

Prospective investors should review this Prospectus (the "Prospectus") and the Relevant Supplements carefully and in its entirety and, before making any investment decision with respect to an investment in a Fund, should consult a stockbroker, bank manager, lawyer, accountant or other financial adviser for independent advice in relation to: (a) the legal requirements within their own countries for the purchase, holding, exchanging, redeeming or disposing of Units; (b) any foreign exchange restrictions to which they are subject in their own countries in relation to the purchase, holding, exchanging, redeeming or disposing of Units; (c) the legal, tax, financial or other consequences of subscribing for, purchasing, holding, exchanging, redeeming or disposing of Units; and (d) the provisions of this Prospectus and the Relevant Supplements.

## **UBS Common Contractual Fund** (the "CCF")

**(An open-ended umbrella common contractual fund with segregated liability between sub-funds established under the laws of Ireland and authorised by the Central Bank pursuant to the UCITS Regulations)**

### **PROSPECTUS**

**8 August 2018**

The directors of the Manager, UBS Fund Management (Luxembourg) S.A. whose names appear in the "*Directors of the Manager*" section, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Manager (which has 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 importance of such information. The Manager accepts responsibility accordingly.

**No person has been authorised to give any information or to make any representations other than those contained in this Prospectus in connection with the offer of the Units, and, if given or made, the information or representations must not be relied upon as having been authorised by the CCF.**

**Investors should be aware that the price of Units may fall as well as rise, and investors may not get back any of the amount invested. The difference at any one time between the subscription and redemption price of Units means that an investment in any Fund should be viewed as medium to long term. Risk factors for each investor to consider are set out in the "*Risk Information*" section.**

**The authorisation of the CCF by the Central Bank is not an endorsement or guarantee of the CCF by the Central Bank nor is the Central Bank responsible for the contents of the Prospectus. The authorisation of the CCF by the Central Bank shall not constitute a warranty as to the performance of the CCF and the Central Bank shall not be liable for the performance or default of the CCF.**

**Units are not being, and may not be, offered, sold or delivered directly or indirectly in the United States of America, its territories or possessions or in any State or the District of Columbia (the "U.S.") or to or for the account or benefit of any U.S. Person as defined in Schedule I hereto. Units have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or under the securities laws of any of the States of the U.S. and the CCF will not be registered under the U.S. Investment Company Act of 1940, as amended. Any re-offer or resale of any of the Units in the U.S. or to U.S. Persons may constitute a violation of U.S. law. The Units have not been approved by the United States Securities and Exchange Commission, any state securities commission or other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of these offering materials. Any representation to the contrary is unlawful.**

**The Manager may impose restrictions on the holding of Units by (and consequently to compulsorily redeem Units held by), or the transfer of Units to, any U.S. Person (noting that individuals may not invest in the CCF)**

(unless pursuant to an exemption under US securities laws); or by any investor who appears to be in breach of any law or requirement of any country or governmental authority by virtue of which such investor is not qualified to hold such Units; or by any investor in circumstances (whether directly or indirectly affecting such investor, and whether taken alone or in conjunction with any other investors, connected or not, or any other circumstances appearing to the Manager to be relevant) which, in the opinion of the Manager, might result in the CCF or the relevant Fund incurring any liability to taxation or suffering any other pecuniary, regulatory, legal or material administrative disadvantages which the CCF or the relevant Fund might not otherwise have incurred, suffered or breached ("Prohibited Persons").

Distribution of this Prospectus and the Relevant Supplement is not authorised in any jurisdiction unless accompanied by a copy of the published annual report and audited accounts. Such reports and this Prospectus together form the Prospectus for the issue of Units in the CCF.

This Prospectus may be translated into other languages. Any such translation shall only contain the same information and have the same meanings as this English language document. To the extent that there is any inconsistency between this English language document and the document in another language, this English language document shall prevail except to the extent (but only to the extent) required by the laws of any jurisdiction where the Units are sold so that in an action based upon disclosure in a document of a language other than English, the language of the document on which such action is based shall prevail.

## CONTENTS

	<b>Page No</b>
<b>DIRECTORY</b> .....	<b>4</b>
<b>GENERAL INFORMATION</b> .....	<b>5</b>
<b>OTHER INFORMATION</b> .....	<b>15</b>
<b>INVESTMENT RESTRICTIONS</b> .....	<b>19</b>
<b>RISK INFORMATION</b> .....	<b>23</b>
<b>PURCHASE AND SALE INFORMATION</b> .....	<b>39</b>
<b>DETERMINATION OF NET ASSET VALUE</b> .....	<b>46</b>
<b>FEES AND EXPENSES</b> .....	<b>49</b>
<b>TAX INFORMATION</b> .....	<b>50</b>
<b>MANAGEMENT</b> .....	<b>57</b>
<b>WHERE TO LEARN MORE ABOUT THE FUNDS</b> .....	<b>62</b>
<b>SCHEDULE I – DEFINITIONS</b> .....	<b>64</b>
<b>SCHEDULE II – RECOGNISED MARKETS</b> .....	<b>71</b>
<b>SCHEDULE III – SUB-CUSTODIAL AGENTS</b> .....	<b>73</b>

---

## DIRECTORY

---

### UBS COMMON CONTRACTUAL FUND

**Directors of the Manager:**

André Müller-Wegner  
Andreas Schlatter  
Gilbert Schintgen  
Pascal Kistler

**Depository:**

Northern Trust Fiduciary Services (Ireland) Limited  
Registered Office:  
George's Court  
54 to 62 Townsend Street  
Dublin 2  
Ireland

**Distributor:**

UBS AG  
Aeschenvorstadt 1  
CH-4002 Basel  
and  
Bahnhofstrasse 45  
CH-8098 Zurich  
Switzerland

**Manager:**

UBS Fund Management (Luxembourg) S.A.  
33A Avenue J.F. Kennedy  
L – 1855 Luxembourg  
Grand-Duchy of Luxembourg

**Investment Manager:**

UBS Asset Management (UK) Ltd  
5 Broadgate  
London  
EC2M 2QS  
United Kingdom

**Administrator, Registrar and Transfer Agent:**

Northern Trust International Fund Administration  
Services (Ireland) Limited  
George's Court  
54 to 62 Townsend Street  
Dublin 2  
Ireland

**Legal Advisors in Ireland:**

Maples and Calder  
75 St. Stephen's Green  
Dublin 2  
Ireland

**Auditors:**

PricewaterhouseCoopers  
One Spencer Dock  
North Wall Quay  
Dublin 1  
Ireland

---

## GENERAL INFORMATION

---

This section is an introduction to this Prospectus and any decision to invest in the Units should be based upon consideration of the Prospectus as a whole, including the Relevant Supplements. Capitalised terms used in this Prospectus are defined in Schedule I hereto.

### THE CCF

The CCF is structured as an open-ended umbrella common contractual fund constituted by a Deed of Constitution governed by the laws of Ireland. The CCF was constituted on 8 August 2018 by the Deed of Constitution entered into between the Manager and the Depositary.

The CCF is a collective investment undertaking as defined in section 739I of the Taxes Consolidation Act 1997.

Neither the CCF nor any Fund is an incorporated entity and neither the CCF nor any Fund has a separate legal personality. Instead, it is simply a description of a form of undivided co-ownership by contractual arrangement whereby persons who acquire Units and become legal Unitholders in the CCF will have co-ownership rights to the property of the relevant Fund of the CCF and the income that is derived from such property. In this Prospectus, a reference to the CCF shall, unless the context otherwise requires, be read as a reference to the Manager or Depositary acting on behalf of the Unitholders of the CCF as the undivided co-owners of the property of the Funds of the CCF and the income that is derived from such property. The rules of the CCF which are set out in the Deed of Constitution are binding on all persons acquiring Units in the CCF.

