and regulations made pursuant to those sections to collect certain information about each Shareholder's tax arrangements (and also collect information in relation to relevant Controlling Persons of specific Shareholders).

In certain circumstances, the Company may be legally obliged to share this information and other financial information with respect to a Shareholder's interests in the Company with the Irish Revenue Commissioners (and, in particular situations, also share information in relation to relevant Controlling Persons of specific Shareholders). In turn, and to the extent the account has been identified as a Reportable Account, the Irish Revenue Commissioners will exchange this information with the country of residence of the Reportable Person(s) in respect of that Reportable Account.

In particular, information that may be reported in respect of a Shareholder (and relevant Controlling Persons, if applicable) includes name, address, date of birth, place of birth, account number, account balance or value at year end (or, if the account was closed during such year, the balance or value at the date of closure of the account), any payments (including redemption and dividend/interest payments) made with respect to the account during the calendar year, tax residency(ies) and tax identification number(s).

Shareholders (and relevant Controlling Persons) can obtain more information on the Company's tax reporting obligations on the website of the Irish Revenue Commissioners (which is available at <http://www.revenue.ie>).

ie/en/business/aeoi/index.html) or the following link in the case of CRS only: <http://www.oecd.org/tax/automatic-exchange/>.

All capitalised terms above, unless otherwise defined above, shall have the same meaning as they have in the Standard or DAC2 (as applicable).

### **Mandatory Disclosure Rules**

Council Directive (EU) 2018/822 (amending Directive 2011/16/EU), commonly referred to as “DAC6”, became effective on 25 June 2018. Relevant Irish tax legislation has since been introduced to implement this Directive in Ireland.

DAC6 creates an obligation for persons referred to as “intermediaries” to make a return to the relevant tax authorities of information regarding certain cross-border arrangements with particular characteristics, referred to as “hallmarks” (most of which focus on aggressive tax planning arrangements). In certain circumstances, instead of an intermediary, the obligation to report may pass to the relevant taxpayer of a reportable cross-border arrangement.

The transactions contemplated under the prospectus may fall within the scope of DAC6 and thus may qualify as reportable cross-border arrangements. If that were the case, any person that falls within the definition of an “intermediary” (this could include the Administrator, the Manager, the Investment Advisers, the legal or tax advisers of the Company etc.) or, in certain circumstances, the relevant taxpayer of a reportable cross-border arrangement (this could include Shareholder (s)) may have to report information in respect of the transactions to the relevant tax authorities. Please note that this may result in the reporting of certain Shareholder information to the relevant tax authorities.

Shareholders and prospective investors should consult their own tax advisor regarding the requirements of DAC6 with respect to their own situation.

# Appendix I

## GENERAL INFORMATION

### A. Memorandum of Association

The Memorandum of Association of the Company provides that the Company's principal object is the collective investment, in transferable securities and/or other liquid financial assets referred to in Regulation 68 of the UCITS Regulations, of capital raised from the public operating on the principle of spreading investment risk and giving the holders of Shares and Subscriber Shares (each a "Member" and collectively referred to hereinafter as the "Members") the benefit of the results of the management of its funds. The objects of the Company are set out in full in Clause 3 of the Memorandum of Association which is available for inspection at the registered office of the Company.

### B. Articles

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

- (a) The Company was incorporated in Ireland on 8 March 1996 as an investment company with variable capital with limited liability under registration number 245903, under the name of "Dreyfus Offshore Funds, plc." The Company changed its name to Dreyfus Global Funds plc on 5 November 1998, to Universal Liquidity Funds plc on 22 December 2000 and to its current name on 26 February 2010.
- (b) The registered office of the Company is presently at One Dockland Central, Guild Street, IFSC, Dublin 1, D01E4X0, Ireland.
- (c) The authorised share capital of the Company is U.S. \$60,000 divided into 60,000 Subscriber Shares of par value of U.S. \$1.00 each and 500,000,000,000 shares of no par value initially designated as unclassified shares. The unclassified shares are available for issue as Shares.
- (d) No capital of the Company is proposed to be issued under option or agreed conditionally or unconditionally to be put under option.
- (e) Neither the Subscriber Shares nor the unclassified shares nor the Shares of any class or subclass carry pre-emption rights.

#### 2. Voting Rights

##### Subscriber Shares

The holders of the Subscriber Shares shall:

- (a) on a poll be entitled to one vote per Subscriber Share;
- (b) not be entitled to any dividends whatsoever in respect of their holding of Subscriber Shares;
- (c) in the event of a winding up or dissolution of the Company, be entitled, (after payments to the holders of the Shares of a sum equal to the Net Asset Value of the Shares as at the

date of commencement to wind up), to payment in respect of the nominal amount paid up thereon out of the assets of the Company, but shall not be entitled to any further or other amount.

##### Shares

The holders of Shares shall:

- (a) on a poll be entitled to one vote per Share;
- (b) be entitled to such dividends as the Directors may from time to time declare;
- (c) in the event of a winding up or dissolution of the Company, be entitled, in priority to the holders of the Subscriber Shares, firstly to an amount equal to the Net Asset Value of the Shares of each class or series held at the date of winding up and, after payment to the holders of the Subscriber Shares of the nominal amount paid up thereon, to participate in surplus assets of the Company (if any).

Subject to any special terms as to voting upon which any Shares may be issued or may for the time being be held, at any general meeting on a show of hands every holder of Shares who is present in person or by proxy shall have one vote. On a poll every such holder present as aforesaid or by proxy shall have one vote for every Share held.

To be passed, resolutions of the Company in general meeting will require a simple majority of the votes cast by the Shareholders voting in person or by proxy at the meeting at which the resolution is proposed.

A majority of not less than 75% of the votes cast by Shareholders present in person or by proxy and (being entitled to vote) voting at general meetings is required in order to

- (a) amend the Articles;
- and
- (b) wind up the Company.

#### 3. Winding Up Provisions

If the Company shall be wound up, the liquidator shall, subject to the provisions of the Companies Act 2014, as amended, apply the assets of the Company on the basis that any liability incurred or attributable to a Sub-Fund shall be discharged solely out of the assets of that Sub-Fund.

The assets available for distribution amongst the Members shall be applied as follows:

- (a) first, in the payment to the holders of the Shares of each class of a sum in the currency in which that class is designated or in any other currency selected by the liquidator as nearly as possible equal (at a rate of exchange determined by the liquidator) to the Net Asset Value of the Shares of such class



held by such holders respectively as at the date of commencement to wind up provided that there are sufficient assets available in the relevant Sub-Fund to enable such payment to be made. In any event that, as regards any class of Shares, there are insufficient assets available in the relevant Sub-Fund to enable such payment to be made, recourse shall be had to the assets of the Company (if any) not comprised within any of the Sub-Funds and not to the assets comprised within the Sub-Funds.

- (b) secondly, in the payment to the holders of the Subscriber Shares of sums up to the nominal amount paid thereon out of the assets of the Company not comprised within any Sub-Funds remaining after any recourse thereto under sub paragraph (a) above. In the event that there are insufficient assets as aforesaid to enable such payment in full to be made, no recourse shall be had to the assets comprised within any of the Sub-Funds;
  - (c) thirdly, in the payment to the holders of each class of Shares of any balance then remaining in the relevant Sub-Fund, such payment being made in proportion to the number of Shares held;
- and
- (d) fourthly, in the payment to the holders of each class of Shares of any balance then remaining and not comprised within any of the Sub-Funds, such payment being made in proportion to the value of each Sub-Fund and within each Sub-Fund to the value of each class and in proportion to the number of Shares held in each class.

#### 4. Distribution in Specie

If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by a court of competent jurisdiction) the liquidator may, with the authority of a special resolution and any other sanction required by the Companies Act 2014, divide among the Members in specie the whole of any part of the assets of the Company, and whether or not the assets shall consist of property of a single kind, and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of Members as the liquidator, with the like authority, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no Member shall be compelled to accept any assets in respect of which there is liability. Any member may instruct the liquidator to sell any assets, to which he is entitled, on his behalf. The liquidator may with a like authority transfer the whole or part of the assets of the Company to a company ("the Transferee Company") on terms that members of any class of Share in the Company shall receive from the Transferee

Company Shares in the Transferee Company of the equivalent value to their shareholding in the Company and liquidator shall be entitled with such authority to enter into an arrangement with the Transferee Company to give effect to any such transfer.

#### 5. Variation of Share Rights

Whenever the share capital is divided into different classes of Shares, the rights of any class may be varied or abrogated with the consent in writing of the holders of not less than 75% in nominal value of the issued Shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of that class of Shares and the necessary quorum shall be (other than an adjourned meeting) two persons holding Shares issued in that class (and at the adjourned meeting the necessary quorum shall be one person holding Shares of that class or his proxy).

The special rights attaching to any Shares of any class shall not (unless the conditions of issue of such class of Shares expressly provide otherwise) be deemed to be varied by the creation or issue of other shares ranking *pari passu* therewith.

#### 6. Borrowing and Hedging Powers

Neither the Directors nor the Company are permitted to borrow (save as provided under the heading "Borrowing") or lend money. The Company, with approval of the Central Bank, may enter into hedging transactions in respect of any Investments to protect against interest rate or exchange rate risks. The Company may not lend securities.

#### 7. Directors' Interests

- (a) At the date of this Prospectus, none of the Directors or their family members or any connected person have any interests, either beneficial or non-beneficial, in the share capital of the Company nor have they been granted any options in respect of the share capital of the Company.
- (b) There are no existing or proposed contracts of service between any of the Directors and the Company, other than letters of appointment.
- (c) There are no loans outstanding made by the Company to any Director nor any guarantee given for the benefit of any Director.
- (d) Except as outlined below, none of the Directors has, or has had, any direct or indirect interest in any transactions which are or were unusual in their nature or conditions or significant to the business of the Company and which have been effected since the date of incorporation of the Company:
  - (i) Greg Brisk is also a director of the Manager and shall be deemed to be interested in any contract entered into by the Company with the Manager or with BNY Mellon Investment Management EMEA Limited; and



- (ii) Daniel Morrissey is a partner of William Fry which acts as the legal adviser to the Company in Ireland and the entire issued share capital of the Secretary is owned by William Fry.

## 8. General Meetings

The annual general meeting of the Company will be held in Dublin. Notice convening the annual general meeting in each year at which the audited financial statements of the Company will be presented (together with the Directors' and auditors' reports of the Company) will be sent to Shareholders at their registered addresses not less than 21 clear days before the date fixed for the meeting. Other general meetings may be convened from time to time by the Directors in such manner as provided by Irish law.

## 9. Material Contracts

The following contracts, some of the details of which are included in the section headed "Management and Administration of the Company", and not being contracts entered into in the ordinary course of business, have been entered into by the Company and are, or may be material:

Any other contracts subsequently entered into by the Company not being contracts entered into in the ordinary course of business which are or may be material shall be detailed in the appropriate Supplement or Supplements to this Prospectus.

### (a) Management Agreement

- (i) Pursuant to the Management Agreement dated 28 February 2019 (as may be amended, assigned or novated), the Manager will be responsible for the management of each Sub-Fund and the distribution of the Shares.
- (ii) The Manager will be entitled to receive a fee as described in "Management and Administration of the Company - Fees and Expenses".
- (iii) The Management Agreement may be terminated by either party on giving not less than three months prior written notice to the other party. The Management Agreement may also be terminated by either party giving notice in writing to the other party upon certain breaches or upon the insolvency of a party (or from the happening of a like event).
- (iv) The Management Agreement provides for the Company to hold harmless and indemnify the Manager and each of its officers, directors, employees, servants, agents, shareholders and affiliates (referred to individually as an "Indemnified Person") against all actions, proceedings and claims, and against all costs, demands, liabilities, damages, losses and expenses (including, without limiting the generality of the foregoing, legal and professional fees and expenses)

arising therefrom, which may be brought against, suffered or incurred by the Indemnified Person by reason of any acts or omissions in the performance of its duties under the terms of the Management Agreement (otherwise than due to the fraud, willful misfeasance, bad faith, willful default or negligence in the performance by the Indemnified Person, its servants or agents of its obligations or functions under the Management Agreement).

### (b) Administration Agreement

- (i) Pursuant to the Administration Agreement dated 10 April 1996 (as amended and restated on 22 December 2000) between the Manager and the Administrator, as amended by a supplemental administration agreement dated 7 November 2008 and as further amended by a side letter dated 24 April 2009, the Administrator will provide certain administrative, registrar and transfer agency services to the Manager. The Administrator will be entitled to receive a fee as described in "Management and Administration of the Company - Fees and Expenses". The Administration Agreement was novated to the Manager by an agreement between the Administrator, BNY Mellon Global Management Limited and the Manager dated 1 March 2019.
- (ii) The Administration Agreement may be terminated by either party on giving not less than 180 days prior written notice to the other party. The Administration Agreement may also be terminated by either party giving notice in writing to the other party upon certain breaches or upon the insolvency of a party (or upon the happening of a like event).
- (iii) The Administration Agreement provides that the Manager will indemnify the Administrator for any loss suffered by the Administrator as a result of its reliance on information provided by the Manager pursuant to the Administration Agreement or complying with any proper instructions provided to the Administrator or its employees, subcontractors or agents or as a result of, or in connection with, any breach by the Manager of the terms of the Administration Agreement other than any liability arising out of bad faith, negligence or misconduct on the part of the Administrator.

### (c) Depositary Agreement

- (i) Pursuant to the Depositary Agreement between the Company and the Depositary dated 1 July 2016, the Depositary was appointed as Depositary of the Company's assets. The Depositary Agreement may be terminated by either party on 90 days written notice or forthwith by notice in writing in certain

circumstances such as the insolvency of either party or unremedied breach after notice provided that the Depositary shall continue to act as Depositary until a successor Depositary approved by the Central Bank is appointed by the Company or the Company's authorisation by the Central Bank is revoked. The Depositary has the power to delegate its duties but its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping.

- (ii) The Depositary Agreement provides that the Depositary (which expression shall also include its directors, employees, servants, agents and any sub-custodian or securities system) shall be indemnified by the Company and held harmless from and against all or any losses, liabilities, demands, damages, costs, claims or expenses whatsoever and howsoever arising (including without limitation, reasonable legal fees on a full indemnity basis and other costs, charges and expenses incurred in enforcing or attempting to enforce this indemnity) which the Depositary may suffer or incur in acting as Depositary (including, without limitation, acting on proper instructions) other than by reason of:
  - I. loss of financial instruments held in custody (unless the loss has arisen as a result of an external event beyond the control of the Depositary); and/or
  - II. the Depositary's negligent or intentional failure to properly fulfil its obligations under the UCITS Regulations.
- (d) *Investment Advisory Agreement – BNY Mellon Investment Adviser, Inc.*
  - (i) Pursuant to an Investment Advisory Agreement dated 10 December 2008 as amended by side letters dated 24 April 2009, 1 October 2010 and 20 December 2018, BNY Mellon Investment Adviser, Inc., will manage and will recommend and provide general advice to the Manager in connection with the investment and reinvestment of the assets of the Treasury Fund and the U.S. Dollar Liquidity Fund. BNY Mellon Investment Adviser, Inc. will be entitled to receive a fee as described in "Management and Administration of the Company - Fees and Expenses". The Investment Advisory Agreement was novated to the Manager by an agreement between BNY Mellon Investment Adviser, Inc. (previously known as The Dreyfus Corporation), BNY Mellon Global Management Limited and the Manager dated 1 March 2019.

- (ii) The Investment Advisory Agreement may be terminated by either party on giving not less than 90 days prior written notice to the other party. The Investment Advisory Agreement may also be terminated forthwith upon certain breaches or upon the insolvency of a party (or upon the happening of a like event).
- (iii) The Investment Advisory Agreement provides for the Manager to indemnify the Investment Adviser from all actions, proceedings and claims and against all costs, demands, liabilities, damages, losses and expenses brought against, suffered or incurred by BNY Mellon Investment Adviser, Inc. as a direct result of any acts or omission in the performance of its duties thereunder other than those arising due to the fraud, wilful misfeasance, bad faith, wilful default or negligence of BNY Mellon Investment Adviser, Inc., its officers, directors, employees, servants, agents, shareholders and affiliates.

## 10. Notices

- (a) Any notice or other document required to be served upon or sent to a Shareholder shall be deemed to have been duly given if handed to him or his authorised agent, sent by pre-paid post to or left at his address as appearing on the Register and in the case of joint Shareholders if so done upon or to the first named on the Register, or sent by facsimile or electronic means to such facsimile number or electronic address as may have been provided by the Shareholder to the Company.
- (b) Service of a notice or document on the first named of several joint Shareholders shall be deemed an effective service on himself and the other joint Shareholders.
- (c) Any notice or document sent by post to or left at the registered address of a Shareholder shall notwithstanding that such Shareholder be then dead or bankrupt and whether or not the Company, the Manager or the Administrator has notice of his death or bankruptcy be deemed to have been duly served or sent and such service shall be deemed a sufficient service on or receipt by all persons interested (whether jointly with or as claiming through or under him) in the Shares concerned.
- (d) Any certificate or notice or other document which is sent by post to or left at the registered address of the Shareholder named therein or dispatched by the Company, the Manager or the Administrator in accordance with his instructions shall be so sent, left or dispatched at the risk of such Shareholder.
- (e) Any notice or other document in writing required to be served upon or sent to the Company shall be deemed to have been duly

given if sent by post to the registered office of the Company or left at the registered office of the Company.

#### **11. Documents Available for Inspection**

Copies of the following documents will be available for inspection at any time during normal business hours on any Business Day free of charge at the offices of the Administrator in Dublin:

- (a) the Articles (see paragraphs A and B above for further details);
- (b) this Prospectus and Supplement(s);
- (c) the most recently published annual and half-yearly reports relating to the Company;
- (d) the material contracts referred to in paragraph 9 above;
- (e) the Central Bank UCITS Regulations and UCITS Regulations;

Copies of the Articles, the Prospectus and any Supplement thereto and the Subscription Price and Redemption Price of Shares and any annual or semi-annual reports of the Company may be obtained free of charge from the Administrator.

# Appendix II

## INVESTMENT RESTRICTIONS

<b>1</b>	<b>Eligible Assets</b>
	An MMF shall invest only in one or more of the following categories of financial assets and only under the conditions specified in the Money Market Fund Regulation ("MMFR"):
<b>1.1</b>	Money market instruments.
<b>1.2</b>	Eligible securitisations and ABCP.
<b>1.3</b>	Deposits with credit institutions.
<b>1.4</b>	Financial derivative instruments.
<b>1.5</b>	Repurchase agreements that fulfil the conditions set out in Article 14.
<b>1.6</b>	Reverse repurchase agreements that fulfil the conditions set out in Article 15.
<b>1.7</b>	Units or shares of other MMFs.
<b>2</b>	<b>Investment Restrictions</b>
<b>2.1</b>	An MMF shall invest no more than: <ul style="list-style-type: none"> <li>a) 5% of its assets in money market instruments, securitisations and ABCPs issued by the same body;</li> <li>b) 10% of its assets in deposits made with the same credit institution, unless the structure of the banking sector in the Member State in which the MMF is domiciled is such that there are insufficient viable credit institutions to meet that diversification requirement and it is not economically feasible for the MMF to make deposits in another Member State, in which case up to 15% of its assets may be deposited with the same credit institution.</li> </ul>
<b>2.2</b>	By way of derogation from point (a) of paragraph 2.1, a VNAV MMF may invest up to 10% of its assets in money market instruments, securitisations and ABCPs issued by the same body provided that the total value of such money market instruments, securitisations and ABCPs held by the VNAV MMF in each issuing body in which it invests more than 5% of its assets does not exceed 40 % of the value of its assets.
<b>2.3</b>	The aggregate of all of an MMF's exposures to securitisations and ABCPs shall not exceed 15% of the assets of the MMF. As from the date of application of the delegated act referred to in Article 11(4), the aggregate of all of an MMF's exposures to securitisations and ABCPs shall not exceed 20% of the assets of the MMF, whereby up to 15 % of the assets of the MMF may be invested in securitisations and ABCPs that do not comply with the criteria for the identification of STS securitisations and ABCPs.
<b>2.4</b>	The aggregate risk exposure of an MMF to the same counterparty to OTC derivative transactions which fulfil the conditions set out in Article 13 of the MMFR shall not exceed 5% of the assets of the MMF.
<b>2.5</b>	The cash received by the MMF as part of the repurchase agreement does not exceed 10% of its assets.
<b>2.6</b>	The aggregate amount of cash provided to the same counterparty of an MMF in reverse repurchase agreements shall not exceed 15% of the assets of the MMF.
<b>2.7</b>	Notwithstanding paragraphs 2.1 and 2.4 above, an MMF shall not combine, where to do so would result in an investment of more than 15% of its assets in a single body, any of the following: <ul style="list-style-type: none"> <li>a) investments in money market instruments, securitisations and ABCPs issued by that body;</li> <li>b) deposits made with that body;</li> <li>c) OTC financial derivative instruments giving counterparty risk exposure to that body.</li> </ul>
<b>2.8</b>	By way of derogation from the diversification requirement provided for in paragraph 2.7, where the structure of the financial market in the Member State in which the MMF is domiciled is such that there are insufficient viable financial institutions to meet that diversification requirement and it is not economically feasible for the MMF to use financial institutions in another Member State, the MMF may combine the types of investments referred to in points (a) to (c) up to a maximum investment of 20% of its assets in a single body.
<b>2.9</b>	An MMF may invest up to 100% of its assets in different money market instruments issued or guaranteed separately or jointly by the Union, the national, regional and local administrations of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a third country, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which one or more Member States belong. <b>This may only be included where the MMF has sought and received this derogation from the Central Bank.</b>
<b>2.10</b>	Paragraph 2.9 shall only apply where all of the following requirements are met: <ul style="list-style-type: none"> <li>a) the MMF holds money market instruments from at least six different issues by the issuer;</li> <li>b) the MMF limits the investment in money market instruments from the same issue to a maximum of 30% of its assets;</li> <li>c) the MMF makes express reference, in its fund rules or instruments of incorporation, to all administrations, institutions or organisations referred to in the first subparagraph that issue or guarantee separately or jointly money market instruments in which it intends to invest more than 5% of its assets;</li> <li>d) the MMF includes a prominent statement in its prospectus and marketing communications drawing attention to the use of the derogation and indicating all administrations, institutions or organisations referred to in the first subparagraph that issue or guarantee separately or jointly money market instruments in which it intends to invest more than 5% of its assets.</li> </ul>



2.11	Notwithstanding the individual limits laid down in paragraph 2.1, an MMF may invest no more than 10% of its assets in bonds issued by a single credit institution that has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. In particular, sums deriving from the issue of those bonds shall be invested in accordance with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.
2.12	Where an MMF invests more than 5% of its assets in the bonds referred to in paragraph 2.11 issued by a single issuer, the total value of those investments shall not exceed 40% of the value of the assets of the MMF.
2.13	Notwithstanding the individual limits laid down in paragraph 2.1, an MMF may invest no more than 20% of its assets in bonds issued by a single credit institution where the requirements set out in point (f) of Article 10(1) or point (c) of Article 11(1) of Delegated Regulation (EU) 2015/61 are met, including any possible investment in assets referred to in paragraph 2.11.
2.14	Where an MMF invests more than 5% of its assets in the bonds referred to in paragraph 2.13 issued by a single issuer, the total value of those investments shall not exceed 60% of the value of the assets of the MMF, including any possible investment in assets referred to in paragraph 2.11, respecting the limits set out therein.
2.15	Companies which are included in the same group for the purposes of consolidated accounts under Directive 2013/34/EU of the European Parliament and of the Council or in accordance with recognised international accounting rules, shall be regarded as a single body for the purpose of calculating the limits referred to in paragraphs 2.1 to 2.8.
<b>3</b>	<b>Eligible units or shares of MMFs</b>
3.1	An MMF may acquire the units or shares of any other MMF ('targeted MMF') provided that all of the following conditions are fulfilled: a) no more than 10% of the assets of the targeted MMF are able, according to its fund rules or instruments of incorporation, to be invested in aggregate in units or shares of other MMFs; b) the targeted MMF does not hold units or shares in the acquiring MMF.
3.2	An MMF whose units or shares have been acquired shall not invest in the acquiring MMF during the period in which the acquiring MMF holds units or shares in it.
3.3	An MMF may acquire the units or shares of other MMFs, provided that no more than 5% of its assets are invested in units or shares of a single MMF.
3.4	An MMF may, in aggregate, invest no more than 17.5% of its assets in units or shares of other MMFs.
3.5	Units or shares of other MMFs shall be eligible for investment by an MMF provided that all of the following conditions are fulfilled: a) the targeted MMF is authorised under the MMFR; b) where the targeted MMF is managed, whether directly or under a delegation, by the same manager as that of the acquiring MMF or by any other company to which the manager of the acquiring MMF is linked by common management or control, or by a substantial direct or indirect holding, the manager of the targeted MMF, or that other company, is prohibited from charging subscription or redemption fees on account of the investment by the acquiring MMF in the units or shares of the targeted MMF;
3.6	Short-term MMFs may only invest in units or shares of other short-term MMFs.
3.7	Standard MMFs may invest in units or shares of short-term MMFs and standard MMFs.