The object of the CCF is the collective investment in transferable securities and/or other liquid financial assets of capital raised from the public, operating on the principle of risk spreading in accordance with the UCITS Regulations. The CCF has been structured as an umbrella fund, with segregated liability between Funds, in that the Manager may from time to time, with the prior approval of the Central Bank, issue different series of Units representing separate portfolios of assets, each comprising a Fund. The portfolio of assets maintained for each series of Units and comprising a Fund will be invested in accordance with the investment objectives and policies applicable to such Fund as specified in the Relevant Supplement and each Relevant Supplement shall include all such relevant information in relation to the additional Fund or Funds as the Manager may deem appropriate and the Central Bank requires, to be included. Each Fund will bear its own liabilities and, under Irish law, none of the Manager, any of the service providers appointed to the CCF, the Directors of the Manager, any receiver, examiner or liquidator, nor any other person will have access to the assets of a Fund in satisfaction of a liability of any other Fund.

Units of any particular series may be divided into different Classes to accommodate different Unitholder profiles, dividend policies, tax treatments, charges and/or fee arrangements (including different total expense ratios) and/or currencies. The Manager may establish Classes that provide for foreign exchange hedging in accordance with the policies and requirements of the Central Bank from time to time.

All Unitholders are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Deed of Constitution, copies of which are available as mentioned herein. Each Unit represents one undivided co-ownership interest with other holders of Units share in the Assets of a Fund.

The CCF is promoted by UBS Asset Management (UK) Ltd.

### INVESTMENT OBJECTIVES, POLICY AND STRATEGY

The CCF has been established for the purpose of investing in transferable securities in accordance with the UCITS Regulations. The investment objectives, strategies and policies for each Fund will be set out in the Relevant Supplement.

The assets of each Fund will be invested in accordance with the investment restrictions contained in the UCITS Regulations, which are summarised in the "*Investment Restrictions*" section.

The CCF may acquire real and personal property that is required for the purpose of its business.

The CCF shall not acquire either precious metals or certificates representing them.

The CCF shall not make any loan of its assets provided that, for the purpose of this restriction, the holding of ancillary liquid assets such as deposits, and the acquisition of bonds, notes, commercial paper, certificates of deposit, bankers acceptances, and other debt securities or obligations permitted by the UCITS Directives, and the acquisition of transferable securities, money market instruments or other financial instruments that are not fully paid, shall not be deemed to constitute the making of a loan.

A Fund may borrow up to 10% of its Net Asset Value for temporary purposes.

Additional investment restrictions, if any, as may be adopted by the Manager for any Fund and specified in the Relevant Supplement.

Generally, each Fund will seek to achieve its objective by pursuing a policy which seeks to track the performance of an Index and will use either a Replication Strategy or a Sampling Strategy (as described below) with the aim of minimising as far as possible the difference in performance between the Fund and the relevant Index. The Investment Manager and/or Sub-Investment Manager will determine whether a Replication Strategy or a Sampling Strategy is most appropriate for a Fund. The Relevant Supplement will specify and describe the strategy the applicable Fund intends to use.

The following is a summary description of each of the Replication Strategy and Sampling Strategy. More detailed information on each strategy is set forth in the Relevant Supplement, as appropriate.

- Replication Strategy – this strategy seeks to hold all of the securities of a particular Index, with the approximate weightings of that Index, so that the portfolio of the Fund is a near mirror-image of the components of the Index.
- Sampling Strategy – this strategy seeks to build a representative portfolio that provides a return comparable to that of an Index. This strategy is used for tracking certain equity or fixed income indices which are too broad to replicate (i.e. the Index contains too many securities for the Fund to be able to purchase them all efficiently) and/or which contain securities which are difficult to purchase in the open markets. Consequently, a Fund using this strategy will typically hold only a subset of the securities which comprise the Index.

A Fund may also on occasion hold securities which are not comprised in its Index where the Investment Manager and/or Sub-Investment Manager believes this to be appropriate in light of the investment objective and investment restrictions of the Fund, or other factors. The potential for any such proposed investment by a Fund will be disclosed in the Relevant Supplement.

Changes to the composition and/or weighting of the securities constituting an Index which is tracked by a Fund will ordinarily require that Fund to make corresponding adjustments or rebalancings to its investments in order to seek to track the Index. The Investment Manager and/or Sub-Investment Manager will accordingly seek to rebalance the composition and/or weighting of the securities held by a Fund from time to time to the extent practicable and possible to conform to changes in the composition and/or weighting of the Index. Other rebalancing measures may be taken from time to time to seek to maintain the correspondence between the performance of a Fund and the performance of the Index.

The Investment Manager and/or Sub-Investment Manager will rely solely on each Index Provider for information as to the composition and/or weighting of the securities that constitute each Index ("**Index Securities**"). If the Investment Manager and/or Sub-Investment Manager is unable to obtain or process such information in relation to any Index on any Business Day, the most recently published composition and/or weighting of that Index will be used for the purpose of all adjustments.

The Manager may establish Funds that will seek to track an Index by:

- investing solely in Index Securities and transferable securities other than Index Securities;
- investing solely in FDI; or

- investing in a combination of Index Securities, transferable securities other than Index Securities and FDI.

In each case, information in relation to the types of instruments or securities in which the relevant Fund will invest, including details in relation to the exchanges or markets on which the Fund's investments will be listed or traded, will be set out in the Relevant Supplement.

## **CHANGES TO INVESTMENT OBJECTIVE, POLICIES AND STRATEGY OF A FUND**

Any change in the investment objectives and any material change in the investment policies of a Fund will require approval by ordinary resolution of the Unitholders in that Fund. In the event of a change of investment objectives and/or the investment policy, a reasonable notification period will be provided by the Fund to enable Unitholders to redeem their Units prior to implementation of the change. Any proposal by the Manager to change an Index, for the reasons outlined below, shall be subject to the prior approval of the Unitholders of the relevant Fund by ordinary resolution only if it is deemed to be a change of investment objective or a material change of investment policy. Otherwise, it will simply be notified to Unitholders, in accordance with the requirements of the Central Bank.

The Manager may decide, if they consider it to be in the interests of any Fund, to change or substitute the existing Index of a Fund. The Manager may, for instance, decide to substitute such an Index in the following circumstances:

- the transferable securities or other techniques or instruments described in the "*Investment Restrictions*" section which are necessary for the implementation of the relevant Fund's investment objective cease to be sufficiently liquid or otherwise be available for investment in a manner which is regarded as acceptable by the Manager;
- the quality, accuracy and availability of data of a particular Index has deteriorated;
- the components of the applicable Index would cause the Fund (if it were to follow the Index closely) to be in breach of the limits set out in the "*Investment Restrictions*" section and/or materially affect the taxation or fiscal treatment of the CCF or any of its Unitholders;
- the particular Index ceases to exist or, in the determination of the Manager, there is, or is expected to be, a material change in the formula for or the method of calculating a component of the Index or there is, or is expected to be, a material modification of a component of the Index;
- the Index Provider increases its licence fees to a level which the Manager consider excessive;
- there is a change of ownership of the relevant Index Provider to an entity not considered acceptable by the Manager and/or a change of name of the relevant Index; or
- a new index becomes available which is regarded as the market standard for investors in the particular market and/or would be regarded as of greater benefit to the unitholders than the existing Index.

The above list is indicative only and should not be understood as being exhaustive in respect of the ability of the Manager to change the Index in any other circumstances as they consider appropriate. The Prospectus and any of the Relevant Supplements will be updated in the case of substitution or change of the existing Index of a Fund for another Index.

The Manager may change the name of a Fund if its Index is changed. Any change to the name of a Fund will be approved in advance by the Central Bank and the relevant documentation will be updated.

## **TRACKING ACCURACY**

Tracking difference: The Investment Manager and/or Sub-Investment Manager aims to achieve a level of tracking accuracy whereby the anticipated annual difference in returns, after expenses, between the performance of the units of a Fund and that Fund's Index will not exceed 1% under normal market conditions. However, exceptional circumstances may arise which cause a Fund's tracking accuracy to exceed 1%. Additionally, in relation to certain Funds through the composition of each of that Fund's Index, it may not be practicably possible, for example because of the CCF's investment

restrictions, to achieve such a level of tracking accuracy. It is anticipated for most Funds, especially those where the Index's component securities are listed on one or more highly liquid and efficient Recognised Markets, that the level of tracking accuracy will be significantly better than normal annual return differences of 1%. In relation to those certain Funds where such accuracy is not practicably possible, it is anticipated that the normal annual return differences will be no more than 5%.

Tracking error: The Investment Manager and/or Sub-Investment Manager aims to keep the tracking error, defined as the volatility of the tracking difference between the performance of the units of a Fund and that Fund's Index, below or equal to 1% under normal market conditions. However, exceptional circumstances may arise which cause a Fund's tracking error to exceed 1%. Additionally, in relation to certain Funds through the composition of that Fund's Index, it may not be practicably possible, for example because of the CCF's investment restrictions, to achieve such a tracking error. It is anticipated for most Funds, especially those where the Index's component securities are listed on one or more highly liquid and efficient Recognised Markets, that the tracking error will be significantly lower than 1%. In relation to those certain Funds where such accuracy is not practicably possible, it is anticipated that the annual tracking error will be no more than 3%.

For the avoidance of doubt any currency versions of a Fund's Classes may have a higher tracking error and tracking difference than those set out above.

The annual and half-yearly reports will state the size of the tracking difference and tracking error at the end of the period under review. The annual report will provide an explanation of any divergence between the anticipated and realised tracking error for the relevant period. The annual report will also disclose and explain the annual tracking difference between the performance of the Fund and the performance of the Index tracked.

Exposure to the Index through physical replication may be affected by rebalancing costs, in particular where the Index undergoes significant rebalancing or where constituents are not very liquid or have restrictions in terms of accessibility. Rebalancing costs are a factor of the rebalancing frequency of the underlying Index, the constituents' weighting adjustments and/or the number of constituents being replaced on each rebalancing day, and the transaction costs incurred to implement such changes. High rebalancing costs will generally deteriorate the relative performance between the Fund and the Index. The rebalancing frequency is detailed for each Fund in the Relevant Supplement.

## **USE OF FINANCIAL DERIVATIVE INSTRUMENTS**

The use of FDI by any Fund for investment purposes or for efficient portfolio management will be described in the Relevant Supplement. In this context, efficient portfolio management means the reduction of risks, including the risk of differences in the performance of a Fund and the performance of the Index tracked by the relevant Fund, the reduction of costs to the CCF or the generation of additional capital or income for the CCF with an appropriate level of risk, taking into account the risk profile of the relevant Fund and the risk diversification rules set out in the Central Bank Rules. In addition, the use of such techniques and instruments must be realised in a cost-effective way and must not result in a change to the investment objective of the Fund or add supplementary risks not covered in this Prospectus. Please refer to the section of this Prospectus entitled "Risk Information; Efficient Portfolio Management Risk" for more details. The risks arising from the use of such techniques and instruments shall be adequately captured in the Manager's risk management process.

FDI may also be used for hedging against market movements, currency exchange or interest rate risks subject to the general restrictions outlined in the "*Investment Restrictions*" section below. Hedging is a technique used for minimising an exposure created from an underlying position by counteracting such exposure by means of acquiring an offsetting position. The positions taken for hedging purposes will not be allowed to exceed materially the value of the assets that they seek to offset. In the event that a Fund uses FDI, there may be a risk that the volatility of the Fund's Net Asset Value may increase. The contribution of FDI to the risk profile of a Fund which uses FDI will be disclosed in its investment policies. Although a Fund may be leveraged as a result of use of FDI, the Fund's global exposure relating to the use of FDI may not exceed its total net assets, i.e. the Fund may not be leveraged in excess of 100% of its Net Asset Value. The global exposure and leverage of each Fund's which uses FDI will be calculated using either the commitment approach or an advanced value-at-risk approach, as specified in the Relevant Supplement. The commitment approach converts a Fund's FDI positions into the equivalent positions in the underlying assets and seeks to ensure that the FDI



risk is monitored in terms of any future "commitments" to which it is (or may be) obligated. The alternative, value-at-risk approach is a risk measurement methodology commonly used to measure the "risk of loss" to an asset portfolio. It calculates the maximum loss in a portfolio of assets with a given probability of loss (defined as the confidence level), over a given period of time. Investors should refer to the "*Risk Information*" section for information in relation to the risks associated with the use of FDI.

A Fund may invest in OTC derivatives in accordance with the Central Bank Rules and provided that the counterparties to the OTC derivatives are Eligible Counterparties.

The Manager has adopted a statement of its risk management processes ("**RMP**") in respect of the use of FDI which enables it to accurately measure, monitor and manage the various risks associated with FDI and the Manager on behalf of the CCF will employ only FDIs which are described in the RMP. The RMP was prepared and submitted to the Central Bank in accordance with the Central Bank requirements. The Manager will on request provide supplementary information to Unitholders relating to the risk management methods employed including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investment.

## **USE OF SECURITIES FINANCING TRANSACTIONS**

A Fund may enter into Securities Financing Transactions for efficient portfolio management purposes only, in accordance with normal market practice subject to the requirements of SFTR and the Central Bank Rules. Such Securities Financing Transactions may be entered into for any purpose that is consistent with the investment objective of the relevant Fund, including to generate income or profits in order to increase portfolio returns or to reduce portfolio expenses or risks.

Any type of assets that may be held by each Fund in accordance with its investment objectives and policies can be subject to Securities Financing Transactions. In accordance with the Investment Restrictions section of this Prospectus such assets will be the constituents of the Reference Index of the relevant Fund unless otherwise stated in the supplement for the relevant Fund.

The most recent semi-annual and annual report of the CCF will express as an absolute amount and as a percentage of each Fund's assets the amount of the relevant Fund assets subject to Securities Financing Transactions.

When selecting counterparties to securities lending transactions, the Investment Manager and/or Sub-Investment Manager may take into account such criteria as it determines appropriate, including but not limited to the legal status, country of origin and minimum credit rating (where relevant), notwithstanding that the Central Bank Rules do not prescribe any pre-trade eligibility criteria for counterparties to a Fund's securities lending transactions. A Fund may only enter into securities lending transactions with counterparties which have a minimum credit rating of A2 or equivalent from a Recognised Rating Agency or which, if unrated, have, in the opinion of the Investment Manager and/or Sub-Investment Manager, an implied rating of A2 or better. Alternatively, an unrated counterparty is acceptable where the relevant Fund is indemnified or guaranteed against losses suffered as a result of a failure by the counterparty by an entity which maintains a rating of A2 or equivalent.

A Fund may enter Securities Financing Transactions only in accordance with normal market practice and provided that collateral obtained under the Securities Financing Transactions meets, at all times, the criteria for collateral as further outlined below.

All the revenues arising from Securities Financing Transactions and any other efficient portfolio management techniques shall be returned to the relevant Fund following the deduction of any direct and indirect operational costs and fees arising. Such direct and indirect operational costs and fees (which are all fully transparent), which shall not include hidden revenue, shall include fees and expenses payable to repurchase/reverse repurchase agreements counterparties and/or securities lending agents engaged by the CCF from time to time. Such fees and expenses of any repurchase/reverse repurchase agreements counterparties and/or securities lending agents engaged by the CCF, which will be at normal commercial rates together with VAT, if any, thereon, will be borne by the CCF or the Fund in respect of which the relevant party has been engaged. Details of Fund revenues arising and attendant direct and indirect operational costs and fees as well as the identity of any specific repurchase/reverse repurchase agreements counterparties and/or securities lending agents engaged by the CCF from time to time shall be included in the CCF's semi-annual and annual reports.