## 1. Investment Restrictions that apply to Investment in each Eligible Asset Class

Further detail is set out below in relation to the investment restrictions that apply to investment in eligible asset classes pursuant to the MMF Regulation.

### 1.1 Money market instruments

A money market instrument shall be eligible for investment by a Sub-Fund provided that it fulfils all of the following requirements:

- a) it falls within one of the categories of money market instruments referred to in point (a), (b), (c) or (h) of Article 50(1) of the UCITS Directive;
- b) it displays one of the following alternative characteristics:
  - i) it has a Legal Maturity at issuance of 397 days or less;
  - ii) it has a Residual Maturity of 397 days or less;

- c) the issuer of the money market instrument and the quality of the money market instrument have received a favourable assessment pursuant to the Internal Credit Quality Assessment Procedures;
- d) where a Sub-Fund invests in a securitisation or asset-backed commercial paper ("ABCPs"), it is subject to the requirements laid down in paragraph 1.2 below.

### 1.2 Securitisations and ABCPs

Both a securitisation and an ABCP shall be considered to be eligible for investment by a Sub-Fund provided that the securitisation or ABCP is sufficiently liquid, has received a favourable assessment pursuant to the Internal Credit Quality Assessment Procedures, and is any of the following:

- a) a securitisation referred to in Article 13 of Commission Delegated Regulation (EU) 2015/61;
- b) an ABCP issued by an ABCP programme which:

- i) is fully supported by a regulated credit institution that covers all liquidity, credit and material dilution risks, as well as ongoing transaction costs and ongoing programme-wide costs related to the ABCP, if necessary to guarantee the investor the full payment of any amount under the ABCP;
- ii) is not a re-securitisation and the exposures underlying the securitisation at the level of each ABCP transaction do not include any securitisation position;
- iii) does not include a synthetic securitisation as defined in point (11) of Article 242 of Regulation (EU) No 575/2013;
- c) a simple, transparent and standardised (STS) securitisation, as determined in accordance with the criteria and conditions laid down in Articles 20, 21 and 22 of Regulation (EU) 2017/2402 of the European Parliament and of the Council, or an STS ABCP, as determined in accordance with the criteria and conditions laid down in Articles 24, 25 and 26 of that Regulation.

A Sub-Fund may invest in eligible securitisations or ABCPs provided any of the following conditions is fulfilled, as applicable:

- a) the Legal Maturity at issuance of the securitisations referred to in sub-paragraph 1.2.1 above is 2 years or less and the time remaining until the next interest rate reset date is 397 days or less;
- b) the Legal Maturity at issuance or Residual Maturity of the securitisations or ABCPs referred to in sub-paragraphs 1.2.2 and 1.2.3 above is 397 days or less;
- c) the securitisations referred to in sub-paragraphs 1.2.1 and 1.2.3 above are amortising instruments and have a WAL of 2 years or less.

### 1.3 Deposits with credit institutions

A deposit with a credit institution shall be eligible for investment by a Sub-Fund provided that all of the following conditions are fulfilled:

- a) the deposit is repayable on demand or is able to be withdrawn at any time;
- b) the deposit matures in no more than 12 months;
- c) the credit institution has its registered office in a Member State or, where the credit institution has its registered office in a third country, it is subject to prudential rules considered equivalent to those laid down in European law in accordance with the procedure laid down in Article 107(4) of Regulation (EU) No 575/2013.

### 1.4 Financial derivative instruments

A financial derivative instrument shall be eligible for investment by a Sub-Fund provided it is dealt in on a regulated market as referred to in point

(a), (b) or (c) of Article 50(1) of the UCITS Directive or OTC and provided that all of the following conditions are fulfilled:

- a) the underlying of the derivative instrument consists of interest rates, foreign exchange rates, currencies or indices representing one of those categories;
- b) the derivative instrument serves only the purpose of hedging the interest rate or exchange rate risks inherent in other investments of the Sub-Fund;
- c) the counterparties to OTC derivative transactions are institutions subject to prudential regulation and supervision and belonging to the categories approved by the Central Bank;
- d) the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative.

### 1.5 Repurchase agreements

A repurchase agreement will be eligible for investment by a Sub-Fund if all of the following conditions are met:

- a) it is used on a temporary basis, for no more than seven working days, and is used only for liquidity management purposes and not for investment purposes other than as referred to in sub-paragraph 1.5.3 below;
- b) the counterparty receiving assets transferred by the Sub-Fund as collateral under the repurchase agreement is prohibited from selling, investing, pledging or otherwise transferring those assets without the Company's prior consent;
- c) the cash received by the Sub-Fund as part of the repurchase agreement is able to be placed on deposit or invested in assets of the type referred to in (a) or (b) below (such cash may not otherwise be invested in eligible assets as referred to in this Appendix II, transferred or otherwise reused):
  - i) liquid transferable securities; or
  - ii) money market instruments that the Sub-Fund is not permitted to directly invest in;
  - iii) provided that any such assets comply with one of the following conditions:
    - (I) the assets are issued or guaranteed by the European Union, a central authority or central bank of a Member State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility and the assets have received a favourable assessment pursuant to the Internal Credit Quality Assessment Procedures;

- (II) the assets are issued or guaranteed by a central authority or central bank of a third country and the assets have received a favourable assessment pursuant to the Internal Credit Quality Assessment Procedures;
- d) the cash received by the Sub-Fund as part of the repurchase agreement does not exceed 10% of its assets; and
- e) the Company has the right to terminate the agreement at any time on giving prior notice of no more than two working days.

#### 1.6 Reverse repurchase agreements

- a) A reverse repurchase agreement shall be eligible to be entered into by a Sub-Fund provided that all of the following conditions are fulfilled:
  - i) the Company has the right to terminate the agreement at any time upon giving prior notice of no more than two working days;
  - ii) the market value of the assets received as part of the reverse repurchase agreement is at all times at least equal to the value of the cash paid out.
- b) The assets received by a Sub-Fund as part of a reverse repurchase agreement shall be money market instruments that fulfil the requirements set out in paragraph 1.1 above.

The assets received by a Sub-Fund as part of a reverse repurchase agreement shall not be sold, reinvested, pledged or otherwise transferred.

- c) Securitisations and ABCPs shall not be received by a Sub-Fund as part of a reverse repurchase agreement.
- d) The assets received by a Sub-Fund as part of a reverse repurchase agreement shall be sufficiently diversified with a maximum exposure to a given issuer of 15 % of the Sub-Fund's Net Asset Value, except where those assets take the form of money market instruments that fulfil the requirements of paragraph 2.9 of the Central Bank's MMF Investment Restrictions Template. In addition, the assets received by a Sub-Fund as part of a reverse repurchase agreement shall be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.
- e) A Sub-Fund that enters into a reverse repurchase agreement shall ensure that it is able to recall the full amount of cash at any time on either an accrued basis or a Mark-to-Market basis. When the cash is recallable at any time on a Mark-to-Market basis, the Mark-to-Market value of the reverse repurchase agreement shall be used for the calculation of the Net Asset Value of the Sub-Fund.

- f) Reverse repurchase agreements shall meet established market standards and their terms and conditions shall enable the Manager to fully enforce its rights in case of default of the counterparty to such agreements, or their early termination and give the Manager the unrestricted right to sell any assets received as collateral.
- g) The requirement in sub-paragraph 1.6.6 shall not apply if the counterparty to the reverse repurchase agreement is any of the following:
  - i) a credit institution supervised under Directive 2013/36/EU of the European Parliament and of the Council, or a credit institution authorised in a third country, provided that the prudential supervisory and regulatory requirements are equivalent to those applied in the European Union;
  - ii) an investment firm supervised under Directive 2014/65/EU of the European Parliament and of the Council, or a third country investment firm, provided that the prudential supervisory and regulatory requirements are equivalent to those applied in the Union;
  - iii) an insurance undertaking supervised under Directive 2009/138/EC of the European Parliament and of the Council, or a third country insurance undertaking, provided that the prudential supervisory and regulatory requirements are equivalent to those applied in the Union;
  - iv) a central counterparty authorised under Regulation (EU) No 648/2012 of the European Parliament and of the Council;
  - v) the European Central Bank;
  - vi) a national central bank of an EU Member State;
  - vii) a third country central bank, provided that the prudential supervisory and regulatory requirements applied in that country have been recognised as equivalent to those applied in the Union in accordance with Article 114(7) of Regulation (EU) No 575/2013.
- h) By way of derogation from sub-paragraph 1.6.2, a Sub-Fund may receive as part of a reverse repurchase agreement liquid transferable securities or money market instruments other than those that fulfil the requirements set out in paragraph 1.1 above provided that those assets comply with one of the following conditions:
  - i) they are issued or guaranteed by the European Union, a central authority or central bank of a Member State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility provided that a favourable assessment has been received pursuant to the Internal Credit Quality Assessment Procedures;

- ii) they are issued or guaranteed by a central authority or central bank of a third country, provided that a favourable assessment has been received pursuant to the Internal Credit Quality Assessment Procedures.

The assets received as part of a reverse repurchase agreement in accordance with this sub-paragraph 1.6.8 shall be disclosed to Shareholders, in accordance with Article 13 of Regulation (EU) 2015/2365 of the European Parliament and of the Council and shall fulfil the requirements of paragraph 2.9 of the Central Bank's MMF Investment Restrictions Template.

## 1.7 Units or shares of other MMFs

- a) A Sub-Fund may acquire the units or shares of any other MMF ('targeted MMF') provided that all of the following conditions are fulfilled:
  - i) no more than 10% of the assets of the targeted MMF are able, according to its fund rules or instruments of incorporation, to be invested in aggregate in units or shares of other MMFs;
  - ii) the targeted MMF does not hold units or shares in the acquiring Sub-Fund.

A Sub-Fund whose units or shares have been acquired shall not invest in the acquiring MMF during the period in which the acquiring MMF holds units or shares in it.

- b) A Sub-Fund may acquire the units or shares of other MMFs, provided that no more than 5% of its assets are invested in units or shares of a single MMF.
- c) A Sub-Fund may, in aggregate, invest no more than 17.5 % of its assets in units or shares of other MMFs.
- d) Units or shares of other MMFs shall be eligible for investment by a Sub-Fund provided that all of the following conditions are fulfilled:
  - i) the targeted MMF is authorised under the MMF Regulation;
  - ii) where the targeted MMF is managed, whether directly or under a delegation, by the Manager or by any other company to which the Manager is linked by common management or control, or by a substantial direct or indirect holding, the Manager, or that other company, is prohibited from charging subscription or redemption fees on account of the investment by the acquiring Sub-Fund in the units or shares of the targeted MMF;
  - iii) where a Sub-Fund invests 10% or more of its assets in units or shares of other MMFs:
    - (I) the Supplement of that Sub-Fund shall disclose the maximum level of the management fees that may be

charged to the Sub-Fund itself and to the other MMFs in which it invests; and

- (II) the annual report shall indicate the maximum proportion of management fees charged to the Sub-Fund itself and to the MMFs in which it invests.
- e) By way of derogation from sub-paragraphs 1.7.2 and 1.7.3, a Sub-Fund may acquire units or shares in other MMFs in accordance with the UCITS Directive under the following conditions:
  - i) the Sub-Fund is marketed solely through an employee savings scheme governed by national law and which has only natural persons as investors;
  - ii) the employee savings scheme referred to in point a. only allows investors to redeem their investment subject to restrictive redemption terms which are laid down in national law, whereby redemptions may only take place in certain circumstances that are not linked to market developments.
- f) Short-Term MMFs, such as the Sub-Funds, may only invest in units or shares of other Short-Term MMFs.

## 2. Additional Investment Restriction

A Sub-Fund shall not hold more than 10% of the money market instruments, securitisations and ABCPs issued by a single body. This limit shall not apply in respect of holdings of money market instruments issued or guaranteed by the European Union, national, regional and local administrations of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a third country, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which one or more Member States belong.



# Appendix III

## TECHNIQUES AND INSTRUMENTS FOR THE PURPOSE OF LIQUIDITY MANAGEMENT AND HEDGING

### A. General Conditions

1. Techniques and instruments relating to transferable securities utilised for the purposes of liquidity management and hedging, including foreign exchange transactions which alter the currency characteristics of transferable securities held by a Sub-Fund, may be used only in accordance with the MMF Regulation and the investment objective of the Sub-Fund.
2. The Company shall submit a risk management process (to enable it to monitor, measure and manage, on a continuous basis, the risk of all open derivative positions and their contribution to the overall risk profile of a Sub-Fund's portfolio) to the Central Bank in accordance with the Central Bank UCITS Regulations prior to engaging in FDI transactions. The Company will, on request, provide supplemental information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investment.

### B. Use of Repurchase/Reverse Repurchase Agreements

Where specified in a Supplement under the heading "Liquidity Management and Hedging", the Company may, on behalf of the relevant Sub-Fund, enter into repurchase/reverse repurchase agreements (collectively referred to hereinafter as securities financing transactions or "SFTs") for liquidity management and hedging purposes, subject to the conditions and limits set out in the Appendix II to this Prospectus and in the Central Bank Requirements. The use of SFTs shall not create leverage in any of the Sub-Funds of the Company. The following requirements apply to SFTs:

1. In respect of SFTs, a counterparty selected will be either an investment firm, authorised in accordance with the EU MiFID Directive (2004/39/EC) or a group company of an entity issued with a bank holding company licence from the Federal Reserve of the United States of America where that group company is subject to bank holding company consolidated supervision by that Federal Reserve or an "Approved Credit Institution". An Approved Credit Institution is:
  - (a) a credit institution authorised in the EEA;
  - or
  - (b) a credit institution authorised within a signatory state, other than a Member State of the EEA, to the Basle Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan, United States);
  - or

- (c) a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.

The relevant Investment Adviser approves the counterparties used for dealing, establishes counterparty credit limits for them and monitors them on an on-going basis. The relevant Investment Adviser selects counterparties on the basis of their ability to supply liquidity and competitive pricing to the relevant Sub-Fund. This is subject to the minimum credit rating requirements and legal status requirements specified in the UCITS Regulations and further detailed above.

The relevant Investment Adviser's counterparty approval process involves credit assessments of counterparties through a review of the financial strength, internal controls and general reputation of the counterparty in question, as well as the legal, regulatory and political environment in the relevant markets. Where a counterparty is subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account in the credit assessment process and where the counterparty is downgraded by the credit rating agency to A-2 or below (or comparable rating), a new credit assessment of the counterparty is conducted by the Company without delay.

Counterparty exposure is monitored and reported to the relevant Investment Adviser on a regular basis. Any broker counterparty selected must be appropriately registered and meet operational efficiency requirements of the relevant Investment Adviser.

Investors should consult the "Risk Factors" of the Prospectus for information on counterparty risk and credit risk in this regard.

2. A repurchase agreement will be eligible for investment by a Sub-Fund if all of the conditions in paragraph 1.5 of Appendix II to this Prospectus are met.
3. A reverse repurchase agreement will be eligible to be entered into by a Sub-Fund if all of the conditions in paragraph 1.6 of Appendix II to this Prospectus are met.
4. Repurchase/reverse repurchase agreements do not constitute borrowing or lending for the purposes of the MMF Regulation and Regulation 103 and Regulation 111, respectively, of the UCITS Regulations.
5. All the revenues arising from SFTs, net of direct and indirect operational costs/fees, will be returned to the relevant Sub-Fund.
6. Any direct and indirect operational costs/fees arising from SFTs that may be deducted from the revenue delivered to the relevant Sub-Fund must not include hidden revenue. Such direct and indirect operational costs/fees will be paid to the entities outlined (listed/described) in the annual

report of the Company, which shall indicate if those entities are related to the Manager or the Depositary.

7. Collateral supporting SFTs will be valued daily at Mark-to-Market prices and daily variation margin used if the value of collateral falls below coverage requirements. The types of assets that may be received as collateral in respect of SFTs shall be in the form of cash and, government or other public securities of various maturities.

### Management of Collateral

For the purposes of this section, "Relevant Institutions" refers to those institutions which are credit institutions authorised in the EEA or credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1998 or credit institutions authorised as such in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.

1. The risk exposures to a counterparty arising from SFTs and OTC financial derivative instruments ("OTC FDIs") shall be combined when calculating the counterparty risk limits set out in Appendix II.
2. All assets received by a Sub-Fund in the context of SFTs and OTC FDIs shall be considered as collateral and must comply with the criteria set down in paragraph 3 below.
3. Collateral obtained in respect of SFTs and OTC FDIs ("Collateral") must comply with the following criteria:
  - (a) liquidity: Collateral (other than cash) should be highly liquid and traded on a regulated market or multi-lateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received should also comply with the provisions of Regulation 74 of the UCITS Regulations;
  - (b) valuation: Collateral should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as Collateral unless suitably conservative haircuts are in place;
  - (c) issuer credit quality: Collateral should be of high quality. The Company shall ensure that:
    - (i) where the issuer was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the Company in the credit assessment process;
    - and
    - (ii) where an issuer is downgraded below the two highest short-term credit ratings by the credit rating agency referred to in (i) this shall result in a new credit assessment being conducted of the issuer by the Company without delay;
  - (d) correlation: Collateral received should be issued by an entity that is independent from the counterparty. There should be a reasonable ground for the Company to expect

that such collateral would not display a high correlation with the performance of the counterparty;

- (e) diversification: Collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of a Sub-Fund's Net Asset Value. When a Sub-Fund is exposed to different counterparties, the different baskets of Collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. A Sub-Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, its local authorities, as well as non-Member States and public international bodies set out in Appendix II, paragraph 2.12. Such a Sub-Fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the Sub-Fund's Net Asset Value;

and

- (f) immediately available: Collateral received should be capable of being fully enforced by the Company at any time without reference to or approval from the counterparty.
4. Subject to the above criteria, non-cash Collateral must be in the form of government or other public securities.
5. Until the expiry of the repo contract, Collateral obtained under such contracts:
  - (a) must be marked to market daily; and
  - (b) is intended to equal or exceed the value of the amount invested (in the case of reverse repurchase agreements) or must exceed the value of the securities loaned (in the case of repurchase agreements).

### Collateral Management Policy – Derivatives and Repurchase Agreements

In accordance with the Central Bank Requirements, each Investment Adviser will employ a collateral management policy in respect of collateral received in respect of OTC financial derivative transactions or repurchase agreements.

All collateral received by a Sub-Fund on a title transfer basis shall be held by the Depositary or its agent. For other types of collateral arrangements, the collateral may be held with a third party depositary which is subject to prudential supervision and which is unrelated to the collateral provider.

Where necessary, the Sub-Fund will accept collateral from its counterparties in order to reduce counterparty risk exposure generated through the use of OTC derivative instruments and repurchase agreements. Any collateral received by the Sub-Fund shall comprise of assets which satisfy the requirements set out in paragraph 3 under the heading "Management of Collateral" above.

The level of collateral required to be posted may vary by counterparty with which the Sub-Fund trades and shall be in accordance with the Central Bank

Requirements. The haircut policy applied to posted collateral will be negotiated on a counterparty basis and will vary depending on the class of asset received by the Sub-Fund, taking into account the characteristics of the assets received as collateral such as the credit standing or the price volatility and the outcome of any liquidity stress testing policy, where appropriate.

Should the relevant Sub-Fund receive collateral for at least 30% of its assets then an appropriate stress testing policy must be put in place.

#### **Collateral Management Policy – Reverse Repurchase Agreements**

1. A Sub-Fund may receive as part of a reverse repurchase agreement liquid transferable securities or money market instruments other than those that fulfil the requirements set out in Appendix II provided that those assets comply with one of the following conditions: (a) they are issued or guaranteed by the European Union, a central authority or central bank of a Member State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility provided that a favourable assessment has been received pursuant to the Internal Credit Quality Assessment Procedures; (b) they are issued or guaranteed by a central authority or central bank of a third country, provided that a favourable assessment has been received pursuant to the Internal Credit Quality Assessment Procedures. The assets referred to in this paragraph 1. shall fulfil the requirements of paragraphs 2.10 and 2.11 of Appendix II.
2. The assets referred to in paragraph 1. shall be subject to a haircut equal to the volatility adjustment figures referred to in tables 1 and 2 of Article 224(1) of Regulation (EU) No 575/2013 for a given residual maturity, in respect of a 5-day liquidation period and the highest assessment in terms of credit quality step.
3. Where necessary, the Manager shall apply an additional haircut to the one referred to in paragraph 2. To assess whether such an additional haircut is necessary, the Manager shall take into account all of the following factors:
  - (a) the credit quality assessment of the counterparty to the reverse repurchase agreement;
  - (b) the margin period of risk, as defined in Article 272(9) of Regulation (EU) No 575/2013;
  - (c) the credit quality assessment of the issuer or of the asset that is used as collateral;
  - (d) the remaining maturity of the assets used as collateral;
  - (e) the volatility of the price of the assets used as collateral.
4. For the purpose of paragraph 3, the Manager shall put in place a clear haircut policy adapted to each asset, referred to in Article 15(6) of Regulation (EU) 2017/1131, received as

collateral. That policy shall be documented and shall substantiate each decision to apply a specific haircut to the value of an asset.