While the Manager will conduct appropriate due diligence in the selection of counterparties, including consideration of the legal status, country of origin, credit rating, and minimum credit rating (where relevant), it is noted that the Central Bank Rules do not prescribe any pre-trade eligibility criteria for counterparties to a Fund's Securities Financing Transactions.

Please refer to "Risk Information" in respect of the risks related to Securities Financing Transactions.

From time to time, a Fund may engage repurchase/reverse repurchase agreements counterparties and/or securities lending agents that are related parties to the Depositary or other service providers of the CCF. Such engagement may on occasion cause a conflict of interest with the role of the Depositary or other service provider in respect of the CCF. The identity of any such related parties will be specifically identified in the CCF's semi-annual and annual reports.

Repurchase/reverse repurchase agreements or securities lending do not constitute borrowing or lending for the purposes of UCITS Regulation 103 and UCITS Regulation 111 respectively.

### Securities Lending

Unless otherwise stated in the Relevant Supplement, each Fund, in accordance with normal market practice and subject to the requirements of SFTR and the Central Bank Rules, may lend its portfolio securities via a securities lending program through an appointed securities lending agent, including related parties to the Depositary, to brokers, dealers and other financial institutions desiring to borrow securities to complete transactions and for other purposes. A securities lending program allows a Fund to receive a portion of the income generated by lending its securities and, if cash is received as collateral, investing the cash collateral.

Any returns or losses generated by securities lending transactions will be for the account of a Fund, subject to the terms agreed with the relevant securities lending agent which may provide for deductions for taxes and any fees, costs and expenses of the SFTR Counterparty, any depositary or third parties.

The Funds exposure to securities lending transactions is set out below (in each case as a percentage of Net Asset Value):

Fund	Securities Lending	
	Expected	Maximum
Funds tracking an equity index (other than any Funds specifically listed below)	up to 50%	50%
Funds tracking a "socially responsible" index, i.e. MSCI	0 %	0%

### Repurchase Agreements

A repurchase agreement is an agreement between a seller and a buyer of specified securities under which the seller agrees to repurchase securities at an agreed upon price and, usually, at a stated time (if the CCF is the seller, the agreement is categorised by the CCF as a repurchase agreement; if the CCF is the buyer, the agreement is categorised by the CCF as a reverse repurchase agreement). The difference between the purchase price and the repurchase price represents the yield to the buyer from the repurchase transaction. In contrast, in a stock lending transaction, the lender makes a loan of securities to the borrower upon terms that require the borrower to return equivalent securities to the lender within a specified period and the borrower pays the lender a fee for the use of the securities during the period that they are on loan.

Any Fund that enters into a reverse repurchase agreement should ensure that it is able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement 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 should be used for the calculation of the Net Asset Value of the Fund.

A Fund that enters into a repurchase agreement should ensure that it is able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered. Fixed-term repurchase and reverse repurchase agreements that do not exceed seven days shall be considered as arrangements on terms that allow the assets to be recalled at any time by the Fund.

The Funds exposure to repurchase agreements is set out below (in each case as a percentage of Net Asset Value):

Fund	Repurchase Agreements	
	Expected	Maximum
Funds tracking an equity index (other than any Funds specifically listed below)	up to 100%	100%
Funds tracking a "socially responsible" index, i.e. MSCI	up to 100%	100%

### **Collateral Policy**

In the context of efficient portfolio management techniques and Securities Financing Transactions and/or the use of FDI for hedging or investment purposes, collateral may be received from a counterparty for the benefit of a Fund or posted to a counterparty by or on behalf of a Fund. Any receipt or posting of collateral by a Fund will be conducted in accordance with the requirements of the Central Bank and the terms of the CCF's collateral policy outlined below.

#### **Collateral – received by the UCITS**

Collateral posted by a counterparty for the benefit of a Fund may be taken into account as reducing the exposure to such counterparty. Each Fund will require receipt of the necessary level of collateral so as to ensure counterparty exposure limits are not breached. Counterparty risk may be reduced to the extent that the value of the collateral received corresponds with the value of the amount exposed to counterparty risk at any given time.

A Fund receiving collateral for at least 30% of its assets should have an appropriate stress testing policy in place to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to enable the Fund to assess the liquidity risk attached to the collateral. The liquidity stress testing policy will at least prescribe the components set out in Regulation 24 paragraph (8) of the Central Bank Regulations.

For the purpose of providing margin or collateral in respect of transactions in techniques and instruments, the Fund may transfer, mortgage, pledge, charge or encumber any assets of the Fund in accordance with normal market practice (including the transfer of daily variation margins) and the requirements outlined in the Central Bank Rules.

All assets received by a Fund in the context of Securities Financing Transactions shall be considered as collateral and must comply with the terms of the CCF's collateral policy.

#### **Non-cash collateral**

Non-cash collateral received must, at all times, meet with the following criteria:

- (i) Liquidity: Collateral received other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. The following types of securities are accepted as collateral provided they comply with the above requirements:
  - (1) Fixed Income Securities; and
  - (2) Equities in the form of world stock indices. Further information on the types of securities accepted as collateral is available at [www.ubs.com/funds](http://www.ubs.com/funds).

Collateral received should also comply with the provisions of the Central Bank Regulations.

- (ii) Valuation: Collateral received 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 (as referred to below) are in place.

Where appropriate, non-cash collateral held for the benefit of a Fund shall be valued in accordance with the valuation policies and principles of the CCF. Subject to any agreement on valuation made with the counterparty, collateral posted to a counterparty will be valued daily at mark-to-market value.

- (iii) Issuer credit quality: Collateral received should be of high quality.
- (iv) Correlation: Collateral received should be issued by an entity that is independent from the counterparty and is not expected to display a high correlation with the performance of the counterparty.
- (v) Diversification (asset concentration): Collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of the Fund's Net Asset Value. The criterion of sufficient diversification with respect of issuer concentration is considered to be respected if a Fund receives from a counterparty a basket of collateral with a maximum exposure to a given issuer of 20% of its Net Asset Value. When the 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. To the extent that a Fund avails of the increased issuer exposure facility in section 5(ii) of Schedule 3 of the Central Bank Regulations, such increased issuer exposure may be to any of the issuers listed in section 2.12 of the "Investment Restrictions" section of the Prospectus.
- (vi) Immediately available: Collateral received should be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty.
- (vii) Safe-keeping: Collateral received on a title transfer basis (whether in respect of a Securities Financing Transaction, an OTC derivative transaction or otherwise) should be held by the Depositary. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.
- (viii) Haircuts: The CCF (or its delegate), on behalf of each Fund, shall apply suitably conservative haircuts to assets being received as collateral where appropriate on the basis of an assessment of the characteristics of the assets such as the credit standing or the price volatility, as well as the outcome of any stress tests performed as referred to above. The CCF has determined that generally if issuer or issue credit quality of the collateral is not of the necessary quality or the collateral carries a significant level of price volatility with regard to residual maturity or other factors, a conservative haircut must be applied in accordance with more specific guidelines as will be maintained in writing by the CCF on an on-going basis. However, the application of such a haircut will be determined on a case by case basis, depending on the exact details of the assessment of the collateral. The CCF, in its discretion, may consider it appropriate in certain circumstances to resolve to accept certain collateral with more conservative, less conservative or no haircuts applied if it so determines, on an objectively justifiable basis. Any extenuating circumstances that warrant the acceptance of relevant collateral with haircut provisions other than the guideline levels must be outlined in writing. Documentation of the rationale behind this is imperative. Collateral is marked to market on a daily basis. The value of collateral may change on an intra-day basis due to market movements resulting from corporate actions and other events which may result in the value of the collateral held falling below the 105% limit for over hedged positions or the 95% limit for under hedged positions of the value of the lent securities for a short duration until the next daily marking to market occurs. Collateral is likewise monitored on a daily basis to ensure the required diversification levels are maintained. Collateral is received in the context of OTC derivatives transactions where the exposure to the relevant OTC counterparty exceeds the applicable legal and regulatory limits as stated under section 2.8 Investment Restrictions (i.e. 10% when the counterparty is a credit institution, or 5% of its assets in any other case).
- (iv) Maturity: There are no restrictions on maturity provided the collateral is sufficiently liquid.