5. The Manager shall regularly revise the haircut referred to in paragraph 2, taking into account changes in the residual maturity of the assets used as collateral. The Manager shall also revise the additional haircut referred to in paragraph 3, whenever the factors referred to in that paragraph change.
6. Paragraphs 2 to 5 shall not apply if the counterparty to the reverse repurchase agreement is any of the following:
  - (a) a credit institution supervised under Directive 2013/36/EU of the European Parliament and of the Council, or a credit institution authorised in a third country, provided that the prudential supervisory and regulatory requirements are equivalent to those applied in the European Union;
  - (b) an investment firm supervised under Directive 2014/65/EU of the European Parliament and of the Council, or a third country investment firm, provided that the prudential supervisory and regulatory requirements are equivalent to those applied in the European Union;
  - (c) an insurance undertaking supervised under Directive 2009/138/EC of the European Parliament and of the Council, or a third country insurance undertaking, provided that the prudential supervisory and regulatory requirements are equivalent to those applied in the European Union;
  - (d) a central counterparty authorised under Regulation (EU) No 648/2012 of the European Parliament and of the Council;
  - (e) the European Central Bank;
  - (f) a national central bank of an EU Member State;
  - (g) a third country central bank, provided that the prudential supervisory and regulatory requirements applied in that country have been recognised as equivalent to those applied in the Union in accordance with Article 114(7) of Regulation (EU) No 575/2013.

#### **C. When-Issued/Delayed Delivery**

A Sub-Fund may purchase or sell securities on a when-issued or delayed-delivery basis for investment purposes.

# Appendix IV

## ELIGIBLE MARKETS

- An EU regulated market (referred to under Article 4(1) (14) of Directive 2004/39/EC) (A current list of EU regulated markets can be found at: [https://registers.esma.europa.eu/publication/searchRegister?core=es-ma\\_registers\\_upreg](https://registers.esma.europa.eu/publication/searchRegister?core=es-ma_registers_upreg);
- A market in an EEA State that is regulated, operates regularly, and is open to the public; or
- A market set out below which has been deemed eligible by the Manager after consultation with and notification to the Depositary.

### Additional Eligible Markets

With the exception of permitted investment in unlisted securities, investments will be restricted to Eligible Markets. The Eligible Markets set out below are listed in accordance with the regulatory criteria as defined in the Central Bank UCITS Regulations. The Central Bank does not issue a list of approved markets.

CANADA	<ul style="list-style-type: none"> <li>– The OTC market in Canadian Government Securities conducted by primary dealers selected by the Bank of Canada</li> <li>– The over-the-counter market in Canadian Government Bonds, regulated by the Investment Dealers Association of Canada.</li> <li>– Toronto Stock Exchange</li> <li>– TSX Venture Exchange</li> </ul>
FRANCE	<ul style="list-style-type: none"> <li>– Les titres de créances négociables (TCN)</li> </ul>
JAPAN	<ul style="list-style-type: none"> <li>– Tokyo Stock Exchange</li> <li>– Osaka Exchange</li> <li>– Nagoya Stock Exchange</li> <li>– Sapporo Securities Exchange</li> <li>– JASDAQ (inc. OTC market)</li> </ul>
UNITED KINGDOM	<ul style="list-style-type: none"> <li>– Cboe Europe Equities Regulated Market - Integrated Book Segment</li> <li>– Cboe Europe Equities Regulated Market - Off-Book Segment</li> <li>– Cboe Europe Equities Regulated Market - Reference Price Book\n Segment</li> <li>– Euronext London Regulated Securities Market</li> <li>– London Stock Exchange Group</li> <li>– CME</li> <li>– Wholesale non-investment product services market.</li> </ul>

USA	<ul style="list-style-type: none"> <li>– NASDAQ</li> <li>– New York Stock Exchange LLC</li> <li>– NYSE Chicago</li> <li>– NYSE American</li> <li>– NASDAQ PHLX LLC</li> <li>– NASDAQ BX, Inc</li> <li>– NYSE Arca</li> <li>– NYSE National</li> <li>– OTC Bulletin Board</li> <li>– ICMA</li> <li>– The over-the-counter market in the United States regulated by the National Association of Securities Dealers Inc. (also described as the over-the-counter market in the United States conducted by primary and secondary dealers regulated by the Securities and Exchanges Commission and by the National Association of Securities Dealers (and by banking institutions regulated by the U.S. Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);</li> <li>– The OTC market in U.S. government securities conducted by primary dealers selected by the Federal Reserve Bank of New York</li> <li>– NYSE MKT LLC</li> </ul>
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- Any of the following markets, without restriction:
  - the market organised by the members of the International Capital Market Association;
  - the market conducted by “listed money market institutions” as described in the FCA publication “The Investment Business Interim Prudential Sourcebook” (which replaces “The Grey Paper”) as amended from time to time;

For the purposes only of determining the value of the assets of a Sub-Fund, the term “Eligible Market” shall be deemed to include, in relation to any futures or options contract, any organised exchange or market on which such futures or options contract is utilised to provide protection against exchange rate or interest rate risk or any organised exchange or market on which such futures or options contract is regularly traded.



# Appendix V

## LIST OF SUB-CUSTODIANS

The Depositary has appointed the following third-party delegates as sub-custodians of the Company's assets in the markets referenced below:

Country / Market	Sub-Custodian
Canada	CIBC Mellon Trust Company (CIBC Mellon)
France	BNP Paribas Securities Services S.C.A.
France	The Bank of New York Mellon SA/NV Multi Tower, Boulevard Anspachlaan 1, B-1000, Brussels, Belgium
Japan	Mizuho Bank, Ltd.
Japan	The Bank of Tokyo-Mitsubishi UFJ, Ltd.
U.K.	Depository and Clearing Centre (DCC) Deutsche Bank AG, London Branch
U.K.	The Bank of New York Mellon
U.S.A.	The Bank of New York Mellon

Up-to-date information regarding the entities to whom safekeeping of the Company's assets have been delegated or sub-delegated shall be made available to investors upon request to the Manager.

# BNY Mellon U.S. Dollar Liquidity Fund

## SUPPLEMENT 1 DATED 6 JUNE, 2023 TO THE PROSPECTUS DATED 6 JANUARY, 2023 FOR BNY MELLON LIQUIDITY FUNDS PLC

This Supplement contains specific information in relation to the BNY Mellon U.S. Dollar Liquidity Fund (the “Sub-Fund”), an LVNAV Short-Term MMF, which is a sub-fund of BNY Mellon Liquidity Funds plc (the “Company”) an open-ended umbrella type investment company with variable capital and having segregated liability between its Sub-Funds incorporated with limited liability under the laws of Ireland and which is authorised by the Central Bank pursuant to the UCITS Regulations.

**This Supplement forms part of and should be read in conjunction with the general description of:**

- the Company, its management and administration
- the Company's fees and expenses
- the taxation of the Company and of its Shareholders and
- the Company's risk factors

which is contained in the Prospectus and which has been delivered along with this Supplement. If you have not received the Prospectus please contact the Administrator.

Investors' attention is particularly drawn to the section titled “Risk Factors” in the Prospectus.

As the Sub-Fund invests a significant amount of its Net Asset Value in money market instruments, it may be considered by investors as an alternative to investing in a regular deposit account. Investors should note that a holding in the Sub-Fund is not comparable to a deposit account as a holding in the Sub-Fund is subject to the risks associated with investing in a collective investment undertaking, in particular, the fact that the principal sum invested is capable of fluctuation as the Net Asset Value of the Sub-Fund may fluctuate.

**The Sub-Fund does not rely on external support in order to guarantee its liquidity or stabilise the Net Asset Value per Share of any share class.**

The Directors whose names appear in the Prospectus under the heading “Management and Administration of the Company” accept responsibility for the information

contained in this Supplement and in 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) such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

### LEI (Legal Entity Identifier)

213800AGKN9L9ACRPT19

### The Investment Adviser

The Manager has appointed BNY Mellon Investment Adviser, Inc. (the “Investment Adviser”) to manage the investment and re-investment of the assets of the Sub-Fund.

A description of the Investment Adviser can be found under the heading “Management and Administration of the Company” in the Prospectus.

### Base Currency

U.S. Dollars

### Valuation Day

A “Valuation Day” shall mean for the purposes of this Sub-Fund each day on which the New York Stock Exchange, the Securities Industry and Financial Markets Association and banks in the United States are open for business.

### Share Classes

Shares shall be issued to distinct categories of investors as Shares of a class of a Sub-Fund as referred to under the heading “The Company” in the Prospectus. The classes of Shares in the Sub-Fund are distinguished by minimum initial subscription requirements and levels of fees and charges levied as set out below. A description of the distinct categories of investors to which each class of Shares may be offered is set out under the heading “The Company” in the Prospectus.

### Distributing Shares

Participant Shares					
Class	Currency	Minimum Initial Investment in Currency of Share Class	Subscription Fee	Annual Management Charge	Redemption Fee
Participant Shares	USD	1,000,000	0%	0.60%	0%

Investor Shares					
Class	Currency	Minimum Initial Investment in Currency of Share Class	Subscription Fee	Annual Management Charge	Redemption Fee
Investor Shares	USD	2,500,000	0%	0.45%	0%

Institutional Shares					
Class	Currency	Minimum Initial Investment in Currency of Share Class	Subscription Fee	Annual Management Charge	Redemption Fee
Institutional Shares	USD	10,000,000	0%	0.20%	0%

Service Shares					
Class	Currency	Minimum Initial Investment in Currency of Share Class	Subscription Fee	Annual Management Charge	Redemption Fee
Service Shares	USD	None	0%	0.90%	0%

Administrative Shares					
Class	Currency	Minimum Initial Investment in Currency of Share Class	Subscription Fee	Annual Management Charge	Redemption Fee
Administrative Shares	USD	4,000,000	0%	0.30%	0%

Agency Shares					
Class	Currency	Minimum Initial Investment in Currency of Share Class	Subscription Fee	Annual Management Charge	Redemption Fee
Agency Shares	USD	5,000,000	0%	0.25%	0%

Advantage Shares					
Class	Currency	Minimum Initial Investment in Currency of Share Class	Subscription Fee	Annual Management Charge	Redemption Fee
Advantage Shares	USD	50,000,000	0%	0.15%	0%

Premier Shares					
Class	Currency	Minimum Initial Investment in Currency of Share Class	Subscription Fee	Annual Management Charge	Redemption Fee
Premier Shares	USD	250,000,000	0%	0.10%	0%

Class X Shares					
Class	Currency	Minimum Initial Investment in Currency of Share Class	Subscription Fee	Annual Management Charge	Redemption Fee
Class X Shares	USD	None	0%	0%	0%

## Accumulating Shares

Participant (Acc.) Shares					
Class	Currency	Minimum Initial Investment in Currency of Share Class	Subscription Fee	Annual Management Charge	Redemption Fee
Participant (Acc.) Shares	USD	1,000,000	0%	0.60%	0%

Institutional (Acc.) Shares					
Class	Currency	Minimum Initial Investment in Currency of Share Class	Subscription Fee	Annual Management Charge	Redemption Fee
Institutional (Acc.) Shares	USD	10,000,000	0%	0.20%	0.0%

There is no minimum for subsequent purchases.

The Company reserves the right to waive the applicable minimum initial purchase requirement, if any, for Shares if considered appropriate.

The Company may waive the applicable minimum initial investment requirement in respect of the Advantage Shares in circumstances where:

- a) the investor has invested at least US\$ 50,000,000 in the aggregate among the other Sub-Funds of the Company;
- or
- b) the investor has, in the opinion of the Manager, adequate intent and availability of assets to reach a future level of investment of US\$ 50,000,000 among the Sub-Fund and the other Sub-Funds of the Company.

Financial intermediaries may impose certain conditions on their clients which are different from those described in this Supplement and, to the extent permitted by applicable regulatory authority, may charge their clients fees in connection with purchases of Shares for the accounts of their clients. These fees will be in addition to any amounts that might be received by such intermediaries from the Manager or any party related to the Manager.

The Company imposes no redemption fees or charges when Shares are redeemed directly. Financial intermediaries may charge their clients a separate fee for effecting redemptions of Shares. Investors should consult their financial intermediaries in this regard.

### Net Asset Value

#### Distributing Shares

The Distributing Shares of the Sub-Fund shall be issued and redeemed at the Constant Net Asset Value per Share of the relevant class as adjusted in the event of a Net Negative Yield (as described further below). The Company seeks to achieve a Constant Net Asset Value per Share of US \$1.00 in respect of the Distributing Shares in the Sub-Fund, by declaring dividends of substantially all of the Sub-Fund's net investment income daily and by valuing the Sub-Fund's investments using the Amortised Cost Method. Under this valuation method, the Sub-Fund's

investments are valued at their acquisition cost as adjusted for amortisation of premium or accretion of discount, rather than at current market value. There can be no assurance that the Sub-Fund will be able to maintain a Constant Net Asset Value per Share of US \$1.00. For additional information, please read the section titled "Calculation of the Net Asset Value of each Sub-Fund" in the Prospectus.

#### Maintenance of Stable Net Asset Value for Distributing Shares

In circumstances where it is not possible to maintain a stable Net Asset Value by following the procedures set out above, the Directors shall, in seeking to maintain a stable Net Asset Value per Share, be entitled to reduce or suspend the declaration or payment of dividends or make no declaration of dividends.

No entitlement to dividends will accrue in circumstances where the net yield (i.e. the yield net of all costs and expenses) attributable to any class of Distributing Shares in the Sub-Fund is negative ("Net Negative Yield"). This is most likely to occur during extended periods of low or even negative base interest rates. Please read the section titled "Net Negative Yield Response Measures" below for more details.

#### Net Negative Yield Response Measures

Where the Directors determine, in their sole discretion, that one or more class of Distributing Shares may not be able to maintain a stable Net Asset Value due to the Net Negative Yield the Directors may, upon prior notice (where practicable) to the relevant Shareholders, implement a conversion to Accumulating Shares (the "Negative Yield Measures"). Where such a conversion is implemented, the notice to investors will specify the relevant changes.

Distributing Shares affected ("Converted Shares") may:

1. change their dividend policy from distributing to accumulating;
2. be quoted to such number of decimal places as specified in the notice to Shareholders and in accordance with the section in the Prospectus titled "Calculation of the Net Asset Value of each Sub-Fund".



Fund” in order give sufficient accuracy in the pricing of the Shares in such a Net Negative Yield environment;

3. where permitted under the terms of the Articles, be consolidated into Shares of a larger denomination as specified in the notice to Shareholders in order give sufficient accuracy in the pricing of the Share in a Net Negative Yield environment;
4. change the name of the share class as specified in the notice to Shareholders and
5. have their issue and redemption price calculated using the valuation calculated at the Valuation Point on the prior Valuation Day (“Historic Pricing”). The Directors may, at their discretion and acting in the best interests of the Sub-Fund, choose not to use Historic Pricing to calculate the issue and redemption price of Converted Shares.

The Net Negative Yield will be accrued and reflected in the Net Asset Value per Share of the applicable Class. Accordingly, the Net Asset Value per Share will not remain constant and capital may be eroded. Please see the section titled “Net Negative Yield Risk” below for more information.

The Directors may, upon advance notice to Shareholders of the relevant class, reverse the conversion such that the Accumulating Shares in the Sub-Fund impacted by the Net Negative Yield Response Measure as described above convert back to Distributing Shares where the yield environment so permits.

#### **Conversion to Variable Net Asset Value per Share**

If, on any Valuation Day, the Constant Net Asset Value per Share or Accumulating Class Net Asset Value per Share (as applicable) of a class deviates by more than 20 basis points from the Variable Net Asset Value per Share of that class (each as determined at the Valuation Point, on the Valuation Day) (a “20 Basis Point Deviation”), then subscriptions for, and the redemption of, Shares in the class shall be processed at the Variable Net Asset Value per Share of the share class.

When a 20 Basis Point Deviation first occurs, the Manager shall publish notice of this on [www.bnymellonim.com/mmf](http://www.bnymellonim.com/mmf).

#### **Accumulating Shares**

The Accumulating Shares of the Sub-Fund shall be issued and redeemed at the Accumulating Class Net Asset Value per Share of the relevant class.

The Accumulating Class Net Asset Value per Share of each share class constituting Accumulating Shares will be calculated by the Administrator as at the Valuation Point on each Dealing Day in accordance with the requirements of the Articles and full details are set out under the heading “The Company” in the Prospectus.

### **Investment Objectives and Policies**

#### **Investment Objective**

The investment objective of the Sub-Fund is to provide investors with as high a level of current income in U.S. Dollar terms as is consistent with the preservation of capital in U.S. Dollar terms and the maintenance of liquidity.

#### **Investment Policy**

To achieve this goal, the Sub-Fund will invest in securities issued or guaranteed, as to principal and interest, by the U.S. Government or its agencies or instrumentalities; certificates of deposit; bankers' acceptances and other short-term obligations issued by domestic banks, foreign subsidiaries or foreign branches of domestic banks, and domestic and foreign branches of foreign banks and thrift institutions; asset-backed securities; high quality domestic and foreign commercial paper and other short-term corporate obligations, such as corporate debt securities, corporate bonds, debentures and notes, including those with floating or variable rates of interest, and securitisations and ABCPs.

The Sub-Fund reserves the right to invest in other money market instruments similar to those listed above.

The Sub-Fund may hold ancillary liquid assets including, but not limited to, time deposits and demand deposits, within the conditions and limits laid down by the MMF Regulation and the Central Bank.

In pursuit of its investment objective, the Sub-Fund will invest in securities, instruments and obligations with Residual Maturity of 397 days or less. The Sub-Fund will maintain a WAM of no more than 60 days or such shorter period as may be required to obtain the highest rating of a recognised rating agency. The Sub-Fund will also maintain a WAL of no more than 120 days. The Investment Adviser will seek to operate the Sub-Fund as required to maintain:

- a) an AAA fund credit rating from Standard & Poor's Ratings Group;  
or
- b) an equivalent rating given by an internationally recognised rating service.

The Company, on behalf of the Sub-Fund, shall finance any such rating.

The Sub-Fund invests only in U.S. Dollar-denominated investment grade securities traded on an Eligible Market in a member country of the OECD and determined, in accordance with the Internal Credit Quality Assessment Procedures, to present minimal credit risks and that are rated in one of the two highest rating categories for debt obligations by at least two established statistical rating organisations (or one such established rating organisation if the instrument was rated only by one such organisation) or, if unrated, are of comparable quality as determined in accordance with the Internal Credit Quality Assessment Procedures. The established statistical rating organisations currently rating instruments of the type the Sub-Fund may purchase are Standard & Poor's, Moody's Investor Service, Fitch Ratings or any other internationally recognised rating service.

Bankers' acceptances are credit instruments evidencing the obligation of a bank to pay a draft drawn on it by a customer. These instruments reflect the obligation both of the bank and the drawer to pay the face amount of the instrument upon maturity. The other short-term obligations may include uninsured, direct obligations bearing fixed, floating or variable interest rates.

Certificates of deposit are negotiable certificates evidencing the obligation of a bank to repay funds deposited with it for a specified period of time.

Commercial paper consists of short-term, unsecured promissory notes issued to finance short-term credit needs. The commercial paper purchased by the Sub-Fund will consist of only direct obligations. The other corporate obligations in which the Sub-Fund may invest consist of high quality, U.S. Dollar-denominated short-term bonds and notes.

The Sub-Fund may enter into repurchase agreements with certain eligible banks or non-bank dealers, that are eligible in accordance with Section 1.5 of Appendix II. In a repurchase agreement, the Sub-Fund sells to, and agrees to repurchase from the purchaser, a security at a mutually agreed upon time and price (usually within seven days). The repurchase agreement thereby determines the yield during the purchaser's holding period, while the seller's (i.e. the Sub-Fund's) obligation to repurchase is secured by the value of the underlying security.

The Sub-Fund may enter into reverse repurchase agreements with eligible banks, brokers or dealers that are eligible in accordance with Section 1.5 of Appendix II. Reverse repurchase agreements involve the acquisition by the Sub-Fund of an underlying debt instrument in return for cash proceeds based on a percentage of the value of the security. The seller of the debt instrument retains the right to receive interest and principal payments on the security. At an agreed upon future date, the seller repurchases the security, at principal, plus accrued interest.

The Company has received a derogation from the Central Bank which enables the Sub-Fund to invest more than 5% and up to 100% of the Sub-Fund's assets in securities issued and guaranteed as to principal and interest by the U.S. Government. This derogation was granted subject to the condition that such securities will be comprised of at least six different issues and any one issue shall not account for more than 30% of the total assets of the Sub-Fund Securities issued and guaranteed by the U.S. Government include U.S. Treasury securities, which differ only in their interest rates, maturities and times of issuance. Some obligations issued or guaranteed by U.S. Government agencies and instrumentalities (such as the U.S. Treasury and Government National Mortgage Association (GINNIE MAE)) are supported by the full faith and credit of the U.S. Treasury; others by the right of the issuer to borrow from the Treasury; others by discretionary authority of the U.S. Government to purchase certain obligations of the agency or instrumentality; and others only by the credit of the agency or instrumentality. These securities bear fixed, floating or variable rates of interest. While the U.S. Government currently provides financial support to such U.S. Government-sponsored agencies or instrumentalities, no assurance can be given that it will always do so, since it is not so obligated by law.

The Sub-Fund will attempt to increase yields by investing to take advantage of short-term market variations. The value of the portfolio securities held by the Sub-Fund will vary inversely to changes in prevailing interest rates. Thus, if interest rates have increased from the time a security was purchased, such security, if sold, might be sold at a price less than its cost. Similarly, if interest rates have declined from the time a security was purchased, such security, if sold, might be sold at a price greater than its purchase cost. In either instance, if the security was purchased at face value and held to maturity, no gain or loss would be realised.

During normal market conditions, the Sub-Fund will invest at least 25% of its total assets in bank obligations. To the extent that the Sub-Fund's investments are concentrated in the banking industry, the Sub-Fund will have corresponding greater exposure to risk factors which are characteristic of such investments. Sustained increases in interest rates can adversely affect the availability or liquidity and cost of capital funds for a bank's lending activities, and a deterioration in general economic conditions could increase the exposure to credit losses. In addition, the value of and the investment return on the Sub-Fund's Shares could be affected by economic or regulatory developments in or related to the banking industry, which industry also is subject to the effects of competition within the banking industry as well as with other types of financial institutions. The Sub-Fund will, however, seek to minimise its exposure to such risks by investing only in debt securities that are determined to be of the highest quality.

The Sub-Fund may invest in securities issued by domestic and foreign branches of U.S. domestic banks, and securities issued by other non-U.S. subsidiaries or non-U.S. branches of U.S. banks, U.S. and non-U.S. branches of non-U.S. banks, and commercial paper issued by non-U.S. issuers. Accordingly, the Sub-Fund may be subject to additional investment risks with respect to such securities that are different in some respects from those incurred by a fund which invests only in debt obligations of U.S. issuers. Such risks include possible future political and economic developments, seizure or nationalisation of foreign deposits, imposition of foreign withholding taxes on interest income payable on the securities, establishment of exchange controls, or adoption of other foreign governmental restrictions which might adversely affect the payment of principal and interest on these securities.

The Sub-Fund may purchase floating and variable rate demand notes and bonds. Variable rate demand notes include master demand notes which are obligations that permit the Sub-Fund to invest fluctuating amounts, at varying rates of interest, pursuant to direct arrangements between the Sub-Fund, as purchaser, and the issuer. These obligations permit daily changes in the amounts invested. Because these obligations are direct arrangements between the Sub-Fund and the issuer, it is not contemplated that such instruments generally will be traded, and there generally is no established secondary market for these obligations, although they are redeemable at face value, plus accrued interest. Accordingly, where these obligations are not secured by letters of credit or other credit support arrangements, the Sub-Fund's right to redeem is dependent on the ability of the issuer to pay principal and interest on demand.

The asset-backed securities in which the Sub-Fund may invest are investment grade obligations issued by special purpose entities whose primary assets consist of a pool of mortgages, loans, receivables, or other assets, and are traded on the Over-the-Counter Market in the United States among market makers regulated by the SEC and the NASD. Payment of principal and interest may depend largely on the cash flows generated by the asset backing the securities and, in certain cases, supported by letters of credit, surety bonds and other forms of credit or liquidity enhancements. The value of these asset-backed securities also may be affected by the creditworthiness of the servicing agent for the pool of assets, the originator of the loans or receivables or the financial institutions providing the credit support.

## Benchmark

The Sub-Fund is actively managed and is not managed with reference to a benchmark.

## Investment Strategy

The investment strategy consists of constructing the portfolio with highly rated money market instruments issued in U.S. Dollars by high quality borrowers. The Sub-Fund can also purchase government and government agency debt as well as utilize reverse repurchase agreements. The day-to-day composition of the Sub-Fund's portfolio will be determined by the Investment Adviser's outlook for economic activity, inflation, employment growth and possible changes in Federal Reserve interest rate policies. In assessing economic conditions, the Investment Adviser will consider numerous inputs including reports on the monthly employment situation (especially nonfarm payroll changes), the overall unemployment rate and average hourly earnings. Monthly reports on inflation, both at the producer and consumer levels, will also be monitored to determine current and potential future inflation trends. The Investment Adviser shall also consult market-based inflation gauges, such as treasury inflation protected securities spreads. Other economic reports on gross domestic product, housing, factory orders and retail sales will factor into the Investment Adviser's economic outlook. Finally, the Investment Adviser will take into consideration the investment restrictions and guidelines of the Sub-Fund, as well as the shape of the yield curve (which gives the Investment Adviser an indication of future interest rate changes and economic activity in the U.S.) and the supply and demand conditions in specific securities.

The environmental and social characteristics promoted by the Sub-Fund comprise of mitigating environmentally detrimental practices (for example, those that may contribute to climate change such fossil fuel power generation and thermal coal extraction); reducing the production of controversial weapons and tobacco; promoting responsible business practices as defined by the principles of the UN Global Compact; and avoiding corporate and sovereign issuers deemed worst in class from an environmental, social and governance ("ESG") perspective.

- (i) The Sub-Fund shall pursue an investment approach that promotes environmental and/or social characteristics in the following ways:
- a) By not investing in a company or issuer which (at the time of investment and in the opinion of the Investment Adviser, taking into account information from external data providers) has material involvement in:
- Fossil fuel power generation;
  - Thermal coal mining;
  - Tobacco production;
  - The operation of gambling facilities; or
  - Production of conventional and civilian weapons.

- b) By not making direct investment in corporate issuers which (at the time of investment and in the opinion of the Investment Adviser, taking into account information from external data providers) are deemed to be:

- Involved in controversial weapons production; or
- In violation of UN Global Compact Principles (including environmental principles and governance principles including relating to labour, human rights, and bribery and corruption principles).

For the avoidance of doubt, whilst the Investment Adviser will rely on external data for screening, the decision as to whether an issuer is deemed to be involved in a controversy or violation, and whether such controversy or violation is ongoing, is in the Investment Adviser's sole discretion.

- (ii) By using ESG research in investment decisions, to evaluate and assess the overall suitability of an issuer based on ESG Ratings, as more particularly described below.

Specifically, the Sub-Fund will not invest in:

- Issuers without an ESG Rating;
- Corporate issuers with the lowest overall ESG Rating; and
- Sovereign and sovereign related issuers with the lowest overall ESG Rating.

The ESG ratings employed by the Investment Adviser are developed by its affiliate and are generated using a quantitative and qualitative framework which integrates a view of sector appropriate materiality with data from multiple third-party vendors ("ESG Ratings").

- (iii) By evaluating underlying investments in companies according to the good governance criteria outlined in SFDR. Regarding good governance, whilst SFDR references four key areas of good governance (sound management structures, employee relations, remuneration of staff and tax compliance), the Investment Adviser considers that a good governance assessment of issuers should cover a broad range of factors in relation to the system by which companies undertake their activities. The Investment Adviser primarily considers this system through two processes. Firstly, and where relevant data is available, the Investment Adviser will assess whether there are any known controversies in relation to a corporate entity's practices which demonstrate a severe violation of established norms, thereby indicating a failure of broader governance mechanisms. External data providers will be used to support this assessment with governance oversight from relevant internal groups and companies deemed to fail this assessment will be excluded from investment. Secondly, the Investment Adviser will also exclude any issuer which has the lowest overall ESG Rating provided by an affiliate of the Investment Adviser. These ratings aim to provide an overall view of the controls and processes that a company employs to govern its business, and the lowest overall ESG Rating typically indicates a company with



an insufficient framework to mitigate key ESG risks and a failure to meet baseline expectations for corporate governance.

If an existing holding, which was compliant at the time of acquisition, subsequently becomes ineligible in accordance with the above criteria, the Investment Adviser will seek to divest from the investment as soon as practicable acting in the Sub-Fund's best interests and in any case, no longer than 12 months from identification of the issue.

### **SFDR & EU Taxonomy Regulation**

The Sub-Fund promotes environmental and/or social characteristics and invests in issuers with good governance pursuant to Article 8 of SFDR.

#### **SFDR Sustainable Investments**

While the Sub-Fund does not have sustainable investment as defined under SFDR as its investment objective, the Sub-Fund may invest in SFDR Sustainable Investments. However, there is no minimum allocation to SFDR Sustainable Investments.

#### **PAI**

The Sub-Fund does not take into account the effect of principal adverse impacts.

#### **Sustainability Risk**

The consideration of sustainability risk forms an important part of the due diligence process implemented by the Investment Adviser.

When assessing the sustainability risk associated with underlying investments, the Investment Adviser is assessing the risk that the value of such underlying investments could be materially negatively impacted by an environmental, social or governance event or condition ("ESG Event"). Sustainability risk is considered as part of the Investment Adviser's ongoing evaluation. For instance, the Investment Adviser will consider whether an issuer is associated with corporate risk management failures, allegations of corruption and bribery charges, reports of accounting irregularities, tax non-compliance or other litigation matters and the potential material negative impact of such ESG Event on the value of the investment or credit worthiness of the issuer.

While the management and assessment of sustainability risks forms part of the Investment Adviser's due diligence, there may still be a risk that the value of the Sub-Fund could be materially negatively impacted by an ESG Event.

As further detailed under the section headed "Investment Strategy", good governance is a key sustainability risk factor forming part of ESG Ratings for all issuers.

In evaluating sustainability risks, the Investment Adviser considers ESG Ratings, together with ESG assessments and commentary provided by credit rating agencies and other material ESG information as available. The Investment Adviser evaluates whether the management of sustainability risks could have a positive, negative or neutral impact on the financial condition (including cash flows, revenues, and short-term debt coverage). The relevance and significance of these sustainability risks to an entity's financial condition, competitive positioning or reputation may vary, and are dependent on the specific sector in which an issuer, guarantor or counterparty

operates. Identified sustainability risks are incorporated within the Investment Adviser's credit risk analysis and, based on the Investment Adviser's determination of the impact of these sustainability risks, the Sub-Fund may adjust the applicable credit or maturity limits for the relevant issuer, guarantor or counterparty.

### **The EU Taxonomy Regulation**

While this Sub-Fund is categorised as Article 8 under SFDR, promotes environmental and/or social characteristics and may invest in SFDR Sustainable Investments, as at the date of this Supplement the investments underlying this Sub-Fund do not take into account the EU Criteria for Environmentally Sustainable Economic Activities. Accordingly, as at the date of this Supplement, the proportion of the Sub-Fund's investments that are in Environmentally Sustainable Economic Activities (including in EU Taxonomy Regulation Transitional Activities and in EU Taxonomy Regulation Enabling Activities) is 0% of the net assets of the Sub-Fund. The "do no significant harm" principle applies only to those investments of the Sub-Fund that take into account the EU Criteria for Environmentally Sustainable Economic Activities. The investments underlying the remaining proportion of the Sub-Fund do not take into account the EU Criteria for Environmentally Sustainable Economic Activities.

### **Portfolio Composition Rules**

The Sub-Fund will on an ongoing basis, pursuant to the MMF Regulation, meet the following criteria:

- a) The Sub-Fund will maintain a Weighted Average Maturity of no more than 60 days.
- b) The Sub-Fund will maintain a Weighted Average Life of no more than 120 days, subject to the MMF Regulation.
- c) At least 10% of the Sub-Fund's assets shall be comprised of daily maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of one working day or cash which is able to be withdrawn by giving prior notice of one working day. The Sub-Fund will not acquire any asset other than a daily maturing asset when such acquisition would result in that Sub-Fund investing less than 10% of its portfolio in daily maturing assets
- d) At least 30% of the Sub-Fund's assets shall be comprised of weekly maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of five working days or cash which is able to be withdrawn by giving prior notice of five working days. The Sub-Fund will not acquire any asset other than a weekly maturing asset when such acquisition would result in that Sub-Fund investing less than 30% of its portfolio in weekly maturing assets.

For the purpose of the calculation referred to in point (d) above, assets referred to in paragraph 2.9 of Appendix II which are highly liquid and can be redeemed and settled within one working day and have a Residual Maturity of up to 190 days may also be included within the weekly maturing assets of the Sub-Fund up to a limit of 17.5 % of its assets.

When calculating the WAL for securities the Sub-Fund shall base the maturity calculation on the Residual Maturity until the legal redemption of the instruments. However, in the event that a financial instrument embeds a put option, the Sub-Fund may base the maturity calculation on the exercise date of the put option instead of the Residual Maturity, but only if all of the following conditions are fulfilled at all times: (i) the put option is able to be freely exercised by the Sub-Fund at its exercise date; (ii) the strike price of the put option remains close to the expected value of the instrument at the exercise date; (iii) the investment strategy of the Sub-Fund implies that there is a high probability that the option will be exercised at the exercise date.

When calculating the WAL for securitisations and ABCPs, the Sub-Fund may instead, in the case of amortising instruments, base the maturity calculation on one of the following:

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

If the limits referred to in this section are exceeded for reasons beyond the control of the Company, or as a result of the exercise of subscription or redemption rights, the Company shall adopt as a priority objective the correction of that situation, taking due account of the interests of the Shareholders of the Sub-Fund.

### Investment and Borrowing Restrictions

The Sub-Fund's investment and borrowing restrictions are as set out in the Prospectus under the heading "Investment and Borrowing Restrictions" at Appendix II.

The Sub-Fund will not:

- a) purchase corporate bonds or debenture state bonds, municipal bonds or industrial revenue bonds;
- b) borrow monies;
- c) purchase securities on margin;
- d) write or purchase put or call options or combinations thereof;
- e) purchase or sell real estate or real estate investment trust securities;
- f) make loans to others, except through the purchase of debt obligations, or repurchase agreements permitted for liquidity management purposes or investment in the manner envisaged in Section 1.5 of Appendix II, referred to in the Prospectus or this Supplement;
- g) pledge hypothecate, mortgage or otherwise encumber its assets;
- h) engage in a Short Sale in respect of any of the following instruments: money market instruments, securitisations, ABCPs and units or shares of MMFs;
- i) take direct or indirect exposure to equity or commodities, including via derivatives, certificates representing them, indices based on them, or any other means or instrument that would give an exposure to them;
- j) enter into securities lending agreements or securities borrowing agreements, or any other agreement that would encumber the assets of the Sub-Fund; or

- k) invest in asset classes not provided for under Appendix II to the Prospectus and in the section entitled "Investment Objectives and Policies" in this Supplement. In the event of a conflict between Appendix II and the "Investment Objectives and Policies" section, Appendix II shall prevail.

If these investment limit percentages are exceeded for reasons beyond the control of the Sub-Fund or as a result of the exercise of subscription rights, the Sub-Fund will adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of Shareholders.

### Liquidity Management and Hedging

The Sub-Fund may invest in techniques and instruments for the purposes of liquidity management and hedging as set out in "Appendix III" of the Prospectus.

The Sub-Fund may engage in securities financing transactions ("SFTs") i.e. repurchase/reverse repurchase agreements, as described below.

The Company, on behalf of the Sub-Fund, within the conditions and limits established by the Central Bank, may enter into reverse repurchase agreements as described above.

The Investment Adviser may enter into repurchase agreements to enhance income earned in the Sub-Fund, or to manage interest exposure of fixed rate bonds more precisely than via the use of interest rate futures

Repurchase agreements may only be entered into in accordance with normal market practice and the Company must, at all times, be in a position to meet repurchase obligations.

Securities that are the subject of a "purchase" contract cannot be sold before the repurchase term has expired.

The Investment Adviser will monitor on an ongoing basis the value of the collateral to ensure that it always exceeds the repurchase price. Certain costs may be incurred by the Sub-Fund in connection with the sale of the securities if the seller does not repurchase them in accordance with the repurchase agreement. In addition, if bankruptcy proceedings or similar proceedings are commenced in respect of the seller of the securities, realisation of the securities by the Sub-Fund may be delayed or limited. The Investment Adviser will consider on an ongoing basis the creditworthiness of the institutions with which it enters into repurchase agreements.

For the avoidance of doubt, the Sub-Fund shall not utilise securities lending arrangements.

The maximum exposure of the Sub-Fund in respect of SFTs shall be 100% of the Net Asset Value of the Sub-Fund. However, the Investment Adviser does not anticipate that the Sub-Fund's exposure to the SFTs will exceed 100% of the Net Asset Value. The types of assets that will be subject to repurchase/reverse repurchase agreements will be assets which are of a type which is consistent with the investment policy of the Sub-Fund. Additional detail on SFTs, including acceptable collateral and counterparty procedure is given under the headings "Appendix III - Management of Collateral", "Appendix III - Use of Repurchase/Reverse Repurchase", "Hedging and Liquidity Management" and "Risk Factors" in the Prospectus.



The direct and indirect operational costs and/or fees arising from SFTs that are deducted from the revenue delivered to the Sub-Fund will not include hidden revenue and will be paid to the entities outlined (listed/described) in the annual report of the Company.

Information on the collateral management policy for the Sub-Fund is set out under the headings "Collateral Management Policy" and "Collateral Management Policy – Reverse Repurchase Agreements" in Appendix III of the Prospectus.

It is the intention that the Sub-Fund may be fully collateralised in securities issued or guaranteed by the U.S. Government in accordance with paragraph 3.e as set out under the heading "Management of Collateral" in Appendix III of the Prospectus.

Investors should consult the sections of the Prospectus entitled "Risk Factors- Counterparty and Settlement Considerations" and "Conflicts of Interest" for more information on the risks associated with the techniques and instruments used for liquidity management and hedging purposes.

## **Issue of Shares**

### **Initial Subscriptions**

The initial offer period for all launched share classes of the Sub-Fund has now closed. The initial offer period of unlaunched share classes shall continue until 5 December, 2023, or such earlier or later date on which the first Shares of the relevant share class are issued, at which point the Initial Offer Period of such share class shall automatically end.

During the initial offer period, Shares will be offered at the initial offer price of U.S. \$1.00 per Share.

Applications to purchase Shares may be made on any Valuation Day, and must be made on the Application Form accompanying this Supplement and sent in original form or by facsimile (with the original sent by post immediately thereafter) to the Administrator for acceptance at the address specified in the Application Form. At the Directors' discretion, the Application Form may be sent to the Administrator as an attachment to an email (with the original sent by post immediately thereafter).

Subject to acceptance by the Company, Application Forms for the initial purchase of Shares must be placed with the Administrator in Dublin by the Dealing Deadline, 12.00 noon, New York time, and payment must be received in immediately available funds promptly thereafter, by no later than 6.00 pm, New York time, in order to be effected at the Net Asset Value per Share determined at the Valuation Point on that Valuation Day, and to receive the dividend for that day. Written confirmation normally will be sent on the next Business Day after the purchase becomes effective.

The Administrator reserves the right to accept and act on applications prior to receipt of the full amount of subscription money.

Other entities, including financial intermediaries, also may be authorised to accept Application Forms provided that a fully completed Application Form is received in original form or by facsimile (with the original sent by post immediately thereafter) by the Administrator in Dublin by the Dealing Deadline, 12.00 noon, New York time, and payments for initial purchases must be

received in immediately available funds promptly thereafter, by no later than 6.00 pm, New York time, in order for the purchase to be effective on that Valuation Day.

Any Application Form received by the Administrator in Dublin after the Dealing Deadline, 12.00 noon, New York time and any payments for initial purchases received after 6.00 pm New York time will be held over (without interest) until the next following Valuation Day and Shares will then be issued at the next Valuation Point.

### **Subsequent Subscriptions**

Subsequent purchases may be made in writing or by facsimile, telephone or wire. In addition, without obligation on the investor, purchases may be made through a compatible automated interface or trading system deemed acceptable to the Administrator or as may be agreed with the Administrator via the Company's website or by such other means as the Directors in their sole discretion may determine with the prior approval of the Central Bank. At the Directors' discretion, subsequent purchase orders may be sent to the Administrator as an attachment to an email. Subsequent purchases will be deemed effective at the next determined Constant Net Asset Value per Share, Accumulating Class Net Asset Value per Share or Variable Net Asset Value per Share (as the case may be) after a purchase order in proper form is received by the Administrator and full payment is received. To place a subsequent purchase order, investors or their financial intermediary, as applicable, may contact the Administrator at (353-1) 448-5052 or toll free from the United States at 1-800-429-1487. Calls will be answered on any Valuation Day until the Dealing Deadline, by dialling either location.

Save in the circumstances described under the heading "Conversion to Variable Net Asset Value per Share", subsequent purchase orders by Shareholders placed with the Administrator prior to the Dealing Deadline, and payments for shares must be received in immediately available funds promptly thereafter, by no later than 6.00 pm New York time, in order to be effected at the Constant Net Asset Value per Share, Accumulating Class Net Asset Value per Share or Variable Net Asset Value per Share (as the case may be) determined at the Valuation Point on the Valuation Day as adjusted in the event of a Net Negative Yield. Shares so purchased will receive the dividend for that day.

Other entities, including their financial intermediaries, also may be authorised to accept purchase orders, provided always that all subsequent purchase order information must be received by the Administrator by the Dealing Deadline, and payment for Shares must be received in immediately available funds promptly thereafter, by no later than 6.00 pm, New York time in order for the purchase to be effective on that Valuation Day.

Any subsequent purchase order received by the Administrator after the Dealing Deadline, and any other payments for subscriptions received after 6.00 pm, New York time will be held over (without interest) until the next following Valuation Day and Shares will then be issued at the next Valuation Point.

The Company reserves the right, but is under no obligation, to accept applications by 12.00 noon, New York time, and for subsequent purchase orders by 5:00 pm, New York time, and to act on such applications or

orders, as applicable, for the Sub-Fund, even prior to receipt of subscription monies. Accordingly, failure by the Depositary to receive subscription monies by 6:00 pm, New York time, on the relevant Business Day may result in certain losses, costs or expenses for the account of the Sub-Fund.

Under the terms of an application, each investor agrees to indemnify and hold harmless the Company, the Directors, the Sub-Fund, the Manager, the Investment Adviser, the Administrator and the Depositary for any losses, costs or expenses incurred by them as a result of the failure or default of that investor to transmit subscription monies in immediately available funds (in respect of both applications and subsequent purchase orders) to the account of the Sub-Fund, such that the full amount of any subscription monies is posted to that account by 6:00 pm, New York time, on the Business Day on which the subscription order is placed.

Orders accepted and relied upon by the Company will begin to accrue dividends on the same day on which the subscription monies in immediately available funds are received by 6:00 pm, New York time.

### Redemption of Shares

Shares may be redeemed, at the option of the relevant Shareholder, on any Valuation Day. Such requests will be dealt with at the Constant Net Asset Value per Share, Accumulating Class Net Asset Value per Share or Variable Net Asset Value per Share (as the case may be) for the Sub-Fund calculated as at the relevant Valuation Day at the Valuation Point as adjusted in the event of a Net Negative Yield.

Redemption of Shares will be made at the Constant Net Asset Value per Share, Accumulating Class Net Asset Value per Share or Variable Net Asset Value per Share (as the case may be) next determined after a redemption order in proper form is received by the Administrator.

The Company imposes no redemption fees or charges when Shares are redeemed directly. Financial intermediaries may charge their clients a separate fee for effecting redemptions of Shares. Investors should consult their financial intermediaries in this regard.

Shareholders may redeem Shares in writing or by facsimile, telephone or wire to the Administrator or other financial intermediary authorised to receive redemption requests. In addition, without obligation on the investor, the Company may make available to Shareholders and financial intermediaries, the ability to redeem Shares through a compatible automated interface or trading system deemed acceptable to the Administrator or as may be agreed with the Administrator via the Company's website or by such other means as the Directors in their sole discretion may determine with the prior approval of the Central Bank. At the Directors' discretion, redemption requests may be sent to the Administrator as an attachment to an email. To place an order to redeem Shares, investors or their financial intermediary, as applicable, may contact the Administrator at (353-1) 448-5052 or toll free from the United States at 1-800-429-1487. Calls will be answered on any Valuation Day until the Dealing Deadline, by dialling either location.

If a redemption request is received in proper form by the Administrator prior to the Dealing Deadline, it will become effective at the Net Asset Value determined at the Valuation Point, on that Valuation Day. The proceeds

of the redemption ordinarily will be transmitted on the same Valuation Day and the Shares redeemed will not receive the dividend declared for that day.

Other entities also may be authorised to accept redemption requests, provided always that all redemption requests must be received by the Administrator by the Dealing Deadline, in order for the redemption to be effective on that Valuation Day.

A redemption request received in proper form by the Administrator after the Dealing Deadline, on a Valuation Day, will be held over and will become effective at the Net Asset Value determined at the Valuation Point on the next Valuation Day and the proceeds of redemption ordinarily will be transmitted on that same day.

The above procedures may be modified or terminated at any time by the Company, the Administrator or any other entity authorised to receive redemption requests.

Any Shareholder whose total value of Shares of the Sub-Fund falls below US\$1,000,000 due to redemption may be required to redeem all remaining Shares.