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

## **Cash collateral**

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

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

Re-invested cash collateral should be diversified in accordance with the diversification requirement applicable to non-cash collateral outlined above. Re-invested cash collateral may not be placed on deposit with the counterparty or a related entity. Exposure created through the reinvestment of collateral must be taken into account in determining risk exposures to a counterparty. Re-investment of cash collateral in accordance with the provisions above can still present additional risk for the Fund. Please refer to the section of this Prospectus entitled "Risk Information; Reinvestment of Cash Collateral Risk" for more details.

## **Collateral – posted by the UCITS**

Collateral posted to a counterparty by or on behalf of the Fund must be taken into account when calculating counterparty risk exposure. Collateral posted to a counterparty and collateral received by such counterparty may be taken into account on a net basis provided the Fund is able to legally enforce netting arrangements with the counterparty. Assets provided by a Fund on a title-transfer basis shall no longer belong to the Fund and shall pass outside the custodial network. The counterparty may use those assets at its absolute discretion. Assets provided to a counterparty other than on a title transfer basis shall be held by the Depositary or a duly appointed sub-custodian.

Collateral posted to a counterparty by or on behalf of a Fund will consist of such collateral as is agreed with the counterparty from time to time and may include any types of assets held by the Fund.

Until the expiry of a securities lending arrangement or repurchase agreement, collateral obtained must meet the criteria outlined above. The requirement for the collateral to be transferred to the Depositary is not applicable in the event that the CCF uses tri-party collateral management services of international central securities depositaries or Relevant Institutions which are generally recognised as specialists in this type of transaction and are subject to prudential supervision of the Depositary and which are unrelated to the provider of the collateral, the CCF may enter into securities lending programmes organised by generally recognised international central securities depositaries systems provided that the programme is subject to a guarantee from the system operator. The Depositary must be a named participant to the collateral arrangements.

Pursuant to the terms of the relevant securities lending agreement, the appointed lending agent will, on behalf of the CCF, receive a securities lending fee from the borrower. The lending agent is entitled to retain a portion of the securities lending revenue to cover all costs associated with the securities lending activity including the delivery of loans, the management of collateral and the provision of the securities lending indemnity, in accordance with the provisions of the securities lending agreement. The income generated from the securities lending programme will be disclosed in the periodic reports of the CCF and the fees paid will be at normal commercial rates. A Fund must have the right at any time to terminate any securities lending agreement entered into by it, and to demand the return of any or all securities lent within five (5) Business Days or such other period as normal market practice dictates.

## **USE OF CURRENCY FORWARDS AND FUTURES**

A Fund may be permitted to invest in securities denominated in a currency other than the Base Currency of the Fund and may seek to hedge its investments against currency fluctuations which are adverse to the Base Currency of the relevant Fund by entering into hedging arrangements.

Subject to the restrictions imposed on the use of FDI described above and by the UCITS Regulations, each Fund may enter into various currency transactions, i.e., forward foreign currency contracts or foreign currency exchange to protect against uncertainty in future exchange rates or to alter the exposure characteristics of transferable securities held by the Fund.

In a non-hedging instance, performance may be strongly influenced by movements in FX rates because currency positions held by the CCF may not correspond with the securities positions held.

Forward foreign currency contracts are agreements to exchange one currency for another - for example, to exchange a certain amount of Sterling for a certain amount of Euro - at a future date. The date (which may be any agreed-upon fixed number of days in the future), the amount of currency to be exchanged and the price at which the exchange will take place are negotiated and fixed for the term of the contract at the time that the contract is entered into. Under the UCITS Regulations, uncovered positions in currency derivatives are not permitted however the CCF may invest in currency derivative instruments for investment and efficient portfolio management purposes which are covered by liquid financial instruments. Any such currency transactions must be used in accordance with the investment objective and policies of the Fund.

A Fund may "cross-hedge" one foreign currency exposure by selling a related foreign currency into the Base Currency of that Fund. Also, in emerging or developing markets, local currencies are often expressed as a basket of major market currencies such as the U.S. Dollar, Euro or Japanese Yen. A Fund may hedge out the exposure to currencies other than its Base Currency in the basket by selling a weighted average of those currencies forward into the Base Currency. The use of any currency forwards and/or futures, including details of their impact on the risk profile of that Fund, will be disclosed in full in the Relevant Supplement.

Transactions in futures involve the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the position with cash. Futures contracts may be sold on condition that either the security which is the subject of the contract remains at all times in the ownership of the CCF for the account of the relevant Fund, or on condition that all of the assets of the relevant Fund or a proportion, which may not be less in value than the exercise value of the futures contract sold, can reasonably be expected to behave in terms of price movement, in the same manner as the futures contract. Futures contracts may be purchased on condition that the exercise value of the contract is at all times held by the CCF for the account of the relevant Fund, in liquid assets or readily marketable securities. However, a Fund which invests directly in both fixed income and equity markets may purchase futures contracts on condition that the aggregate net exposure of the Fund is not greater than that which would be achieved through direct investment of all of the Fund's assets in the underlying securities. In such cases the Fund must clearly provide for such an active asset allocation strategy in its investment objectives.

Where a Class is described as hedged, then the Investment Manager where practicable, intends to undertake hedging to reduce the foreign currency exposure of the denominated currency of a Class, provided that such hedging will not (i) fall short of 95% of the Net Asset Value of the Fund or attributable to the relevant Class, as applicable and (ii) exceed 105% of the Net Asset Value of the Fund or attributable to the relevant Class, as applicable. Hedged positions will be kept under review by the Investment Manager to ensure that over-hedged positions do not exceed the permitted level. This review will incorporate a procedure to ensure that positions materially in excess of 100% of the net asset value of the Fund or attributable to the relevant Class, as the case may be, will not be carried forward from month to month. Whilst it is not the intention to be over-hedged or under-hedged, positions may arise which are out of the control of the relevant Fund. Any such transactions will be clearly attributable to the relevant Class and all costs, gains/losses of such hedging transactions will also be attributable to that Class. Where the hedging policy is successful, the performance of the relevant Class is likely to move in line with the performance of the underlying assets. As a result investors in a hedged Class will not benefit if the Class currency falls against the Base Currency and/or the currency in which the assets of a Fund are denominated.

For protection against exchange rate risks, a Fund or Class may enter into FX based FDI in accordance with its Supplement and the conditions and limits set down by the Central Bank. The purpose of investing in these instruments is to hedge against exchange rate risk/interest rate risk to which a Fund or Class may otherwise be exposed. Where hedging strategies are used in relation to a Fund or Class, the financial instruments used to implement such strategies shall be deemed to be assets or liabilities (as the case may be) of the relevant Fund as a whole but the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Class.

## **BORROWING MONEY**

Each Fund may borrow money from a bank up to a limit of 10% of its Net Asset Value, but only for temporary or emergency purposes. A Fund may acquire foreign currency by means of a back-to-back loan agreement. Foreign currency obtained in this way is not classified as borrowing for the purposes of the UCITS Regulations provided that the offsetting deposit (a) is denominated in the Base Currency and (b) equals or exceeds the value of the foreign currency loan outstanding. Foreign currency borrowings which exceed the value of a back-to-back deposits shall be treated as borrowing for the purpose of Regulation 103 of the UCITS Regulations.