The Company reserves the right to refuse any redemption request for Shares or may limit the amount of the redemption or the number of telephone or wire redemptions in circumstances where: (i) if as a result of the implementation of such request the Shareholder would hold less than any applicable minimum holding amount in which case a redemption of the Shareholder's entire holding may be requested and this will be dealt with at the next following Valuation Day; (ii) the total redemption requests on a Valuation Day exceed 10% of the total number of Shares in issue of the Sub-Fund, in this event, the provisions set out in the Prospectus under the heading "Restrictions on Ownership, Compulsory Redemption and Transfer of Shares" will apply; (iii) the Shareholder has failed to comply with appropriate anti-money laundering requirements; and (iv) there is a temporary suspension of the calculation of the Net Asset Value of the Sub-Fund in accordance with the provisions under the heading "Suspension" in the Prospectus.

### Distribution Policy

In respect of the Distributing Shares of the Sub-Fund the Company intends to declare dividends on each Valuation Day with the objective of distributing all or substantially all of its net revenue (i.e., income earned on the Sub-Fund's assets less its accrued expenses). Dividends may be declared out of the following sources:

- a) net revenue which consists of interest and dividends;
- b) realised profits on the disposal of investments less realised and unrealised losses (including fees and expenses);
- or
- c) other funds (excluding capital) as may be lawfully distributed from the Sub-Fund.

Distributing Shares in the Sub-Fund begin earning income dividends on the day the purchase order is effective (that is, a purchase order in proper form is received by the Administrator by the Dealing Deadline, and payment has been received by 6:00 pm, New York time).

Dividends for each calendar month will usually be paid on the first Valuation Day of the following month. Dividends will be automatically reinvested in additional Shares in the Sub-Fund at the Subscription Price or, at the

Shareholder's option, paid in cash by wire transfer to the account number listed on the application. A Shareholder who chooses to have its dividends paid in cash must notify the Manager or the Administrator in writing at the time of their original subscription. A Shareholder who elects to receive dividends in cash will be deemed to have made a similar election in respect of any further Shares acquired by the Shareholder until the Shareholder properly revokes the election. A Shareholder may change its election by written notice to the Manager or the Administrator, which notice must be received at least five Valuation Days before the applicable dividend payment date.

Over the course of the Accounting Period of the Company, dividends accrued and paid on Distributing Shares in the Sub-Fund will consist of all or substantially all of the Sub-Fund's net investment income and net realised and unrealised capital gains (i.e., realised and unrealised capital gains net of all realised and unrealised capital losses). As regards the distribution of net investment income earned on non-Valuation Days, these will be declared as dividends on the immediately preceding Valuation Day. No interest will be paid on accrued but unpaid dividends.

If a Shareholder redeems all Shares in its account at any time during a calendar month, all dividends to which such Shareholder is entitled will be paid along with the proceeds of the redemption.

Whether dividends have been reinvested in additional Shares or paid in cash, each Shareholder will receive periodic summaries of such Shareholder's accounts which will include information as to dividends paid during the year.

In respect of the Accumulating Shares of the Sub-Fund, it is not intended to distribute dividends to the Shareholders. The income and other profits will be accumulated and reinvested on behalf of Shareholders. Dividends, if paid on the Shares, may be paid out of the net revenue of the Sub-Fund including interest and dividends earned by the Sub-Fund, realised and unrealised profits on the disposal/valuation of the investments and other assets less realised and unrealised losses of the Sub-Fund.

Further details are set out in the Prospectus under the heading "Distribution Policy".

## **Fees**

The fees and expenses of the Directors, the Manager, the Investment Adviser, the Administrator, the Depositary and the preliminary expenses are as set out in the Prospectus under the heading "Management and Administration of the Company - Fees and Expenses".

## **Risk Factors**

**An investment in the Sub-Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

Investors' attention is particularly drawn to the section titled "Risk Factors" of the Prospectus.

## **Use of Historic Pricing**

The issue and redemption price of Shares dealt intra-day will be calculated using the valuation calculated at the Valuation Point on the prior Valuation Day. While it is intended to monitor any movements in the value of each portfolio security since the Valuation Point, there is a risk that Shares dealt intra-day could be purchased or redeemed at a price that is lower or higher than it would have been if calculated on the Valuation Day. However, the Directors may, at their discretion and acting in the best interests of the Sub-Fund, choose not to use Historic Pricing to calculate the issue and redemption price for intra-day dealing. Intra-day dealing is done at the discretion of the Directors. As a result, the Directors may, in their absolute discretion and acting in the best interests of the Sub-Fund, not allow intra-day dealing. In particular, the Directors may not allow intra-day dealing if they believe that intra-day dealing may harm the Sub-Fund, the Company or the Shareholders. Converted Shares may also use Historic Pricing.

## **Valuation Point**

5.00 pm, New York time on a Valuation Day or such other time as the Directors may from time to time determine.

## **Dealing Deadline**

The dealing deadline for the receipt of initial subscription requests is 12.00 pm New York time on a Valuation Day or such other time as the Directors may from time to time determine. The dealing deadline for the receipt of subsequent subscription, redemption or switching requests is 5.00 pm, New York time on a Valuation Day or such other time as the Directors may from time to time determine. At their discretion, the Directors may offer intra-day dealing for the Sub-Fund. Shareholders should also refer to the section entitled "Use of Historic Pricing".

**Product name:** BNY Mellon U.S. Dollar Liquidity Fund

**Legal entity identifier:** 213800AGKN9L9ACRPT19

## Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input checked="" type="radio"/> <input type="checkbox"/> <b>Yes</b>	<input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> <b>No</b>
<input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective:</b> ____%  <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy  <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy  <input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective</b> ____%	<input type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ____% of sustainable investments  <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy  <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy  <input type="checkbox"/> with a social objective  <input checked="" type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b>

## What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes a minimum environmental and/or social standard that seeks to mitigate or avoid practices that the Investment Adviser deems environmentally and/or socially detrimental. Exclusion criteria are used to achieve this minimum standard.

For example, issuers that derive a certain percentage of revenue, as determined by the Investment Adviser, from fossil fuel power generation, thermal coal mining, tobacco production, operation of gambling facilities or production of conventional and civilian weapons are excluded. Issuers will also be excluded where, in the opinion of the Investment Adviser, the issuers are deemed to be involved in controversial weapons production or to have violated the UN Global Compact Principle.

A reference benchmark has not been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

### ● What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The following sustainability indicator will be used to measure whether the Sub-Fund is attaining the environmental and/or social characteristics it promotes:

- Exclusion Policy Attainment: An assessment of whether the Sub-Fund has successfully and consistently executed its exclusion policy (details of which are set out below).

### ● What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

Not applicable.



- **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

Not applicable.

- *How have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable.

- *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

Not applicable.

*The EU Taxonomy sets out a “do no significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



## Does this financial product consider principal adverse impacts on sustainability factors?

- ☐ Yes  
☒ No



## What investment strategy does this financial product follow?

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

As set out in the Supplement, the Sub-Fund will invest in highly rated money market instruments issued in U.S. Dollars by high quality borrowers. The Sub-Fund can also purchase government and government agency debt as well as utilize reverse repurchase agreements.

The Investment Adviser will take into consideration the investment restrictions and guidelines of the Sub-Fund, as well as the shape of the yield curve (which gives the Investment Adviser an indication of future interest rate changes and economic activity in the U.S.) and the supply and demand conditions in specific securities. Further details on the Sub-Fund’s strategy are set out in the “Investment Strategy” section of the Supplement.

When making investment decisions, the Investment Adviser will use a combination of external ESG data and ESG ratings developed by its affiliate.

ESG restrictions aim to prevent or permit investment in securities based on their ESG-related characteristics. The ESG restrictions are derived from exclusionary screens, which utilise third party data to screen out issuers based on their involvement in certain industries, sectors or controversies (as detailed in the Supplement), as well as the ESG ratings provided by the Investment Adviser’s affiliate, which are used to evaluate the overall suitability of an issuer.

The investment strategy is implemented on a continuous basis in the investment process by requiring the investments to comply with the binding elements described below both at time of purchase and on an ongoing basis.

Further details on the Sub-Fund’s strategy are set out in the “Investment Strategy” section of the Supplement.



● **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The Sub-Fund will not invest in companies or corporate issuers which, in the opinion of the Investment Adviser, at the time of investment and taking into account information from external data providers, meet any of the below ESG criteria:

- Derive more than 10% of their revenue from fossil fuel power generation;
- Derive more than 5% of their revenue from thermal coal mining;
- Derive more than 5% of their revenue from tobacco production;
- Derive more than 5% of their revenue from the operation of gambling facilities; or
- Derive more than 5% of their revenue from the production of conventional and civilian weapons.

The Sub-Fund shall exclude direct investments in corporate issuers which (at the time of investment and in the opinion of the Investment Adviser, taking into account information from external data providers) are deemed to be:

- Involved in controversial weapons production; or
- In violation of UN Global Compact Principles (including environmental principles and governance principles including relating to labour, human rights, and bribery and corruption principles).

With reference to the ESG ratings provided by the Investment Advisor's affiliate, the Sub-Fund shall not invest in:

- Issuers with no ESG rating;
- Corporate issuers with the lowest overall ESG rating; and
- Sovereign and sovereign related issuers with the lowest overall ESG rating.

● **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

There is no commitment to reduce the scope of the investments by a minimum rate.

● **What is the policy to assess good governance practices of the investee companies?**

All issuers in which investments are made follow good governance practices as set out in the UN Global Compact principles. This analysis is dependent on data provided by third parties. Such data may be incomplete, inaccurate or unavailable, and as a consequence, where the Investment Adviser is dependent on third parties, there is a risk that the Investment Adviser may not be able to accurately or completely evaluate the issuer in which the Sub-Fund invests.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.



## What is the asset allocation planned for this financial product?

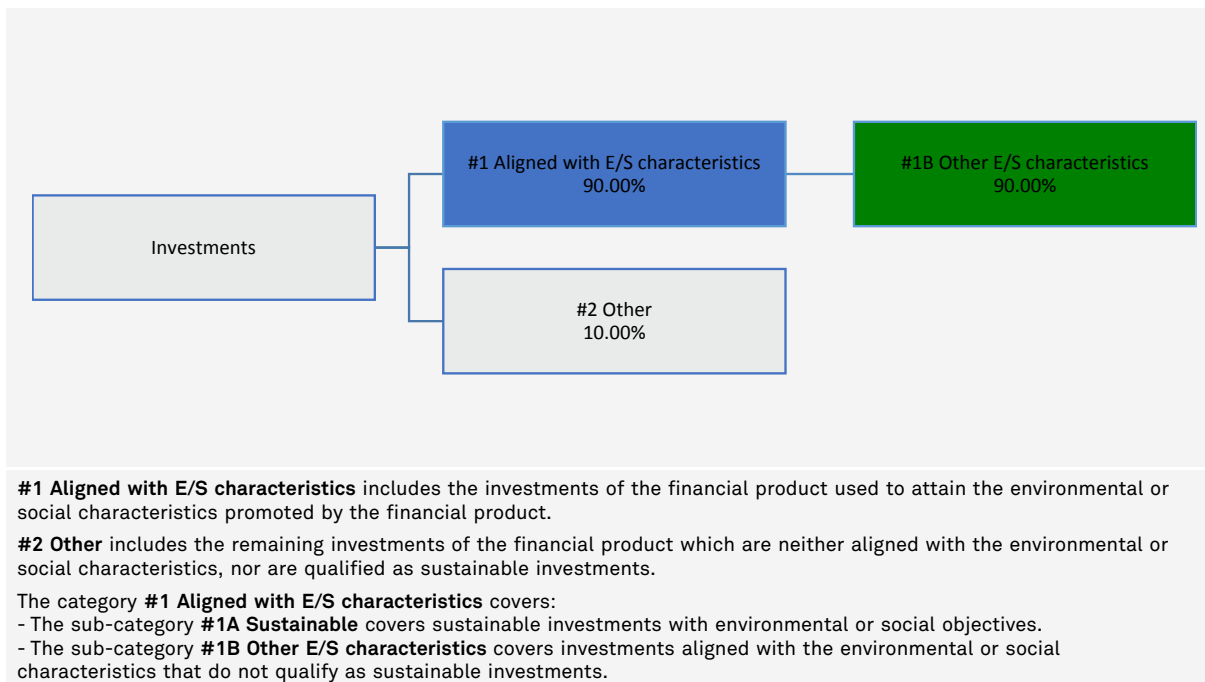
**Asset allocation** describes the share of investments in specific assets.

A minimum of 90% of the Sub-Fund's Net Asset Value will be used to meet the environmental or social characteristics promoted by the Sub-Fund in accordance with the binding elements of the investment strategy.

The asset allocation diagram is intended to illustrate the typical asset allocation of this Sub-Fund. However, the asset allocation of the Sub-Fund is not fixed and may vary from the asset allocation illustrated in the diagram. The Sub-Fund promotes environmental or social characteristics based on an exclusionary approach. As a consequence, the figure in #1 below represents that the portfolio has excluded certain types of investments as further detailed in "What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?" above and therefore the portfolio is aligned with the environmental or social characteristics promoted by the Sub-Fund solely through the absence of those investments.

#1 Aligned with E/S characteristics: 90% of Net Asset Value

#2 Other: 10% of Net Asset Value



● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Sub-Fund does not use derivatives for investment purposes. Consequently, derivatives are not currently used to attain the environmental and social characteristics.



**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Not applicable.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?**

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

Taxonomy-aligned activities are expressed as a share of:

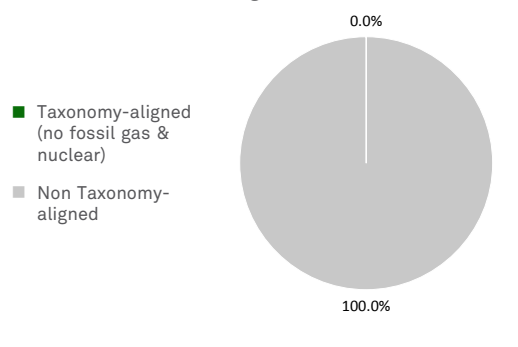
- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

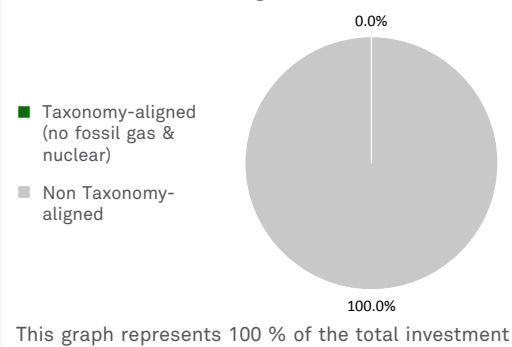
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.

**1. Taxonomy-alignment of investments including sovereign bonds\***



**2. Taxonomy-alignment of investments excluding sovereign bonds\***




\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- **What is the minimum share of investments in transitional and enabling activities?**  
Transitional activities: 0.00%  
Enabling activities: 0.00%



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



- What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**  
Not applicable.



- What is the minimum share of socially sustainable investments?**  
Not applicable.



- What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**  
Investments included under “#2 Other” are:
  - Cash held for liquidity purposesNo minimum environmental or social safeguards are considered for these investments.



**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**  
Not applicable.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**  
Not applicable.
- **How does the designated index differ from a relevant broad market index?**  
Not applicable.
- **Where can the methodology used for the calculation of the designated index be found?**  
Not applicable.



## **Where can I find more product specific information online?**

More product-specific information can be found on the website: [www.bnymellonim.com](http://www.bnymellonim.com)

# BNY Mellon U.S. Treasury Fund

## SUPPLEMENT 2 DATED 6 JANUARY, 2023 TO THE PROSPECTUS DATED 6 JANUARY, 2023 FOR BNY MELLON LIQUIDITY FUNDS PLC (THIS SUPPLEMENT REPLACES THE SUPPLEMENT 2 DATED 12 APRIL, 2022)

This Supplement contains specific information in relation to the BNY Mellon U.S. Treasury Fund (the “Sub-Fund”), a Public Debt Short-Term MMF, which is a sub-fund of BNY Mellon Liquidity Funds plc (the “Company”) an open-ended umbrella type investment company with variable capital and having segregated liability between its Sub-Funds incorporated with limited liability under the laws of Ireland and which is authorised by the Central Bank pursuant to the UCITS Regulations.

This Supplement forms part of and should be read in conjunction with the general description of:

- the Company, its management and administration
- the Company's fees and expenses
- the taxation of the Company and of its Shareholders and
- the Company's risk factors

which is contained in the Prospectus dated XX, 2022 for the Company and which has been delivered along with this Supplement. If you have not received the Prospectus please contact the Administrator.

Investors' attention is particularly drawn to the section titled “Risk Factors” in the Prospectus.

As the Sub-Fund invests a significant amount of its Net Asset Value in money market instruments, it may be considered by investors as an alternative to investing in a regular deposit account. Investors should note that a holding in the Sub-Fund is not comparable to a deposit account as a holding in the Sub-Fund is subject to the risks associated with investing in a collective investment undertaking, in particular, the fact that the principal sum invested is capable of fluctuation as the Net Asset Value of the Sub-Fund fluctuates.

The Sub-Fund does not rely on external support in order to guarantee its liquidity or stabilise the Net Asset Value per Share of any share class.

The Directors whose names appear in the Prospectus under the heading “Management and Administration of the Company” accept responsibility for the information

contained in this Supplement and in 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) such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

### LEI (Legal Entity Identifier)

213800AQRMLJZTTPH09

### The Investment Adviser

The Manager has appointed BNY Mellon Investment Adviser, Inc. (the “Investment Adviser”) to manage the investment and re-investment of the assets of the Sub-Fund.

A description of the Investment Adviser can be found under the heading “Management and Administration of the Company” in the Prospectus.

### Base Currency

U.S. Dollars

### Valuation Day

A “Valuation Day” shall mean for the purposes of this Sub-Fund each day on which the New York Stock Exchange, the Securities Industry and Financial Markets Association and banks in the United States are open for business.

### Share Classes

Shares shall be issued to distinct categories of investors as Shares of a class of a Sub-Fund as referred to under the heading “The Company” in the Prospectus. There are eleven designated classes of Shares in the Sub-Fund distinguished by minimum initial subscription requirements and levels of fees and charges levied as set out below. A description of the distinct categories of investors to which each class of Shares may be offered is set out under the heading “The Company” in the Prospectus.

### Distributing Shares

Participant Shares					
Class	Currency	Minimum Initial Investment in Currency of Share Class	Subscription Fee	Annual Management Charge	Redemption Fee
Participant Shares	USD	1,000,000	0%	0.60%	0%



Investor Shares					
Class	Currency	Minimum Initial Investment in Currency of Share Class	Subscription Fee	Annual Management Charge	Redemption Fee
Investor Shares	USD	2,500,000	0%	0.45%	0%

Institutional Shares					
Class	Currency	Minimum Initial Investment in Currency of Share Class	Subscription Fee	Annual Management Charge	Redemption Fee
Institutional Shares	USD	10,000,000	0%	0.20%	0%

Service Shares					
Class	Currency	Minimum Initial Investment in Currency of Share Class	Subscription Fee	Annual Management Charge	Redemption Fee
Service Shares	USD	None	0%	0.90%	0%

Administrative Shares					
Class	Currency	Minimum Initial Investment in Currency of Share Class	Subscription Fee	Annual Management Charge	Redemption Fee
Administrative Shares	USD	4,000,000	0%	0.30%	0%

Agency Shares					
Class	Currency	Minimum Initial Investment in Currency of Share Class	Subscription Fee	Annual Management Charge	Redemption Fee
Agency Shares	USD	5,000,000	0%	0.25%	0%

Advantage Shares					
Class	Currency	Minimum Initial Investment in Currency of Share Class	Subscription Fee	Annual Management Charge	Redemption Fee
Advantage Shares	USD	50,000,000	0%	0.15%	0%

Premier Shares					
Class	Currency	Minimum Initial Investment in Currency of Share Class	Subscription Fee	Annual Management Charge	Redemption Fee
Premier Shares	USD	250,000,000	0%	0.10%	0%

Class X Shares					
Class	Currency	Minimum Initial Investment in Currency of Share Class	Subscription Fee	Annual Management Charge	Redemption Fee
Class X	USD	None	0%	0%	0%

## Accumulating Shares

Participant (Acc.) Shares					
Class	Currency	Minimum Initial Investment in Currency of Share Class	Subscription Fee	Annual Management Charge	Redemption Fee
Participant (Acc.) Shares	USD	1,000,000	0%	0.60%	0%

Institutional (Acc.) Shares					
Class	Currency	Minimum Initial Investment in Currency of Share Class	Subscription Fee	Annual Management Charge	Redemption Fee
Institutional (Acc.) Shares	USD	10,000,000	0%	0.20%	0%

There is no minimum for subsequent purchases.

The Company reserves the right to waive the applicable minimum initial purchase requirement, if any, for Shares if considered appropriate.

The Company may waive the applicable minimum initial investment requirement in respect of the Advantage Shares in circumstances where:

- a) the investor has invested at least US\$ 50,000,000 in the aggregate among the other Sub-Funds of the Company;
- or
- b) the investor has, in the opinion of the Manager, adequate intent and availability of assets to reach a future level of investment of US\$ 50,000,000 among the Sub-Fund and the other Sub-Funds of the Company.

Financial intermediaries may impose certain conditions on their clients which are different from those described in this Supplement and, to the extent permitted by applicable regulatory authority, may charge their clients fees in connection with purchases of Shares for the accounts of their clients. These fees will be in addition to any amounts that might be received by such intermediaries from the Manager or any party related to the Manager.

The Company imposes no redemption fees or charges when Shares are redeemed directly.

Financial intermediaries may charge their clients a separate fee for effecting redemptions of Shares. Investors should consult their financial intermediaries in this regard.

## Net Asset Value

### Distributing Shares

The Distributing Shares of the Sub-Fund shall be issued and redeemed at the Constant Net Asset Value per Share of the relevant class as adjusted in the event of a Net Negative Yield (as described further below). The Company seeks to achieve a Constant Net Asset Value per Share of US\$1.00 in respect of the Distributing Shares in the Sub-Fund, by declaring dividends of substantially all of the Sub-Fund's net investment income daily and by valuing

the Sub-Fund's investments using the Amortised Cost Method. Under this valuation method, the Sub-Fund's investments are valued at their acquisition cost as adjusted for amortisation of premium or accretion of discount, rather than at current market value. There can be no assurance that the Sub-Fund will be able to maintain a Constant Net Asset Value per Share of US\$ 1.00.

For additional information, please read the section titled "Calculation of the Net Asset Value of each Sub-Fund" in the Prospectus.

### Maintenance of Stable Net Asset Value for Distributing Shares

In circumstances where it is not possible to maintain a stable Net Asset Value by following the procedures set out above, the Directors shall, in seeking to maintain a stable Net Asset Value per Share, be entitled to reduce or suspend the declaration or payment of dividends or make no declaration of dividends.

No entitlement to dividends will accrue in circumstances where the net yield (i.e. the yield net of all costs and expenses) attributable to any Class of Distributing Shares in the Sub-Fund is negative ("Net Negative Yield"). This is most likely to occur during extended periods of low or even negative base interest rates. Please read the section titled "Net Negative Yield Response Measures" below for more details.

### Net Negative Yield Response Measures

Where the Directors determine, in their sole discretion, that one or more Class of Distributing Shares may not be able to maintain a stable Net Asset Value due to the Net Negative Yield the Directors may, upon prior notice (where practicable) to the relevant Shareholders, implement a conversion to Accumulating Shares (the "Negative Yield Measures"). Where such a conversion is implemented, the notice to investors will specify the relevant changes.

Distributing Shares affected ("Converted Shares") may:

1. change their dividend policy from distributing to accumulating;

2. be quoted to such number of decimal places as specified in the notice to Shareholders and in accordance with the section in the Prospectus titled "Calculation of the Net Asset Value of each Sub-Fund" in order to give sufficient accuracy in the pricing of the Shares in such a Net Negative Yield environment;
3. where permitted under the terms of the Articles, be consolidated into Shares of a larger denomination as specified in the notice to Shareholders in order to give sufficient accuracy in the pricing of the Share in a Net Negative Yield environment;
4. change the name of the share class as specified in the notice to Shareholders and
5. have their issue and redemption price calculated using the valuation calculated at the Valuation Point on the prior Valuation Day ("Historic Pricing"). The Directors may, at their discretion and acting in the best interests of the Sub-Fund, choose not to use Historic Pricing to calculate the issue and redemption price of Converted Shares.

The Net Negative Yield will be accrued and reflected in the Net Asset Value per Share of the applicable Class. Accordingly, the Net Asset Value per Share will not remain constant and capital may be eroded. Please see the section titled "Net Negative Yield Risk" below for more information.

The Directors may, upon advance notice to Shareholders of the relevant Class, reverse the conversion such that the Accumulating Shares in the Sub-Fund impacted by the Net Negative Yield Response Measure as described above, convert back to Distributing Shares where the yield environment so permits.

### Accumulating Shares

The Accumulating Shares of the Sub-Fund shall be issued and redeemed at the Accumulating Class Net Asset Value per Share of the relevant class.

The Accumulating Class Net Asset Value per Share of each share class constituting Accumulating Shares will be calculated by the Administrator as at the Valuation Point on each Dealing Day in accordance with the requirements of the Articles and full details are set out under the heading "The Company" in the Prospectus.

## Investment Objectives and Policies

### Investment Objective

The investment objective of the Sub-Fund is to provide investors with as high a level of current income in U.S. Dollar terms as is consistent with the preservation of capital in U.S. Dollar terms and the maintenance of liquidity.

### Investment Policy

To achieve this goal, the Sub-Fund, will invest in transferable securities issued and guaranteed as to principal and interest by the U.S. Government including U.S. Treasury securities, i.e., U.S. Treasury Bills, U.S. Treasury Notes and U.S. Treasury Bonds, traded on an Eligible Market, and for liquidity management purposes or investment in the manner envisaged in Section 1.5(c) of Appendix II, repurchase agreements in respect of these securities.

The Company has received a derogation from the Central Bank which enables the Sub-Fund to invest more than 5% and up to 100% of the Sub-Fund's assets in securities issued and guaranteed as to principal and interest by the U.S. Government. This derogation was granted subject to the condition that such securities will be comprised of at least six different issues and any one issue shall not account for more than 30% of the total assets of the Sub-Fund. In pursuit of its investment objective, the Sub-Fund will invest in investment grade securities, instruments and obligations with Residual Maturity of 397 days or less.

The Investment Adviser will seek to operate the Sub-Fund as required to maintain:

- a) an AAA fund credit rating from Standard & Poor's Ratings Group;
- or
- b) an equivalent rating given by an internationally recognised rating service.

The Company, on behalf of the Sub-Fund, shall finance any such rating.

Securities issued and guaranteed by the U.S. Government include U.S. Treasury securities, which differ only in their interest rates, maturities and times of issuance.

The Sub-Fund will attempt to increase yields by trading to take advantage of short-term market variations. The value of the portfolio securities held by the Sub-Fund will vary inversely to changes in prevailing interest rates. Thus, if interest rates have increased from the time a security was purchased, such security, if sold, might be sold at a price less than its cost. Similarly, if interest rates have declined from the time a security was purchased, such security, if sold, might be sold at a price greater than its purchase cost. In either instance, if the security was purchased at face value and held to maturity, no gain or loss would be realised.

The Sub-Fund may hold ancillary liquid assets including, but not limited to, time deposits and demand deposits, within the conditions and limits laid down by the MMF Regulation and the Central Bank.

The Sub-Fund may enter into repurchase agreements with certain eligible banks or non-bank dealers, that are eligible in accordance with Section 1.5 of Appendix II. In a repurchase agreement, the Sub-Fund sells to and agrees to repurchase from the purchaser, a security at a mutually agreed upon time and price (usually within seven days). The repurchase agreement thereby determines the yield during the purchaser's holding period, while the seller's (i.e. the Sub-Fund's) obligation to repurchase is secured by the value of the underlying security.

The Sub-Fund may enter into reverse repurchase agreements with eligible banks, brokers or dealers that are eligible in accordance with Section 1.5 of Appendix II. Reverse repurchase agreements involve the acquisition by the Sub-Fund of an underlying debt instrument in return for cash proceeds based on a percentage of the value of the security. The seller of the debt instrument retains the right to receive interest and principal payments on the security. At an agreed upon future date, the seller repurchases the security, at principal, plus accrued interest.

## Benchmark

The Sub-Fund is actively managed and is not managed with reference to a benchmark.

## Investment Strategy

The investment strategy consists of constructing the portfolio with a combination of U.S. Treasury bills and notes as well as reverse repurchase agreements secured by such instruments. The day to day composition of the Sub-Fund's portfolio will be determined by the Investment Adviser's outlook for economic activity, inflation, employment growth and possible changes in Federal Reserve interest rate policies. In assessing economic conditions, the Investment Adviser will consider numerous inputs including reports on the monthly employment situation (especially nonfarm payroll changes), the overall unemployment rate and average hourly earnings. Monthly reports on inflation, both at the producer and consumer levels, will also be monitored to determine current and potential future inflation trends. The Investment Adviser shall also consult market-based inflation gauges, such as treasury inflation protected securities spreads. Other economic reports on gross domestic product, housing, factory orders and retail sales will factor into the Investment Adviser's economic outlook. Finally, the Investment Adviser will take into consideration the investment restrictions and guidelines of the Sub-Fund, as well as the shape of the yield curve (which gives the Investment Adviser an indication of future interest rate changes and economic activity in the U.S.) and the supply and demand conditions in specific securities.

## The Sustainable Finance Disclosure Regulation

When assessing the sustainability risk associated with underlying investments, the Investment Adviser is assessing the risk that the value of such underlying investments could be materially negatively impacted by an environmental, social or governance event or condition ("ESG Event"). Sustainability risk is considered as part of the Investment Adviser's ongoing evaluation, but exclusively in relation to an assessment of an issuer's creditworthiness. For instance, the Investment Adviser will consider whether an issuer is associated with corporate risk management failures, allegations of corruption and bribery charges, reports of accounting irregularities, tax non-compliance or other litigation matters.

While the management and assessment of sustainability risks forms part of the Investment Adviser's due diligence, there may still be a risk that the value of the Sub-Fund could be materially negatively impacted by an ESG Event.

The Manager has carefully evaluated the requirements of the principal adverse impact consideration regime in Article 4 SFDR, (the "PAI regime"). The Manager is supportive of the policy aims of the PAI regime, to improve transparency to investors and the market, as to how financial market participants integrate consideration of the adverse impacts of their investment decisions on sustainability factors. The Manager does not, however, currently consider the adverse impacts of investment decisions on sustainability factors in line with the PAI regime for the Sub-Fund because of concerns about the lack of readily available data to comply with many of the technical reporting requirements of the regime. The Manager continues to analyse the data available that

would be necessary to comply with these technical reporting requirements and to assess its obligations under the PAI regime in conjunction with the Investment Adviser and will keep its decision not to comply with the PAI regime under regular review.

## The EU Taxonomy Regulation

The investments underlying this Sub-Fund do not take into account the EU Criteria for Environmentally Sustainable Economic Activities.

## Portfolio Composition Rules

The Sub-Fund will on an ongoing basis, pursuant to the MMF Regulation, meet the following criteria:

- a) The Sub-Fund will maintain a Weighted Average Maturity of no more than 60 days.
- b) The Sub-Fund will maintain a Weighted Average Life of no more than 120 days, subject to the MMF Regulation.
- c) At least 10% of the Sub-Fund's assets shall be comprised of daily maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of one working day or cash which is able to be withdrawn by giving prior notice of one working day. The Sub-Fund will not acquire any asset other than a daily maturing asset when such acquisition would result in that Sub-Fund investing less than 10% of its portfolio in daily maturing assets
- d) At least 30% of the Sub-Fund's assets shall be comprised of weekly maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of five working days or cash which is able to be withdrawn by giving prior notice of five working days. The Sub-Fund will not acquire any asset other than a weekly maturing asset when such acquisition would result in that Sub-Fund investing less than 30% of its portfolio in weekly maturing assets.

For the purpose of the calculation referred to in point (d) above, assets referred to in paragraph 2.9 of Appendix II which are highly liquid and can be redeemed and settled within one working day and have a Residual Maturity of up to 190 days may also be included within the weekly maturing assets of the Sub-Fund up to a limit of 17.5 % of its assets.

When calculating the WAL for securities the Sub-Fund shall base the maturity calculation on the Residual Maturity until the legal redemption of the instruments. However, in the event that a financial instrument embeds a put option, the Sub-Fund may base the maturity calculation on the exercise date of the put option instead of the Residual Maturity, but only if all of the following conditions are fulfilled at all times: (i) the put option is able to be freely exercised by the Sub-Fund at its exercise date; (ii) the strike price of the put option remains close to the expected value of the instrument at the exercise date; (iii) the investment strategy of the Sub-Fund implies that there is a high probability that the option will be exercised at the exercise date.

If the limits referred to in this section are exceeded for reasons beyond the control of the Company, or as a result of the exercise of subscription or redemption rights, the

Company shall adopt as a priority objective the correction of that situation, taking due account of the interests of the Shareholders of the Sub-Fund.

### **Investment and Borrowing Restrictions**

The Sub-Fund's investment and borrowing restrictions are as set out in the Prospectus under the heading "Investment and Borrowing Restrictions" at Appendix II.

The Sub-Fund will not:

- a) purchase common stocks, preferred stocks, warrants or other equity securities;
- b) borrow monies;
- c) purchase securities on margin;
- d) write or purchase put or call options or combinations thereof;
- e) purchase or sell real estate or real estate investment trust securities;
- f) make loans to others, except through the purchase of debt obligations, or repurchase agreements permitted for liquidity management purposes or investment in the manner envisaged in Section 1.5 of Appendix II, referred to in the Prospectus or this Supplement;
- g) pledge, hypothecate, mortgage or otherwise encumber its assets;
- h) engage in a Short Sale of any of the following instruments: money market instruments and units or shares of MMFs;
- i) take direct or indirect exposure to equity or commodities, including via derivatives, certificates representing them, indices based on them, or any other means or instrument that would give an exposure to them;
- j) enter into securities lending agreements or securities borrowing agreements, or any other agreement that would encumber the assets of the Sub-Fund;  
or
- k) invest more than one third of its Net Asset Value in securities other than transferable securities issued and guaranteed as to principal and interest by the U.S. Government, or for liquidity management purposes or investment in the manner envisaged in Section 1.5(c) of Appendix II, repurchase agreements in respect of these securities;
- l) invest in asset classes not provided for under Appendix II to the Prospectus and in the section entitled "Investment Objectives and Policies" in this Supplement. In the event of a conflict between Appendix II and the "Investment Objectives and Policies" section, Appendix II shall prevail.

If these investment limit percentages are exceeded for reasons beyond the control of the Sub-Fund or as a result of the exercise of subscription rights, the Sub-Fund will adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of Shareholders.

### **Liquidity Management and Hedging**

The Sub-Fund may invest in techniques and instruments for the purposes of liquidity management and hedging as set out in "Appendix III" of the Prospectus.

The Sub-Fund may engage in securities financing transactions ("SFTs") i.e. repurchase/reverse repurchase agreements, as described below.

The Company, on behalf of the Sub-Fund, within the conditions and limits established by the Central Bank, may enter into reverse repurchase agreements as described above.

Repurchase agreements may only be entered into in accordance with normal market practice and the Company must, at all times, be in a position to meet repurchase obligations.

Securities that are the subject of a "purchase" contract cannot be sold before the repurchase term has expired.

The Investment Adviser will monitor on an ongoing basis the value of the collateral to ensure that it always exceeds the repurchase price. Certain costs may be incurred by the Sub-Fund in connection with the sale of the securities if the seller does not repurchase them in accordance with the repurchase agreement. In addition, if bankruptcy proceedings or similar proceedings are commenced in respect of the seller of the securities, realisation of the securities by the Sub-Fund may be delayed or limited. The Investment Adviser will consider on an ongoing basis the creditworthiness of the institutions with which it enters into repurchase agreements.

For the avoidance of doubt, the Sub-Fund shall not utilise securities lending arrangements.

The maximum exposure of the Sub-Fund in respect of SFTs shall be 100% of the Net Asset Value of the Sub-Fund. However, the Investment Adviser does not anticipate that the Sub-Fund's exposure to the SFTs will exceed 100% of the Net Asset Value. The types of assets that will be subject to repurchase/reverse repurchase agreements will be assets which are of a type which is consistent with the investment policy of the Sub-Fund. Additional detail on SFTs, including acceptable collateral and counterparty procedure is given under the headings "Appendix III - Management of Collateral", "Appendix III - Use of Repurchase/Reverse Repurchase", "Hedging and Liquidity Management" and "Risk Factors" in the Prospectus.

The direct and indirect operational costs and/or fees arising from SFTs that are deducted from the revenue delivered to the Sub-Fund will not include hidden revenue and will be paid to the entities outlined (listed/described) in the annual report of the Company.

Information on the collateral management policy for the Sub-Fund is set out under the headings "Collateral Management Policy" and "Collateral Management Policy – Reverse Repurchase Agreements" in Appendix III of the Prospectus.

It is the intention that the Sub-Fund may be fully collateralised in securities issued or guaranteed by the U.S. Government in accordance with paragraph 3.e as set out under the heading "Management of Collateral" in Appendix III of the Prospectus.

Investors should consult the sections of the Prospectus entitled "Risk Factors- Counterparty and Settlement Considerations" and "Conflicts of Interest" for more information on the risks associated with the techniques and instruments used for liquidity management and hedging purposes.



## Issue of Shares

### Initial Subscriptions

The initial offer period for all launched share classes of the Sub-Fund has now closed. The initial offer period of unlaunched share classes shall continue until 5 July, 2023, or such earlier or later date on which the first Shares of the relevant share class are issued, at which point the Initial Offer Period of such share class shall automatically end.

During the initial offer period, Shares will be offered at the initial offer price of U.S. \$1.00 per Share.

Applications to purchase Shares may be made on any Valuation Day, and must be made on the Application Form accompanying this Supplement and sent in original form or by facsimile (with the original sent by post immediately thereafter) to the Administrator for acceptance at the address specified in the Application Form. At the Directors' discretion, the Application Form may be sent to the Administrator as an attachment to an email (with the original sent by post immediately thereafter).

Subject to acceptance by the Company, Application Forms for the initial purchase of Shares must be placed with the Administrator in Dublin by the Dealing Deadline, 12.00 noon, New York time, payment for which must be received in immediately available funds promptly thereafter, by no later than 6.00 pm, New York time, in order to be effected at the Net Asset Value per Share determined at the Valuation Point, on that Valuation Day, and to receive the dividend for that day. Written confirmation normally will be sent on the next Business Day after the purchase becomes effective.

The Administrator reserves the right to accept and act on applications prior to receipt of the full amount of subscription money.

Other entities, including financial intermediaries, also may be authorised to accept Application Forms provided that a fully completed Application Form is received in original form or by facsimile (with the original sent by post immediately thereafter) by the Administrator in Dublin by the Dealing Deadline, 12.00 noon, New York time, and payments for initial purchases must be received in immediately available funds promptly thereafter, by no later than 6.00 pm, New York time, in order for the purchase to be effective on that Valuation Day.

Any Application Form received by the Administrator in Dublin after the Dealing Deadline, 12.00 noon, New York time and any payments for initial purchases received after 6.00 pm New York time will be held over (without interest) until the next following Valuation Day and Shares will then be issued at the next Valuation Point.

### Subsequent Subscriptions

Subsequent purchases may be made in writing or by facsimile, telephone or wire. In addition, without obligation on the investor, purchases may be made through a compatible automated interface or trading system deemed acceptable to the Administrator or as may be agreed with the Administrator via the Company's website or by such other means as the Directors in their sole discretion may determine with the prior approval of the Central Bank. At the Directors' discretion, subsequent purchase orders may be sent to the Administrator as an attachment to an email. Subsequent purchases will be

deemed effective at the next determined Constant Net Asset Value per Share, Accumulating Class Net Asset Value per Share or Variable Net Asset Value per Share (as the case may be) after a purchase order in proper form is received by the Administrator and full payment is received. To place a subsequent purchase order, investors or their financial intermediary, as applicable, may contact the Administrator at (353-1) 448-5052 or toll free from the United States at 1-800-429-1487. Calls will be answered on any Valuation Day until the Dealing Deadline, by dialling either location.

Subsequent purchase orders by Shareholders placed with the Administrator prior to the Dealing Deadline, and payments for which are received in immediately available funds promptly thereafter, by no later than 6.00 pm New York time, will be effected at the Constant Net Asset Value per Share, Accumulating Class Net Asset Value per Share or Variable Net Asset Value per Share (as the case may be) determined at the Valuation Point on the Valuation Day as adjusted in the event of a Net Negative Yield. Shares so purchased will receive the dividend for that day.

Other entities, including their financial intermediaries, also may be authorised to accept purchase orders, provided always that all subsequent purchase order information must be received by the Administrator by the Dealing Deadline, and payment for Shares must be received in immediately available funds promptly thereafter, by no later than 6.00 pm, New York time in order for the purchase to be effective on that Valuation Day.

Any subsequent purchase order received by the Administrator after the Dealing Deadline, and any other payments for subscriptions received after 6.00 pm, New York time will be held over (without interest) until the next following Valuation Day and Shares will then be issued at the next Valuation Point.

The Company reserves the right, but is under no obligation, to accept applications by 12.00 noon, New York time, and for subsequent purchase orders by 5:00 pm, New York time, and to act on such applications or orders, as applicable, for the Sub-Fund, even prior to receipt of subscription monies. Accordingly, failure by the Depositary to receive subscription monies by 6:00 pm, New York time, on the relevant Business Day may result in certain losses, costs or expenses for the account of the Sub-Fund.

Under the terms of an application, each investor agrees to indemnify and hold harmless the Company, the Directors, the Sub-Fund, the Manager, the Investment Adviser, the Administrator and the Depositary for any losses, costs or expenses incurred by them as a result of the failure or default of that investor to transmit subscription monies in immediately available funds (in respect of both applications and subsequent purchase orders) to the account of the Sub-Fund, such that the full amount of any subscription monies is posted to that account by 6:00 pm, New York time, on the Business Day on which the subscription order is placed.

Orders accepted and relied upon by the Company will begin to accrue dividends on the same day on which the subscription monies in immediately available funds are received by 6:00 pm, New York time.

## Redemption of Shares

Shares may be redeemed, at the option of the relevant Shareholder, on any Valuation Day. Such requests will be dealt with at the Constant Net Asset Value per Share, Accumulating Class Net Asset Value per Share or Variable Net Asset Value per Share (as the case may be) for the Sub-Fund calculated as at the relevant Valuation Day at the Valuation Point as adjusted in the event of a Net Negative Yield.

Redemption of Shares will be made at the Constant Net Asset Value per Share, Accumulating Class Net Asset Value per Share or Variable Net Asset Value per Share (as the case may be) next determined after a redemption order in proper form is received by the Administrator.

The Company imposes no redemption fees or charges when Shares are redeemed directly. Financial intermediaries may charge their clients a separate fee for effecting redemptions of Shares. Investors should consult their financial intermediaries in this regard.

Shareholders may redeem Shares in writing or by facsimile, telephone or wire to the Administrator or other financial intermediary authorised to receive redemption requests. In addition, without obligation on the investor, the Company may make available to Shareholders and financial intermediaries, the ability to redeem Shares through a compatible automated interface or trading system deemed acceptable to the Administrator or as may be agreed with the Administrator via the Company's website or by such other means as the Directors in their sole discretion may determine with the prior approval of the Central Bank. At the Directors' discretion, redemption requests may be sent to the Administrator as an attachment to an email. To place an order to redeem Shares, investors or their financial intermediary, as applicable, may contact the Administrator at (353-1) 448-5052 or toll free from the United States at 1-800-429-1487. Calls will be answered on any Valuation Day until the Dealing Deadline, by dialling either location.

If a redemption request is received in proper form by the Administrator prior to the Dealing Deadline, it will become effective at the Net Asset Value determined at the Valuation Point, on that Valuation Day. The proceeds of the redemption ordinarily will be transmitted on the same Valuation Day and the Shares redeemed will not receive the dividend declared for that day.

Other entities also may be authorised to accept redemption requests, provided always that all redemption requests must be received by the Administrator by the Dealing Deadline, in order for the redemption to be effective on that Valuation Day.

A redemption request received in proper form by the Administrator after the Dealing Deadline, on a Valuation Day, will be held over and will become effective at the Net Asset Value determined at the Valuation Point on the next Valuation Day and the proceeds of redemption ordinarily will be transmitted on that same day.

The above procedures may be modified or terminated at any time by the Company, the Administrator or any other entity authorised to receive redemption requests.

Any Shareholder whose total value of Shares of the Sub-Fund falls below US\$1,000,000 due to redemption may be required to redeem all remaining Shares.

- a) The Company reserves the right to refuse any redemption request for Shares or may limit the amount of the redemption or the number of telephone or wire redemptions in circumstances where: if as a result of the implementation of such request the Shareholder would hold less than any applicable minimum holding amount in which case a redemption of the Shareholder's entire holding may be requested and this will be dealt with at the next following Valuation Day;
- b) the total redemption requests on a Valuation Day exceed 10% of the total number of Shares in issue of the Sub-Fund, in this event, the provisions set out in the Prospectus under the heading "Restrictions on Ownership, Compulsory Redemption and Transfer of Shares" will apply;
- c) the Shareholder has failed to comply with appropriate anti-money laundering requirements; and
- d) there is a temporary suspension of the calculation of the Net Asset Value of the Sub-Fund in accordance with the provisions under the heading "Suspension" in the Prospectus.