## **PURCHASE AND SALE INFORMATION**

Units may be issued and redeemed in exchange for cash, securities or a combination of cash and securities. To the extent required by applicable law of a country where the Units are registered for public sale, cash redemptions may be accepted from Unitholders not qualifying as Investors, subject to the procedures and charges described below and in the section entitled "*Purchase and Sale Information*".

Investors should refer to the "*Purchase and Sale Information*" section for further details.

## **PORTFOLIO TRANSPARENCY**

Information on the calculation methodology, including the exact composition of each Fund's Index, is available on the website indicated in the Relevant Supplement.

## **TAX INFORMATION**

Investors should refer to the "*Tax Information*" section for further details on the taxation risks associated with investing in the CCF.

## **REFERENCE TO RATINGS AND BENCHMARKS**

The European Union (Alternative Investment Fund Managers) (Amendment) Regulations 2014 (S.I. No. 379 of 2014) (the "Amending Regulations") transpose the requirements of the Credit Ratings Agencies Directive (2013/14/EU) ("CRAD") into Irish law. CRAD aims to restrict the reliance on ratings provided by credit rating agencies and to clarify the obligations for risk management. In accordance with the Amending Regulations and the CRAD (which amended the Regulations), notwithstanding anything else in this Prospectus, the Investment Manager shall not solely or mechanistically rely on credit ratings in determining the credit quality of an issuer or counterparty.

Certain Funds may refer to indices within the Supplement of the relevant Funds. These indices may be referenced for various purposes including, but not limited to operating as a reference benchmark which the Fund seeks to outperform and relative VaR measurement. Where an index is used for such purposes the relevant index will not be used to measure the performance of the Fund for the purposes of defining asset allocation in accordance with Article 3 (1)(7)(e) of the Benchmark Regulation. The particular purpose of the relevant index shall be clearly disclosed in the relevant Supplement. Unitholders should note that the CCF and/or its distributors may from time to time refer to other indices in marketing literature or other communications purely for financial or risk comparison purposes. However, unless such indices are referred to as such in the Supplement of the Fund they are not formal benchmarks against which the Fund is managed.

---

## **OTHER INFORMATION**

---

### **TYPICAL INVESTOR PROFILE**

The CCF has been established for the purpose of investing in transferable securities in accordance with the UCITS Regulations. The investment objectives and policies for each Fund will be set out in the Relevant Supplement. Unless otherwise disclosed in the Relevant Supplement, investors are expected to be institutional investors. Further details regarding the profile of a typical investor for each Fund are set out in the Relevant Supplement. Units in Funds may not be issued to investors that are individuals.

## **REPORT AND ACCOUNTS**

The CCF's accounting period will end on 31 December in each year. The CCF will publish an annual report and audited annual accounts within four months of the end of the financial period to which they relate, with the first annual report to be made up to 31 December, 2019 and the first semi-annual report to be made up to 30 April, 2019. The unaudited half-yearly reports of the CCF covered the period to 30 June in each year. The unaudited half yearly reports will be published within two months of 30 June. The annual report and the half-yearly report will be made available on the Website and may be sent to Unitholders by electronic mail or other electronic means of communication, although Unitholders and prospective investors may also, on request, receive reports by hard copy mail.

## **MANAGER'S INTERESTS**

At the date of this Prospectus, the Manager has no interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by, or issued to, the CCF and save as disclosed below the Manager is materially interested in any contract or arrangement subsisting at the date hereof which is unusual in its nature and conditions or significant in relation to the business of the CCF.

At the date of this Prospectus neither the Manager nor any associated person have any beneficial interest in the capital of the CCF or any options in respect of such capital.

The Manager is part of UBS Group AG as is the Investment Manager.

## **DEED OF CONSTITUTION**

The CCF was constituted on 8 August 2018 by the Deed of Constitution entered into between the Manager and the Depositary.

A copy of the Deed of Constitution may be obtained from the Manager or may be inspected during normal business hours at the registered office of the Manager free of charge.

The Depositary and the Manager shall, subject to the prior approval of the Central Bank, be entitled by Supplemental Deed to modify, alter or add to the provisions of the Deed of Constitution in such manner and to the extent as the Manager may consider necessary for any purpose other than when it would cause the CCF to cease to be an authorised common contractual fund provided that, unless the Depositary shall certify in writing that in its opinion such modification, alteration or addition does not prejudice the interest of the Unitholders or any of them and does not operate to release the Depositary or the Manager from any responsibility to the Unitholders or unless such modification, alteration or addition shall be required by virtue of legislation, any regulation made or notice issued by the Central Bank under the UCITS Regulations, no such modification, alteration or addition shall be made without the prior written consent of Unitholders holding more than fifty (50) per cent of the Units in issue in the CCF or, in the case of modification, alteration or addition affecting only one or more Funds, the relevant Fund or Funds and provided also that no such modification, alteration or addition shall impose upon any Unitholder any obligation to make any further payment in respect of its Units or to accept any liability in respect thereof.

## **FUNDS**

Under the Deed of Constitution, the Manager is required to establish a separate Fund, with separate records, in the following manner:

- (a) the Manager will keep separate books and records of account for each Fund. The Manager may also rely on their delegates in order to fulfill this obligation. The proceeds from the issue of Units issued in respect of a Fund will be applied to the Fund, and the assets and liabilities and income and expenditure attributable to that Fund will be applied to such Fund;
- (b) any asset derived from another asset in a Fund will be applied to the same Fund as the asset from which it was derived and any increase or diminution in value of such an asset will be applied to the relevant Fund;



- (c) in the case of any asset which the Manager does not consider as readily attributable to a particular Fund or Funds, the Manager has the discretion to determine, acting in a fair and equitable manner and with the consent of the Depositary, the basis upon which any such asset will be allocated between Funds and the Manager may at any time and from time to time vary such basis;
- (d) any liability will be allocated to the Fund or Funds to which in the opinion of the Manager it relates or if such liability is not readily attributable to any particular Fund the Manager will have discretion to determine, acting in a fair and equitable manner and with the consent of the Depositary, the basis upon which any liability will be allocated between Funds and the Manager may at any time and from time to time vary such basis; and
- (e) subject as otherwise provided in the Deed of Constitution, the assets held for the account of each Fund shall be applied solely in respect of the Units to which such Fund appertains and shall belong exclusively to the relevant Fund and shall not be used to discharge directly or indirectly the liabilities of or claims against any other Fund and shall not be available for any such purpose.

Each of the Units entitles the Unitholder to participate equally on a pro rata basis in the dividends and net assets of the Fund in respect of which they are issued, save in the case of dividends declared prior to becoming a Unitholder.

## **VOTING RIGHTS**

Whenever the unitholding within a Fund is divided into different Classes of Units, the class specific characteristics of a Class may be varied or abrogated by the CCF, as determined by the Manager and subject to the Central Bank Rules.

Subject to any rights or restrictions for the time being attached to any Class or Classes of Units, as determined by the Manager and subject to the Central Bank Rules, on a show of hands every holder who is present in person or by proxy shall have one vote and on a poll every holder present in person or by proxy shall have one vote for every Unit of which he is the holder. Holders who hold a fraction of a Unit may not exercise any voting rights, whether on a show of hands or on a poll, in respect of such fraction of a Unit.

## **DURATION OF THE CCF**

The CCF and each of the Funds have been established for an unlimited period. However, the CCF or any of its Funds may be terminated by the Manager upon the giving of at least thirty (30) days' notice in writing at any time, unless a shorter period of notice is accepted by all such remaining Unitholders or in the reasonable opinion of the Manager a shorter period is, in the best interests of the remaining Unitholders, required due to extreme or unusual market events or conditions.