## Distribution Policy

In respect of the Distributing Shares of the Sub-Fund the Company intends to declare dividends on each Valuation Day with the objective of distributing all or substantially all of its net revenue (i.e., income earned on the Sub-Fund's assets less its accrued expenses). Dividends may be declared out of the following sources:

- a) net revenue which consists of interest and dividends;
- b) realised profits on the disposal of investments less realised and unrealised losses (including fees and expenses);  
or
- c) other funds (excluding capital) as may be lawfully distributed from the Sub-Fund.

Distributing Shares in the Sub-Fund begin earning income dividends on the day the purchase order is effective (that is, a purchase order in proper form is received by the Administrator by the Dealing Deadline, and payment has been received by 6:00 pm, New York time).

Dividends for each calendar month will usually be paid on the first Valuation Day of the following month. Dividends will be automatically reinvested in additional Shares in the Sub-Fund at the Subscription Price or, at the Shareholder's option, paid in cash by wire transfer to the account number listed on the application. A Shareholder who chooses to have its dividends paid in cash must notify the Manager or the Administrator in writing at the time of their original subscription. A Shareholder who elects to receive dividends in cash will be deemed to have made a similar election in respect of any further Shares acquired by the Shareholder until the Shareholder properly revokes the election. A Shareholder may change its election by written notice to the Manager or the Administrator, which notice must be received at least five Valuation Days before the applicable dividend payment date.

Over the course of the Accounting Period of the Company, dividends accrued and paid on Distributing Shares in the Sub-Fund will consist of all or substantially all of the

Sub-Fund's net investment income and net realised and unrealised capital gains (i.e., realised and unrealised capital gains net of all realised and unrealised capital losses). As regards the distribution of net investment income earned on non-Valuation Days, these will be declared as dividends on the immediately preceding Valuation Day. No interest will be paid on accrued but unpaid dividends.

If a Shareholder redeems all Shares in its account at any time during a calendar month, all dividends to which such Shareholder is entitled will be paid along with the proceeds of the redemption.

Whether dividends have been reinvested in additional Shares or paid in cash, each Shareholder will receive periodic summaries of such Shareholder's accounts which will include information as to dividends paid during the year.

In respect of the Accumulating Shares of the Sub-Fund, it is not intended to distribute dividends to the Shareholders. The income and other profits will be accumulated and reinvested on behalf of Shareholders. Dividends, if paid on the Shares, may be paid out of the net revenue of the Sub-Fund including interest and dividends earned by the Sub-Fund, realised and unrealised profits on the disposal/valuation of the investments and other assets less realised and unrealised losses of the Sub-Fund.

Further details are set out in the Prospectus under the heading "Distribution Policy".

## **Fees**

The fees and expenses of the Directors, the Manager, the Investment Adviser, the Administrator, the Depositary and the preliminary expenses are as set out in the Prospectus under the heading "Management and Administration of the Company - Fees and Expenses".

## **Risk Factors**

**An investment in the Sub-Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

Investors' attention is particularly drawn to the section titled "Risk Factors" of the Prospectus.

## **Use of Historic Pricing**

The issue and redemption price of Shares dealt intra-day will be calculated using the valuation calculated at the Valuation Point on the prior Valuation Day. While it is intended to monitor any movements in the value of each portfolio security since the Valuation Point, there is a risk that Shares dealt intra-day could be purchased or redeemed at a price that is lower or higher than it would have been if calculated on the Valuation Day. However, the Directors may, at their discretion and acting in the best interests of the Sub-Fund, choose not to use Historic Pricing to calculate the issue and redemption price for intra-day dealing. Intra-day dealing is done at the discretion of the Directors. As a result, the Directors may, in their absolute discretion and acting in the best interests of the Sub-Fund, not allow intra-day dealing. In particular, the Directors may not allow intra-day dealing if they believe that intra-day dealing may harm the Sub-Fund, the Company or the Shareholders. Converted Shares may also use Historic Pricing.

## **Valuation Point**

5.00 pm, New York time on a Valuation Day or such other time as the Directors may from time to time determine.

## **Dealing Deadline**

The dealing deadline for the receipt of initial subscription requests is 12.00 pm New York time on a Valuation Day or such other time as the Directors may from time to time determine. The dealing deadline for the receipt of subsequent subscription, redemption or switching requests is 5.00 pm, New York time on a Valuation Day or such other time as the Directors may from time to time determine. At their discretion, the Directors may offer intra-day dealing for the Sub-Fund. Shareholders should also refer to the section entitled "Use of Historic Pricing".

# BNY Mellon Sterling Liquidity Fund

## SUPPLEMENT 3 DATED 16 OCTOBER, 2020 TO THE PROSPECTUS DATED 16 OCTOBER, 2020 FOR BNY MELLON LIQUIDITY FUNDS PLC (THIS SUPPLEMENT REPLACES THE SUPPLEMENT 3 DATED 7 JUNE, 2019)

This Sub-Fund was closed by way of compulsory redemption whereby all of the Shares in issue in the Sub-Fund as of 31 May, 2018, were compulsorily redeemed. Shares in the Sub-Fund are no longer available for investment. The Company intends to apply to the Central Bank to revoke the Sub-Fund's approval once all documentation required to make a revocation application is available. The Company shall seek approval from the Central Bank to remove the Sub-Fund from this Prospectus following approval of that revocation.

This Supplement contains specific information in relation to the BNY Mellon Sterling Liquidity Fund (the "Sub-Fund"), a Short-Term Money Market Fund, which is a sub-fund of BNY Mellon Liquidity Funds plc (the "Company") an open-ended umbrella type investment company with variable capital and having segregated liability between its Sub-Funds incorporated with limited liability under the laws of Ireland and which is authorised by the Central Bank pursuant to the UCITS Regulations.

**This Supplement forms part of and should be read in conjunction with the general description of:**

- the Company, its management and administration
- the Company's fees and expenses
- the taxation of the Company and of its Shareholders and
- the Company's risk factors

which is contained in the Prospectus dated 6 January, 2023 for the Company and which has been delivered along with this Supplement. If you have not received the Prospectus please contact the Administrator.

Investors' attention is particularly drawn to the section titled "Risk Factors" in the Prospectus.

**As the Sub-Fund invests a significant amount of its Net Asset Value in money market instruments, it may be considered by investors as an alternative to investing in a regular deposit account. Investors should note that a holding in the Sub-Fund is not comparable to a deposit account as a holding in the Sub-Fund is subject to the risks associated with investing in a collective investment undertaking, in particular, the fact that the principal sum invested is capable of fluctuation as the Net Asset Value of the Sub-Fund fluctuates.**

The Directors whose names appear in the Prospectus under the heading "Management and Administration of the Company" accept responsibility for the information contained in this Supplement and in 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) such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

### The Investment Adviser

The Manager has appointed Insight Investment Management (Global) Limited as investment adviser to the Sub-Fund (the "Investment Adviser"). The Investment Adviser may in turn, in accordance with the Central Bank Requirements, appoint one or more Sub-Investment Advisers to manage the investment and re-investment of the assets of the Sub-Fund.

A description of the Investment Adviser and the Investment Advisory Agreement in respect of the Sub-Fund can be found below.

### Insight Investment Management (Global) Limited

Insight Investment Management (Global) Limited ("Insight") is a private limited company incorporated under the laws of England and Wales. Insight is a subsidiary of Insight Investment Management Limited which is a wholly owned subsidiary of The Bank of New York Mellon Corporation. Insight is authorised by the FCA under the MIFID regulations. Its principal business is the provision of investment advice and asset management services. As at 30 September 2018 Insight had in excess of US\$780 billion in assets under management.

### Investment Advisory Agreement

1. Pursuant to an Investment Advisory Agreement dated 19 November 2012 (as may be amended, assigned or novated), Insight will manage and will recommend and provide general advice to the Manager in connection with the investment and reinvestment of the assets of the BNY Mellon Sterling Liquidity Fund. Insight will be entitled to receive a fee as described in "Management and Administration of the Company - Fees and Expenses".
2. The Investment Advisory Agreement may be terminated by either party on giving not less than six months prior written notice to the other party. The Investment Advisory Agreement may also be terminated forthwith upon certain breaches or upon the insolvency of a party (or upon the happening of a like event).
3. The Investment Advisory Agreement provides for the Manager to indemnify, defend and hold harmless Insight from and against all actions, proceedings and claims and against all loss, costs, demands and expenses (including legal expenses) which may be brought against, suffered or incurred by Insight by reason of the performance or non-performance of its obligations under the terms of the Investment Advisory Agreement (other than by reference to any negligence, fraud, or wilful default in the performance or non-performance by Insight, or persons designated by it, of its obligations or duties thereunder).

### Base Currency

Sterling

## Valuation Day

A “Valuation Day” shall mean for the purposes of this Sub-Fund each day on which the London Stock Exchange and banks in the United Kingdom are open for business.

## Share Classes

Shares shall be issued to distinct categories of investors as Shares of a class of a Sub-Fund as referred to under the heading “The Company” in the Prospectus. There are

nine designated classes of Shares in the Sub-Fund distinguished by minimum initial subscription requirements and levels of fees and charges levied as set out below. A description of the distinct categories of investors to which each class of Shares may be offered is set out under the heading “The Company” in the Prospectus.

## Distributing Shares

Participant Shares			
Subscription Fee	Redemption Fee	Minimum Initial Investment	Annual Management Fee
None	None	£ 1 million	0.60%

Investor Shares			
Subscription Fee	Redemption Fee	Minimum Initial Investment	Annual Management Fee
None	None	£ 2.5 million	0.45%

Advantage Shares			
Subscription Fee	Redemption Fee	Minimum Initial Investment	Annual Management Fee
None	None	£ 50 million	0.15%

Institutional Shares			
Subscription Fee	Redemption Fee	Minimum Initial Investment	Annual Management Fee
None	None	£ 10 million	0.20%

Agency Shares			
Subscription Fee	Redemption Fee	Minimum Initial Investment	Annual Management Fee
None	None	£ 5 million	0.25%

Premier Shares			
Subscription Fee	Redemption Fee	Minimum Initial Investment	Annual Management Fee
None	None	£ 250 million	0.10%

Class X Shares			
Subscription Fee	Redemption Fee	Minimum Initial Investment	Annual Management Fee
None	None	None	None

## Accumulating Shares

Participant (Acc.) Shares			
Subscription Fee	Redemption Fee	Minimum Initial Investment	Annual Management Fee
None	None	£ 1 million	0.60%

Advantage (Acc.) Shares			
Subscription Fee	Redemption Fee	Minimum Initial Investment	Annual Management Fee
None	None	£ 50 million	0.15%



There is no minimum for subsequent purchases.

The Company reserves the right to waive the applicable minimum initial purchase requirement, if any, for Shares if considered appropriate.

Financial intermediaries may impose certain conditions on their clients which are different from those described in this Supplement and, to the extent permitted by applicable regulatory authority, may charge their clients fees in connection with purchases of Shares for the accounts of their clients. These fees will be in addition to any amounts that might be received by such intermediaries from the Manager or any party related to the Manager.

The Company imposes no redemption fees or charges when Shares are redeemed directly.

Financial intermediaries may charge their clients a separate fee for effecting redemptions of Shares. Investors should consult their financial intermediaries in this regard.

## Net Asset Value

### Distributing Shares

The Company seeks to achieve a stable Net Asset Value of the Distributing Shares in the Sub-Fund at £1.00 per Share, by declaring dividends of substantially all of the Sub-Fund's net investment income daily and by valuing the Sub-Fund's investments using the Amortised Cost Method. Under this valuation method, the Sub-Fund's investments are valued at their acquisition cost as adjusted for amortisation of premium or accretion of discount, rather than at current market value. There can be no assurance that the Sub-Fund will be able to maintain a stable Net Asset Value of £1.00 per Share. For additional information, please read the section titled "Calculation of the Net Asset Value of each Sub-Fund" in the Prospectus.

### Accumulating Shares

The Net Asset Value of the Accumulating Shares of the Sub-Fund will be calculated by the Administrator as at the Valuation Point on each Dealing Day in accordance with the requirements of the Articles and full details are set out under the heading "The Company" in the Prospectus.

The Articles of Association provide that the Directors shall be entitled to value the Accumulating Shares of this Sub-Fund using the Amortised Cost Method of valuation whereby the Investments of this Sub-Fund are valued at their cost of acquisition as adjusted for amortisation of premium or accretion of discount on the Investments rather than at current market value. For additional information, please read the section titled "Calculation of the Net Asset Value of each Sub-Fund" in the Prospectus.

## Investment Objectives and Policies

### Investment Objective

The investment objective of the Sub-Fund is to provide investors with as high a level of current income in Sterling terms as is consistent with the preservation of capital in Sterling terms and the maintenance of liquidity.

### Investment Policy

To achieve this goal, the Sub-Fund will invest in transferable securities that are money market instruments denominated in Sterling.

The Company has been authorised by the Central Bank to invest up to 100% of the Sub-Fund's assets in securities issued and guaranteed as to principal and interest by the U.K. Government. This authorisation is subject to the condition that such securities will be comprised of at least six different issues and any one issue shall not account for more than 30% of the total assets of the Sub-Fund.

The Sub-Fund's investment portfolio consists primarily of the following types of high-quality, Sterling-denominated money market instruments which are transferable securities:

- a) obligations of financial institutions, such as certificates of deposit, bankers' acceptances, and medium-term notes;
- b) short-term corporate obligations including commercial paper, promissory notes, floating rate notes and bonds;  
and
- c) securities issued or guaranteed by the U.K. government or by its agencies and instrumentalities.

The Sub-Fund reserves the right to invest in short-term debt obligations similar to those listed above, which are transferable securities.

The Sub-Fund may hold ancillary liquid assets including, but not limited to, time deposits and demand deposits, within the conditions and limits laid down by the Central Bank.

In pursuit of its investment objective, the Sub-Fund will invest in securities, instruments and obligations with remaining maturities until the legal redemption date of 397 days or less. The Sub-Fund will maintain a WAM of no more than 60 days or such shorter period as may be required to obtain the highest rating of a recognised rating agency. The Sub-Fund will also maintain a WAL of no more than 120 days. The Investment Adviser and Sub-Investment Adviser will seek to operate the Sub-Fund as required to maintain:

- a) an AAA fund credit rating from Standard & Poor's Ratings Group and an Aaa-mf market risk weighting from Moody's Investor Service, Inc.;
- or
- b) an equivalent rating given by an internationally recognised rating service.

The Sub-Fund's investments may include obligations of U.K. and non-U.K. issuers, in accordance with the MMF Regulation. Moreover, the Sub-Fund will invest only in investment grade securities traded on an Eligible Market in a member country of the OECD and determined, in accordance with procedures established by the Company's Board, to present minimal credit risks and that are rated in one of the two highest rating categories for debt obligations by at least two established statistical rating organisations (or one such established rating organisation if the instrument was rated only by one such organisation) or, if unrated, are of comparable quality as determined in accordance with procedures established by the Board. The established statistical rating organisations

currently rating instruments of the type the Sub-Fund may purchase are Standard & Poor's Ratings Group, Moody's Investor Service, Inc., Fitch Investor Service, L.P. or any other internationally recognised rating service.

The Sub-Fund may invest in money market instruments that are transferable securities denominated in currencies other than Sterling and that are traded on an Eligible Market in a member country of the OECD. For purposes of efficient portfolio management, and subject to the limits set forth in Appendix III of the Prospectus, these investments will be hedged back to Sterling, primarily by the Sub-Fund entering into forward foreign exchange contracts. A forward foreign exchange contract is an agreement with a foreign exchange counterparty whereby the agreed currencies are exchanged at a specific rate on specified future date. Thus, the foreign exchange counterparty will pay to the Sub-Fund the appropriate amounts in Sterling in return for receipt of amounts equal to the non-Sterling principal and income payable on the relevant money market obligations. In the event of bankruptcy or default of a foreign exchange counterparty or the issuer of an underlying money market obligation, the Sub-Fund could be exposed to certain risks.

The Sub-Fund will attempt to increase yields by investing to take advantage of short-term market variations. The value of the portfolio securities held by the Sub-Fund will vary inversely to changes in prevailing interest rates. Thus, if interest rates have increased from the time a security was purchased, such security, if sold, might be sold at a price less than its cost. Similarly, if interest rates have declined from the time a security was purchased, such security, if sold, might be sold at a price greater than its purchase cost. In either instance, if the security was purchased at face value and held to maturity, no gain or loss would be realised.

The Sub-Fund may, within the conditions and limits established by the Central Bank, enter into reverse repurchase agreements, solely for the purposes of efficient portfolio management. Reverse repurchase agreements involve the acquisition by the Sub-Fund of an underlying debt instrument in return for cash proceeds based on a percentage of the value of the security. At an agreed upon future date, the seller repurchases the security, at principal, plus accrued interest.

The Sub-Fund may enter into repurchase agreements with certain eligible banks or non-bank dealers, solely for the purposes of efficient portfolio management. In a repurchase agreement, the Sub-Fund sells to and agrees to repurchase from the purchaser, a security at a mutually agreed upon time and price (usually within seven days). The repurchase agreement thereby determines the yield during the purchaser's holding period, while the seller's (i.e. the Sub-Fund's) obligation to repurchase is secured by the value of the underlying security.

### **Investment Strategy**

The investment strategy of the Sub-Fund is to provide a stable and flexible alternative to bank deposits for investors. It does this by investing in a diverse range of securities, instruments and obligations that carry a minimum credit rating of A1 for short-term investments.

The Sub-Fund is managed to an investment philosophy that centres on two key investment principles: diversification and precision.

- a) **Diversification:** The Investment Adviser believes superior and consistent long-term liquidity investment returns are generated by the active management of risk and return across a wide range of fixed income and cash investment opportunities. These diversified sources of added value are used to build the portfolio that will meet the Sub-Fund's objectives.
- b) **Precision:** The Investment Adviser believes in building an investment portfolio with precision in order to meet the Sub-Fund's objectives. When the Investment Adviser assesses investment opportunities, they seek to fully understand all the risks in the portfolio, both from a liquidity and counterparty risk perspective. Investing with this degree of precision is a key ingredient in achieving consistent, repeatable performance.

The Investment Adviser selects its investments and manages the Sub-Fund to a robust risk framework that looks at the following:

- a) **Counterparty risk:** the Investment Adviser only transacts with counterparties that are deemed appropriate by the Investment Adviser.
- b) **Market risk:** this is controlled and monitored through portfolio restrictions at a Sub-Fund level, including maximum permitted WAM (under 60 days) and maximum WAL (under 120 days).
- c) **Interest rate risk:** the Investment Adviser models interest rate scenarios and includes this analysis into the required levels of return needed to protect the Sub-Fund against the impact of future interest rate rises.
- d) **Liquidity risk:** the Investment Adviser aims to structure the Sub-Fund to meet investor liquidity requirements. The Investment Adviser analyses the largest historical gross redemptions (i.e. ignoring inflows) on a rolling one day, one week and one month basis. The Investment Adviser then aims to structure the maturity profile of the Sub-Fund so that it is able to meet the largest experienced redemptions on an on-going basis. This process is more stringent than the Institutional Money Market Funds Association requirement. In addition to stress testing, many of the assets held in the liquidity solutions are negotiable securities with the ability to sell on demand. This ensures that the investment strategy can be changed as required.

## **Issue of Shares**

### **Initial Purchases**

The initial offer period for all launched share classes of the Sub-Fund has now closed. The initial offer period of unlaunched share classes shall continue until 1 December, 2017, or such earlier or later date on which the first Shares of the relevant share class are issued, at which point the initial offer period of such share class shall automatically end.

During the initial offer period, Shares will be offered at the initial offer price of £1.00 per Share.

Applications to purchase Shares may be made on any Valuation Day, and must be made on the Application Form accompanying this Supplement and sent in original form or by facsimile (with the original sent by post

immediately thereafter) to the Administrator for acceptance at the address specified in the Application Form.

Subject to acceptance by the Company, Application Forms for the initial purchase of Shares must be placed with the Administrator in Dublin by 1.00 pm, Dublin time, payment for which must be received in immediately available funds denominated in Sterling by the Sub-Custodian by 4.00 pm, Dublin time, to be effected at the Net Asset Value per Share determined at 4.00 pm, Dublin time, on that Valuation Day, and to receive the dividend for that day. Written confirmation normally will be sent on the next Business Day after the purchase becomes effective.

The Administrator reserves the right to accept and act on applications prior to receipt of the full amount of subscription money.

Other entities including financial intermediaries, also may be authorised to accept Application Forms provided that a fully completed Application Form is received in original form or by facsimile (with the original sent by post immediately thereafter) by the Administrator in Dublin by 1.00 pm, Dublin time, and payments for initial purchases must be received in immediately available funds denominated in Sterling by the Sub-Custodian by 4.00 pm, Dublin time, in order for the purchase to be effective on that Valuation Day.

Any Application Form received by the Administrator in Dublin after 1.00 pm, Dublin time and any payments for initial purchases received in immediately available funds denominated in Sterling after 4.00 pm Dublin time will be held over (without interest) until the next following Valuation Day and Shares will then be issued at the next Valuation Point.

### **Subsequent Purchases**

Subsequent purchases may be made in writing or by facsimile, telex, telephone or wire. In addition, without obligation on the investor, purchases may be made through a compatible automated interface or trading system deemed acceptable to the Administrator or as may be agreed with the Administrator via the Company's website or by such other means as the Directors in their sole discretion may determine with the prior approval of the Central Bank. Subsequent purchases will be deemed effective at the next determined Net Asset Value per Share, after a purchase order in proper form is received by the Administrator and full payment in immediately available funds denominated in Sterling is received by the Sub-Custodian. To place a subsequent purchase order, investors or their financial intermediary, as applicable, may contact the Administrator at (353-1) 448-5052 or toll free from the United States at 1-800-429-1487. Calls will be answered on any Valuation Day until 5.00 pm, Dublin time, by dialling either location.

Subsequent purchase orders by Shareholders placed with the Administrator prior to 1.00 pm, Dublin time, and payments which are received in immediately available funds denominated in Sterling by the Sub-Custodian by 4.00 pm Dublin time, will be effected at the Net Asset Value per Share determined at 4.00 pm Dublin time on the Valuation Day. Shares so purchased will receive the dividend for that day.

Other entities, including their financial intermediaries, also may be authorised to accept purchase orders, provided always that all subsequent purchase order

information must be received by the Administrator by 1.00 pm, Dublin time, and payment for Shares in immediately available funds denominated in Sterling must be received by the Sub-Custodian by 4.00 pm, Dublin time in order for the purchase to be effective on that Valuation Day.

Any purchase order received by the Administrator after 1.00 pm, Dublin time, and any other payments for subscriptions received in immediately available funds denominated in Sterling after 4.00 pm, Dublin time will be held over (without interest) until the next following Valuation Day and Shares will then be issued at the next Valuation Point.

The Company reserves the right, but is under no obligation, to accept applications by 1.00 pm, Dublin time, and for subsequent purchase orders by 1.00 pm, Dublin time, and to act on such applications or orders, as applicable, for the Sub-Fund, even prior to receipt of subscription monies. Accordingly, failure by the Sub-Custodian to receive subscription monies in immediately available funds denominated in Sterling by 4.00 pm, Dublin time, on the relevant Business Day may result in certain losses, costs or expenses for the account of the Sub-Fund.