## **COMMUNICATIONS WITH UNITHOLDERS**

Communications with Unitholders may be effected by fax, email, or such other form of electronic communication as may be approved by the Manager and notices may also be given by way of advertisement containing the full text of the notice in at least one leading international newspaper and one daily newspaper in Dublin, Ireland or such other publication as the Manager may from time to time determine circulating in any country where the Units of the CCF are being issued and such notice shall be deemed to have been served at noon on the day on which such advertisement appears.

Copies of any communications sent to Unitholders will be available for inspection at the registered offices of the Legal Advisors in Ireland. Communications with Unitholders will also be published on the Website. Investors should regularly visit the Website, or request that their stockbrokers or other financial agents or advisers do so on their behalf, to ensure that they obtain such information on a timely basis.

## **WINDING UP**

Generally, under Irish law, if an entity is being wound up, a liquidator is appointed to settle outstanding claims and distribute the remaining assets of the entity. The liquidator will use the assets of the entity in order to satisfy claims of creditors. Thereafter, the liquidator will distribute the remaining assets among the Unitholders. The Deed of Constitution contains provision that will require, firstly, the distribution of assets to the Unitholders of each Fund after settlement of the liabilities of that Fund. The liquidator may, if authorised by a special resolution, distribute assets of the CCF in specie

provided that, in such circumstances, Unitholders may request that the assets to be distributed to them be sold, with the net cash proceeds to be paid to them.

---

## INVESTMENT RESTRICTIONS

---

The assets of each Fund will be invested in accordance with the investment restrictions contained in the UCITS Regulations which are summarised below and such additional investment restrictions, if any, as may be adopted by the Manager and further details in relation to which will be set out in the Relevant Supplement.

### 1 PERMITTED INVESTMENTS

Investments of a Fund are confined to:

- 1.1 transferable securities and money market instruments, which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State.
- 1.2 recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.
- 1.3 money market instruments, other than those dealt on a regulated market.
- 1.4 units of UCITS.
- 1.5 units of AIFs.
- 1.6 deposits with credit institutions.
- 1.7 FDI.

### 2 INVESTMENT RESTRICTIONS

- 2.1 A Fund may invest no more than 10% of its net assets in transferable securities and money market instruments other than those referred to in paragraph 1 above.
- 2.2 A Fund may invest no more than 10% of net assets in recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.1) within a year. This restriction will not apply in relation to investment by a Fund in certain U.S. securities known as Rule 144A securities provided that
  - such securities are issued with an undertaking to register with the U.S. Securities & Exchange Commission within one year of issue; and
  - the securities are not illiquid securities, i.e. they may be realised by a Fund within seven days at the price, or approximately at the price, at which they are valued by the Fund.
- 2.3 A Fund may invest no more than 10% of its net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is no more than 40%.
- 2.4 Subject to the prior approval of the Central Bank, the limit of 10% (in 2.3) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a Fund invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the Net Asset Value of the Fund.

- 2.5 The limit of 10% in 2.3 is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.
- 2.6 The transferable securities and money market instruments referred to in paragraph 2.4 and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in paragraph 2.3.
- 2.7 A Fund may not invest more than 20% of its net assets in deposits made with the same credit institution.
- Deposits by a Fund with any one credit institution, other than with Relevant Institutions held as ancillary liquidity, must not exceed 10% of net assets.
- This limit may be raised to 20% in the case of deposits made with the Depository.
- 2.8 The risk exposure of a Fund to a counterparty to an OTC FDI may not exceed 5% of net assets.
- This limit is raised to 10% in the case of Relevant Institutions.
- 2.9 Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of net assets:
- (i) investments in transferable securities or money market instruments;
  - (ii) deposits; and/or
  - (iii) counterparty risk exposures arising from OTC FDI.
- 2.10 The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of the net assets of the relevant Fund.
- 2.11 Group companies are regarded as a single issuer for the purposes of paragraphs 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of net assets of a Fund may be applied to investments in transferable securities and money market instruments within the same group.
- 2.12 A Fund may invest up to 100% of its net assets in different transferable securities and money market instruments issued or guaranteed by any Member State, or any local authority of a Member State, or non-Member States or public international bodies of which one or more Member States are members or by Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland, United States or any of the following: or by OECD Governments (provided the relevant issues are investment grade), Government of Brazil (provided the issues are of investment grade), Government of the People's Republic of China, Government of India (provided the issues are of investment grade), Government of Singapore, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority or Straight-A Funding LLC.

A Fund must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of its net assets.

### **3 INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES ("CIS")**

- 3.1 A Fund may not invest more than 20% of net assets in any one CIS.
- 3.2 Investment in AIFs may not, in aggregate, exceed 30% of net assets.
- 3.3 A Fund may not invest more than 10% of net assets in total in other CIS. Such CIS must themselves be prohibited from investing more than 10% of net assets in total in other CIS.
- 3.4 Where a Fund invests in the units of other CIS that are managed directly or by delegation by a UCITS management company or by any other company with which that management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription, conversion or redemption fees on account of the CCF's investment in the shares of the other CIS.
- 3.5 Where a commission (including a rebated commission) is received by the Investment Manager by virtue of an investment in the units of another CIS, this commission must be paid into the assets of the relevant Fund.

### **4 INDEX TRACKING UCITS**

- 4.1 A Fund may invest up to 20% of its net assets in shares and/or debt securities issued by the same body where the investment policy of the relevant Fund is to replicate an Index which satisfies the criteria set out in the Central Bank Rules.
- 4.2 The limit in 4.1 may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.

### **5 GENERAL PROVISIONS**

- 5.1 A Fund, or management company acting in connection with all of the CIS which it manages, may not acquire any shares or units carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
- 5.2 A Fund may acquire no more than:
  - (i) 10% of the non-voting shares or units of any single issuer;
  - (ii) 10% of the debt securities of any single issuer;
  - (iii) 25% of the shares or units of any single CIS;
  - (iv) 10% of the money market instruments of any single issuing body.

The limits laid down in paragraphs (ii), (iii) and (iv) above may be disregarded at the time of acquisition, if at that time, the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated.

- 5.3 5.1 and 5.2 shall not be applicable to:
  - (i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;
  - (ii) transferable securities and money market instruments issued or guaranteed by a non-Member State;

- (iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;
  - (iv) shares held by a Fund in the capital of a company incorporated in a non-Member State which invests its assets mainly in the securities of issuing bodies with the registered offices in that non-Member State, where under the legislation of that non-Member State such a holding represents the only way in which the Fund can invest in the securities of issuing bodies of that non-Member State. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6 and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below;
  - (v) shares held by the CCF in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the redemption of units at unit-holders' request exclusively on their behalf.
- 5.4 A Fund need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments, which form part of their assets.
- 5.5 The Central Bank has allowed each Fund to derogate from the provisions of paragraphs 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 for a period of up to six months from the date of authorisation of such Fund, provided that such Fund observes the principle of risk spreading.
- 5.6 If the limits laid down herein are exceeded for reasons beyond the control of a Fund, or as a result of the exercise of subscription rights, that Fund must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Unitholders.
- 5.7 A Fund may not carry out uncovered sales of:
- (i) transferable securities;
  - (ii) money market instruments<sup>\*</sup>;
  - (iii) units of collective investment undertakings; or
  - (iv) FDI.
- 5.8 A Fund may hold ancillary liquid assets.

## 6 FINANCIAL DERIVATIVE INSTRUMENTS

- 6.1 A Fund's global exposure relating to FDI must not exceed its total Net Asset Value.
- 6.2 Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank Rules. (This provision does not apply in the case of Index based FDI provided the underlying Index is one which meets with the criteria set out in the Central Bank Rules).
- 6.3 A Fund may invest in FDI dealt in over-the-counter (OTC) provided that the counterparties to over-the-counter transactions are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.
- 6.4 Investment in FDI are subject to the conditions and limits laid down by the Central Bank.