Under the terms of an application, each investor agrees to indemnify and hold harmless the Company, the Directors, the Sub-Funds, the Manager, the Investment Adviser, the Administrator and the Custodian for any losses, costs or expenses incurred by them as a result of the failure or default of that investor to transmit subscription monies in immediately available funds (in respect of both applications and subsequent purchase orders) to the account of the relevant Sub-Fund, such that the full amount of any subscription monies is posted to that account by 4.00 pm, Dublin time, on the Business Day on which the subscription order is placed.

Orders accepted and relied upon by the Company will begin to accrue dividends on the same day on which the subscription monies in immediately available funds denominated in Sterling are received by 4.00 pm, Dublin time.

### **Redemption of Shares**

Shares may be redeemed, at the option of the relevant Shareholder, on any Valuation Day. Such requests will be dealt with at the Redemption Price for the relevant Sub-Fund calculated as at the relevant Valuation Day at the Valuation Point.

Redemption of Shares will be made at the Redemption Price per Share next determined after a redemption order in proper form is received by the Administrator. The Redemption Price of the Shares redeemed may be more or less than their original cost.

The Company imposes no redemption fees or charges when Shares are redeemed directly. Financial intermediaries may charge their clients a separate fee for effecting redemptions of Shares. Investors should consult their financial intermediaries in this regard.

Shareholders may redeem Shares in writing or by facsimile, telex, telephone or wire to the Administrator or other financial intermediary authorised to receive redemption requests. In addition, without obligation on the investor, the Company may make available to Shareholders and financial intermediaries, the ability to redeem Shares through a compatible automated interface

or trading system deemed acceptable to the Administrator or as may be agreed with the Administrator via the Company's website or by such other means as the Directors in their sole discretion may determine with the prior approval of the Central Bank. To place an order to redeem Shares, investors or their financial intermediary, as applicable, may contact the Administrator at (353-1) 448-5052 or toll free from the United States at 1-800-429-1487. Calls will be answered on any Valuation Day until 5.00 pm, Dublin time, by dialling either location.

If a redemption request is received in proper form by the Administrator prior to 1.00 pm, Dublin time, it will become effective at the Net Asset Value determined by 4.00 pm, Dublin time, on that Valuation Day. The proceeds of the redemption ordinarily will be transmitted in Sterling currency on the same Valuation Day and the Shares redeemed will not receive the dividend declared for that day.

Other entities also may be authorised to accept redemption requests, provided always that all redemption requests must be received by the Administrator by 1.00 pm, Dublin time, in order for the redemption to be effective on that Valuation Day.

A redemption request received in proper form by the Administrator after 1.00 pm Dublin time, on a Valuation Day will be held over and will become effective at the Net Asset Value determined at 4.00 pm Dublin time on the next Valuation Day and the proceeds of redemption will be transmitted in Sterling on that same day.

The above procedures may be modified or terminated at any time by the Company, the Administrator or any other entity authorised to receive redemption requests.

Any Shareholder whose total value of Shares of the Sub-Fund falls below £1,000,000 due to redemption may be required to redeem all remaining Shares.

The Company reserves the right to refuse any redemption request for Shares or may limit the amount of the redemption or the number of telephone or wire redemptions in circumstances where:

- a) if as a result of the implementation of such request the Shareholder would hold less than any applicable minimum holding amount in which case a redemption of the Shareholder's entire holding may be requested and this will be dealt with at the next following Valuation Day;
- b) the total redemption requests on a Valuation Day exceed 10% of the total number of Shares in issue of the Sub-Fund, in this event, the provisions set out in the Prospectus under the heading "Restrictions on Ownership, Compulsory Redemption and Transfer of Shares" will apply;
- c) the Shareholder has failed to comply with appropriate anti-money laundering requirements; and
- d) there is a temporary suspension of the calculation of the Net Asset Value of the Sub-Fund in accordance with the provisions under the heading "Suspension" in the Prospectus.

### Investment and Borrowing Restrictions

The Sub-Fund's investment and borrowing restrictions are as set out in the Prospectus under the heading "Investment and Borrowing Restrictions" at Appendix II.

So long as Shares in the Sub-Fund are listed on the official list and to trading on the Main Market of the Irish Stock Exchange, the Sub-Fund will comply with the investment restrictions of the Irish Stock Exchange, including the prohibition of taking legal or management control over any of its underlying investments.

In addition the Sub-Fund will not:

- a) purchase common stocks, preferred stocks, warrants or other equity securities;
- b) borrow monies except from banks for temporary purposes in an amount up to 10% of the Net Asset Value of the Sub-Fund;
- c) sell securities short or purchase securities on margin;
- d) write or purchase put or call options or combinations thereof;
- e) purchase or sell real estate, real estate investment trust securities, commodities or oil or gas interests;
- f) make loans to others, except through the purchase of debt obligations, or repurchase agreements permitted for purposes of efficient portfolio management, referred to in the Prospectus or this Supplement;
- g) pledge, hypothecate, mortgage or otherwise encumber its assets, except to the extent necessary to secure permitted borrowings;
- h) enter into repurchase agreements for the purposes of efficient portfolio management providing for settlement in more than seven (7) days after notice, or purchase transferable securities that are illiquid if, in the aggregate, more than 10% of the value of the Sub-Fund's assets would be so invested; or
- i) invest more than one third of its Net Asset Value in securities other than transferable securities that are money market instruments denominated in Sterling.

If these investment limit percentages are exceeded for reasons beyond the control of the Sub-Fund or as a result of the exercise of subscription rights, the Sub-Fund will adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of Shareholders.

### Efficient Portfolio Management

The Sub-Fund may invest in techniques and instruments for the purposes of efficient portfolio management as set out in the "Appendix III – Techniques and Instruments for the purpose of Efficient Portfolio Management" of the Prospectus.

The Company, on behalf of the Sub-Fund, within the conditions and limits established by the Central Bank, may enter into reverse repurchase agreements. Reverse repurchase agreements involve the acquisition by the Sub-Fund of an underlying debt instrument in return for cash proceeds based on a percentage of the value of the security. At an agreed upon future date, the seller repurchases the security, at principal, plus accrued interest.

The Sub-Fund may enter into repurchase agreements with certain eligible banks or non-bank dealers. In a repurchase agreement, the Sub-Fund sells and agrees to repurchase from the purchaser, a security at a mutually agreed upon time and price (usually within seven days). The repurchase agreement thereby determines the yield



during the purchaser's holding period, while the seller's obligation to repurchase is secured by the value of the underlying security. The Investment Adviser may enter into repurchase agreements to enhance income earned in the Sub-Fund, or to manage interest exposure of fixed rate bonds more precisely than via the use of interest rate futures.

Repurchase agreements may only be entered into in accordance with normal market practice and the Company must, at all times, be in a position to meet repurchase obligations.

Securities that are the subject of a "purchase" contract cannot be sold before the repurchase term has expired.

The Investment Adviser will monitor on an ongoing basis the value of the collateral to ensure that it always exceeds the repurchase price. Certain costs may be incurred by the Sub-Fund in connection with the sale of the securities if the seller does not repurchase them in accordance with the repurchase agreement. In addition, if bankruptcy proceedings or similar proceedings are commenced in respect of the seller of the securities, realisation of the securities by the Sub-Fund may be delayed or limited. The Investment Adviser will consider on an ongoing basis the creditworthiness of the institutions with which it enters into repurchase agreements.

For the avoidance of doubt, the Sub-Fund shall not utilise securities lending arrangements.

The Sub-Fund may engage in securities financing transactions ("SFTs"), i.e. repurchase/reverse repurchase agreements, as described above. The maximum exposure of the Sub-Fund in respect of SFTs shall be 100% of the Net Asset Value of the Sub-Fund. However, the Investment Adviser does not anticipate that the Sub-Fund's exposure to the SFTs will exceed 25% of the Net Asset Value. The types of assets that will be subject to repurchase/reverse repurchase agreements will be assets which are of a type which is consistent with the investment policy of the Sub-Fund. Additional detail on SFTs, including acceptable collateral and counterparty procedure is given under the headings "Appendix III – Management of Collateral", "Appendix III - Use of Repurchase/Reverse Repurchase and Securities Lending Agreements", "Efficient Portfolio Management and Borrowing" and "Risk Factors" in the Prospectus.

The Sub-Fund may purchase UK government securities on a when-issued or delayed delivery basis. These transactions are arrangements by which securities are purchased with payment and delivery scheduled for a future time. The Company does not engage in when-issued and delayed delivery transactions for investment leverage or for borrowing purposes on behalf of the Sub-Fund.

The direct and indirect operational costs and/or fees arising from efficient portfolio management techniques that are deducted from the revenue delivered to the Sub-Fund will not include hidden revenue and will be paid to the entities outlined (listed/described) in the annual report of the Company.

Information on the collateral management policy for the Sub-Fund is set out under the heading "Collateral Management Policy" in Appendix III of the Prospectus.

Investors should consult the sections of the Prospectus entitled "Risk Factors- Counterparty and Settlement Considerations" and "Conflicts of Interest" for more information on the risks associated with efficient portfolio management.

### Distribution Policy

In respect of the Distributing Shares of the Sub-Fund the Company intends to declare dividends on each Valuation Day with the objective of distributing all or substantially all of its net revenue (i.e., income earned on the Sub-Fund's assets less its accrued expenses). Dividends may be declared out of the following sources:

- a) net revenue which consists of interest and dividends;
- b) realised profits on the disposal of investments less realised and unrealised losses (including fees and expenses);  
or
- c) other funds (excluding capital) as may be lawfully distributed from the Sub-Fund. Distributing Shares in the Sub-Fund begin earning income dividends on the day the purchase order is effective (that is, a purchase order in proper form is received by the Administrator by 1.00 pm, Dublin time, and payment immediately available funds denominated in Sterling has been received by the Sub-Custodian by 4.00 pm, Dublin time).

Dividends for each calendar month will usually be paid on the first Valuation Day of the following month. Dividends will be automatically reinvested in additional Shares in the Sub-Fund at the Subscription Price or, at the Shareholder's option, paid in cash by wire transfer to the account number listed on the application. A Shareholder who chooses to have its dividends paid in cash must notify the Manager or the Administrator in writing at the time of their original subscription. A Shareholder who elects to receive dividends in cash will be deemed to have made a similar election in respect of any further Shares acquired by the Shareholder until the Shareholder properly revokes the election. A Shareholder may change its election by written notice to the Manager or the Administrator, which notice must be received at least five Valuation Days before the applicable dividend payment date.

Over the course of the Accounting Period of the Company, dividends accrued and paid on Distributing Shares in the Sub-Fund will consist of all or substantially all of the Sub-Fund's net investment income and net realised and unrealised capital gains (i.e., realised and unrealised capital gains net of all realised and unrealised capital losses). As regards the distribution of net investment income earned on non-Valuation Days, these will be declared as dividends on the immediately preceding Valuation Day. No interest will be paid on accrued but unpaid dividends.

If a Shareholder redeems all Shares in its account at any time during a calendar month, all dividends to which such Shareholder is entitled will be paid along with the proceeds of the redemption.

Whether dividends have been reinvested in additional Shares or paid in cash, each Shareholder will receive periodic summaries of such Shareholder's accounts which will include information as to dividends paid during the year.



In respect of the Accumulating Shares of the Sub-Fund, it is not intended to distribute dividends to the Shareholders. The income and other profits will be accumulated and reinvested on behalf of Shareholders. Dividends, if paid on the Shares, may be paid out of the net revenue of the Sub-Fund including interest and dividends earned by the Sub-Fund, realised and unrealised profits on the disposal/valuation of the investments and other assets less realised and unrealised losses of the Sub-Fund.

Further details are set out in the Prospectus under the heading "Distribution Policy".

## **Fees**

The fees and expenses of the Directors, the Manager, the Investment Adviser, the Administrator, the Global Sub-Custodian and the preliminary expenses are as set out in the Prospectus under the heading "Management and Administration of the Company - Fees and Expenses".

Under the Depositary Agreement, the Depositary is entitled to a fee that accrues daily and is payable monthly in arrears at an annual rate not exceeding 0.0045% of the aggregate Net Asset Value of the Sub-Fund as of the last Valuation Point in each month.

The Sub-Custodian shall be entitled to receive fees at various scale rates based on the Net Asset Value of the Sub-Fund at each month end at a rate not exceeding 0.01% of the Net Asset Value of the Sub-Fund. The Sub-Custodian's fees shall be payable by the Manager, subject to the voluntary expense provision set out in the Fees and Expenses section of the Prospectus. The Sub-Custodian shall also be entitled to be reimbursed at normal commercial rates for certain transactional expenses incurred by it in the performance of its duties under the Sub-Custodian Agreement.

## **Risk Factors**

**An investment in the Sub-Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

Investors' attention is particularly drawn to the section titled "Risk Factors" of the Prospectus and the additional risks described below.

### **Portfolio Management Risk**

The Investment Advisers may engage in various portfolio strategies on behalf of the Sub-Fund through the use of futures and options for hedging exchange rate or interest rate risks. Due to the nature of futures, cash to meet initial and future margin deposits may be held by a broker with whom the Sub-Fund has an open position. On execution of an option the Sub-Fund may pay a premium to a counterparty. In the event of bankruptcy of the counterparty, the option premium may be lost in addition to any unrealised gains where the contract is "in the money".

### **Swaps**

Whether the Sub-Fund's use of swap agreements (for the purposes of hedging the interest rate or exchange rate risks inherent in other Investments of a Fund) will be successful in furthering its investment objective will depend on the relevant Investment Adviser's ability to predict correctly whether certain types of investments are likely to produce greater returns than other

investments. Because they are two-party contracts and because they may have durations of greater than seven days, swap agreements may be considered to be illiquid investments. Moreover, the Sub-Fund bears the risk of loss of the amount expected to be received under a swap agreement in the event of the default or bankruptcy of a swap agreement counterparty. The swaps market is a relatively new market and is largely unregulated. It is possible that developments in the swaps market, including potential government regulation, could adversely affect the Sub-Fund's ability to terminate existing swap agreements or to realise amounts to be received under such agreements.

## **Business Day**

Every day on which the London Stock Exchange and banks in the United Kingdom are open for business.

## **Valuation Point**

4.00 pm Dublin time on a Valuation Day or such other time as the Directors may from time to time determine.

# First Addendum

## BNY MELLON LIQUIDITY FUNDS PLC (THE “COMPANY”)

This First Addendum should be read in conjunction with, and forms part of, the prospectus for the Company dated 6 January 2023 and the Supplements thereto (the “Prospectus”).

All capitalised terms herein contained shall have the same meaning in this Addendum as in the Prospectus, unless otherwise indicated.

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

### 1. QUALIFYING MONEY MARKET FUND

Please note that a section headed “Qualifying Money Market Fund” shall be added to the Prospectus

- a) in the section entitled “Preliminary” as follows:

*“While it is the intention of the Company for each of the BNY Mellon U.S. Dollar Liquidity Fund and BNY Mellon U.S. Treasury Fund to be considered to meet the requirements for a QMMF, investors and prospective investors should make their own independent determination as to whether an MMF meets the QMMF criteria prior to investing.”*

- b) in the section entitled “The Company”, directly after the section “Weekly Investor Reporting” as follows:

*“Subject to disclosures set out in this Prospectus, both BNY Mellon U.S. Dollar Liquidity Fund and BNY Mellon U.S. Treasury Fund are considered by the Directors to meet the criteria for a “qualifying money market fund”, under article 1(4) of Commission Delegated Directive (EU) 2017/593 of 7 April 2016 (“QMMF”). Investors should make their own independent determination as to whether an MMF meets the QMMF criteria before investing.”*

### 2. CONSIDERATION OF PRINCIPAL ADVERSE IMPACTS OF INVESTMENT DECISIONS ON SUSTAINABILITY FACTORS

Please note that a section headed “Consideration of Principle Adverse Indicators” shall be added to the Prospectus in the section entitled “The Company”, directly after the section “Qualifying Money Market Fund” as follows:

*“The Manager has carefully evaluated the requirements of the principal adverse impact consideration regime in Article 4 SFDR, (the “PAI regime”). The Manager is supportive of the policy aims of the PAI regime, to improve transparency to investors and the market, as to how financial market participants integrate consideration of the adverse impacts of their investment decisions on*

*sustainability factors. The Manager does not, however, currently consider the adverse impacts of investment decisions on sustainability factors in line with the PAI regime at entity level because of concerns about the lack of readily available data to comply with many of the technical reporting requirements of the regime. The Manager continues to analyse the data available that would be necessary to comply with these technical reporting requirements and to assess its obligations under the PAI regime in conjunction with the Investment Managers and will keep its decision not to comply with the PAI regime under regular review. Unless otherwise stated in the relevant Supplement, the Sub-Funds do not consider the adverse impacts of investment decisions on sustainability factors due to the nature of the investment strategy of the relevant Sub-Fund.”*

### 3. DIRECTOR CHANGES

The Directors of the Company wish to notify Shareholders and prospective investors of the following changes to the Prospectus to reflect the appointment of Ms. Sarah Cox as a director of the Company, the resignation of Mr. Gerald Rehn as a director of the Company and the resignation of Mr. Greg Brisk as a director of the Manager.

- a) the sub-section “Directors” in the section entitled “Directory” shall be removed and replaced with the following new section:

#### “Directors

Greg Brisk  
J. Charles Cardona  
Claire Cawley  
Sarah Cox  
David Dillon  
Mark Flaherty  
Caylie Stallard”

- b) Please note the following changes to the section entitled “Management and Administration of the Company”

- i) Please note that the section entitled “Directors” shall be updated to include the following paragraph:

#### “Sarah Cox (British)

*Ms Cox is the Head of UK Fund Governance, Operations & Client Services for BNY Mellon Investment Management EMEA Ltd. Ms Cox has a broad range of fund governance responsibilities including oversight of all outsourced providers, regulatory reporting, fund tax and investment risk. Ms Cox is also responsible for the UK client services team which includes responsibility for all distribution agreements. Ms Cox was appointed as director of BNY Mellon Fund Managers Ltd in September 2021 and is also a director of BNY MFM Nominees Limited. She was appointed as a member of the BNY Mellon Investment Management EMEA Ltd Executive Committee in 2021. Ms Cox joined Newton Investment Management in 1996 as part of a pooled fund operations team, who were responsible for end-*

to-end transfer agency functions, she went on to work for BNY Mellon Asset Management International Ltd supporting the Head of Offshore Funds and in 2009 was the Manager of Offshore Funds having oversight of all fund ranges in both Ireland and Cayman Islands. In 2015 she was appointed director of Fund Operations & Governance where she managed a number of third-party administrator and trustee relationships as well as being the designated individual responsible for CASS activity for BNY Mellon Fund Managers Ltd."

- ii) Mr Rehn's biography in the section entitled "Directors" shall be removed and his updated biography shall be added to the section entitled "Manager":

**"Gerald Rehn (American)"**

Gerald is head (Chief Executive-SMF1, SMF3) of BNY Mellon Investment Management EMEA, BNY Mellon's investment management distribution business in EMEA. His responsibilities include distribution strategy, entity financial and regulatory oversight, and management of the sales, marketing, product strategy and development, client services, and operations departments. Gerald is a member of the Investment Management Global Distribution Executive Committee and chair of IM EMEA's Executive Committee. In addition to IM EMEA Ltd, Gerald is a board director of BNY Mellon Fund Managers Limited (UK) and is elected to the Board of Managers of BNY Mellon Investors Solutions, LLC, USA. Prior to joining BNY Mellon in 2013, Gerald held investment management distribution and portfolio management roles in the USA, UK and UAE since 1999. He is an American and British citizen, holds an MBA from Bayes Business School London (2004) and is a Chartered Financial Analyst® (CFA)."

- iii) Mr Brisk's biography in the section entitled "Directors" shall be updated to the following:

"Mr. Brisk was the Head of Governance at BNY Mellon Investment Management until the end March 2023. He has been in the finance industry since 1982. Mr. Brisk had a broad range of Board positions and governance responsibilities across BNY Mellon Investment Management, focussed on adoption of best practices to protect shareholder interests in both fund investor and BNY Mellon owned entities. Prior to this, from 2013-2015, he was Global Head of Risk and Compliance Investment Management incorporating all of the asset management and wealth management businesses in BNY Mellon. From April 2010-2012, Mr. Brisk was Chief Operations Officer, BNY Mellon International Asset Management. Prior to 2010 he was Chief Operations Officer for the international distribution business of the group. Before taking on that role in 2002, Mr. Brisk was the European Head of Risk and Compliance for the Mellon Group. Before joining BNY Mellon in 1999, Mr. Brisk worked at the Financial Services Authority as a banking regulator with responsibility for American banks in London. Mr. Brisk spent his first 17 years working in a variety of roles at the Bank of England."

- iv) The following paragraph in the section entitled "Manager" shall be removed:

*"The Directors of the Manager are Greg Brisk, Mark Flaherty, Udo Goebel, Carole Judd, Gerald Rehn and Marc Saluzzi. Descriptions of Greg Brisk, Mark Flaherty and Gerald Rehn appear under the heading "Directors" above."*

And replaced with:

*"The Directors of the Manager are Mark Flaherty, Udo Goebel, Carole Judd, Gerald Rehn and Marc Saluzzi. A description of Mark Flaherty appears under the heading "Directors" above."*

- v) Paragraph (d) in section "7. Directors' Interests" in Appendix I General Information shall be deleted and replaced with:

*"(d) Except as outlined below, none of the Directors has, or has had, any direct or indirect interest in any transactions which are or were unusual in their nature or conditions or significant to the business of the Company and which have been effected since the date of incorporation of the Company:*

*(i) Mark Flaherty is also a director of the Manager and shall be deemed to be interested in any contract entered into by the Company with the Manager."*

#### **4. SUB-FUNDS WHICH DO NOT PROMOTE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS OR WHICH DO NOT HAVE SUSTAINABLE INVESTMENT AS THEIR OBJECTIVE PURSUANT TO ARTICLE 8 AND ARTICLE 9 OF SFDR**

Please note that the section headed "The Sustainable Finance Disclosure Regulation" shall be amended for the Supplements for the following sub-funds as follows:

1. BNY Mellon U.S. Dollar Liquidity Fund
2. BNY Mellon U.S. Treasury Fund

The paragraph:

*"The Manager has carefully evaluated the requirements of the principal adverse impact consideration regime in Article 4 SFDR, (the "PAI regime"). The Manager is supportive of the policy aims of the PAI regime, to improve transparency to investors and the market, as to how financial market participants integrate consideration of the adverse impacts of their investment decisions on sustainability factors. The Manager does not, however, currently consider the adverse impacts of investment decisions on sustainability factors in line with the PAI regime for the Sub-Fund because of concerns about the lack of readily available data to comply with many of the technical reporting requirements of the regime. The Manager continues to analyse the data available that would be necessary to comply with these technical reporting requirements and to assess its obligations under the PAI regime in conjunction with the Investment Manager and will keep its decision not to comply with the PAI regime under regular review."*

shall be removed.









**BNY MELLON**  
INVESTMENT MANAGEMENT