---

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

---

## RISK INFORMATION

---

This section provides information regarding some of the general risks applicable to an investment in the Funds. Additional risk information specific to individual Funds is specified in the Relevant Supplement. This section is not intended to be a complete explanation and other risks may be relevant from time to time. In particular, the CCF's and each Fund's performance may be affected by changes in market, economic and political conditions, and in legal, regulatory and tax requirements.

**Before making an investment decision with respect to an investment in any Fund, prospective investors should carefully consider all of the information set out in this Prospectus and the Relevant Supplement, as well as their own personal circumstances, and should consult their own stockbroker, bank manager, lawyer, accountant and/or financial adviser. An investment in Units is only suitable for investors who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom.**

**The price of Units can go down as well as up and their value is not guaranteed. Unitholders may not receive, at redemption or liquidation, the amount that they originally invested in a Fund or any amount at all.**

### PRINCIPAL RISKS

#### *Cash Position Risk*

A Fund may hold a significant portion of its assets in cash or cash equivalents at the Investment Manager's and/or Sub-Investment Manager's discretion. If a Fund holds a significant cash position for an extended period of time, its investment returns may be adversely affected.

#### *Concentration Risk*

A Fund may invest a relatively large percentage of its assets in issuers located in a single country, a small number of countries, or a particular geographic region. In these cases, the Fund's performance will be closely tied to the market, currency, economic, political, or regulatory conditions and developments in that country or region or those countries, and could be more volatile than the performance of more geographically-diversified funds.

In addition, a Fund may concentrate its investments in companies in a particular industry, market or economic sector. When a Fund concentrates its investments in a particular industry, market or economic sector, financial, economic, business, and other developments affecting issuers in that industry, market or sector will have a greater effect on the Fund than if it had not concentrated its assets in that industry, market or sector.

Further, investors may buy or sell substantial amounts of a Fund's units in response to factors affecting or expected to affect a particular country, industry, market or sector in which the Fund concentrates its investments, resulting in abnormal inflows or outflows of cash into or out of the Fund. These abnormal inflows or outflows may cause the Fund's cash position or cash requirements to exceed normal levels, and consequently, adversely affect the management of the Fund and the Fund's performance.

#### *Conflicts Of Interest*

The Investment Manager and/or Sub-Investment Manager or its affiliates may provide services to the CCF, such as securities lending agency services, custodial, administrative, bookkeeping, and accounting services, transfer agency and unitholder servicing, and other services. The CCF may enter into repurchase agreements and FDI transactions with or through the Investment Manager and/or Sub-Investment Manager or one of its affiliates. The CCF may invest in other pooled investment vehicles sponsored, managed, or otherwise affiliated with the Investment Manager and/or Sub-Investment Manager in which event the CCF may not be charged subscription or redemption fees on account of such investment but will bear a share of the expenses of those other pooled investment vehicles; those investment vehicles may pay fees and other amounts to the Investment Manager and/or Sub-Investment Manager or its affiliates, which might have the effect of increasing the expenses of the CCF. It is possible that other clients of the Investment Manager and/or

Sub-Investment Manager will purchase or sell interests in such other pooled investments at prices and at times more favourable than those at which the CCF does so. There is no assurance that the rates at which the CCF pays fees or expenses to the Investment Manager and/or Sub-Investment Manager or its affiliates, or the terms on which it enters into transactions with the Investment Manager and/or Sub-Investment Manager or its affiliates or on which it invests in any such other investment vehicles will be the most favourable available in the market generally or as favourable as the rates the Investment Manager and/or Sub-Investment Manager makes available to other clients. There will be no independent oversight of fees or expenses paid to, or services provided by, those entities. Because of its financial interest, the Investment Manager and/or Sub-Investment Manager may have an incentive to enter into transactions or arrangements on behalf of the CCF with itself or its affiliates in circumstances where it might not have done so in the absence of that interest. Transactions and services with or through the Investment Manager and/or Sub-Investment Manager or its affiliates will, however, be effected in accordance with the applicable regulatory requirements.

The Investment Manager and/or Sub-Investment Manager and its affiliates serve as an investment adviser to other clients and may make investment decisions for their own accounts and for the accounts of others, including other funds that may be different from those that will be made by the Investment Manager and/or Sub-Investment Manager on behalf of the CCF. In particular, the Investment Manager and/or Sub-Investment Manager may provide asset allocation advice to some clients that may include a recommendation to invest or redeem from a Fund while not providing that same recommendation to all clients invested in the same or similar Funds.

Other conflicts may arise, for example, when clients of the Investment Manager and/or Sub-Investment Manager invest in different parts of an issuer's capital structure, so that one or more clients own senior debt obligations of an issuer and other clients own junior debt of the same issuer, as well as circumstances in which clients invest in different tranches of the same structured financing vehicle. In such circumstances, decisions over whether to trigger an event of default or over the terms of any workout may result in conflicts of interest. When making investment decisions where a conflict of interest may arise, the Investment Manager and/or Sub-Investment Manager will endeavour to act in a fair and equitable manner, in accordance with its conflicts of interest policy, as between the relevant Fund and other clients. Subject to the foregoing, (i) the Investment Manager and/or Sub-Investment Manager and its affiliates may invest for their own accounts and for the accounts of clients in various securities that are senior, pari passu or junior to, or have interests different from or adverse to, the securities that are owned by the CCF; and (ii) the Investment Manager and/or Sub-Investment Manager may at certain times (subject to applicable law) be simultaneously seeking to purchase (or sell) investments for the CCF and to sell (or purchase) the same investment for accounts, funds or structured products for which it serves as asset manager now or in the future, or for its clients or affiliates, and may enter into cross trades in such circumstances. In addition, the Investment Manager and/or Sub-Investment Manager and its affiliates may buy securities from or sell securities to the CCF, if permitted by applicable law. These other relationships may also result in securities laws restrictions on transactions in these instruments by the CCF and otherwise create potential conflicts of interest for the Investment Manager and/or Sub-Investment Manager.

The Investment Manager and/or Sub-Investment Manager, in connection with its other business activities, may acquire material non-public confidential information that may restrict the Investment Manager and/or Sub-Investment Manager from purchasing securities or selling securities for itself or its clients (including the CCF) or otherwise using such information for the benefit of its clients or itself.

The Manager may be involved in managing other investment funds which have similar or overlapping investment objectives to or with the CCF.

There is no prohibition on dealing in assets of the CCF by the Manager, the Depositary, the Administrator or Investment Manager and/or Sub-Investment Manager, or by any entities related to such parties, provided that such transactions are carried out as if negotiated at arms' length and are in the best interests of Unitholders. Permitted transactions between the CCF and such parties are subject to: (i) a certified valuation by a person approved by the Depositary (or the Manager in the case of a transaction involving the Depositary) as independent and competent; or (ii) execution on best terms on organised investment exchanges under their rules; or (iii) where (i) and (ii) are not practical, execution on terms the Depositary (or the Manager in the case of a transaction involving the Depositary) is satisfied conform to the principles set out above.

The Depositary (or in the case of a transaction involving the Depositary, the Manager) shall document how it complied with paragraphs (i), (ii) and (iii) above and where transactions are conducted in accordance with paragraph (iii), the



Depositary (or in the case of a transaction involving the Depositary, the Manager), must document the rationale for being satisfied that the transaction conformed to the principles outlined above.

The appointment of the Investment Manager, Administrator and Depositary in their primary capacity as service providers to the CCF are excluded from the scope of these connected party requirements.

The Depositary may act as the depositary of other open-ended investment companies and as trustee or custodian of other collective investment schemes. The Depositary has delegated custody services and asset verification services to The Northern Trust Company, London Branch. The Northern Trust Company has sub-delegated custody services and asset verification services to sub-custodians in certain eligible markets in which the CCF may invest.

It is therefore possible that the Depositary and/or its delegates and sub-delegates may in the course of its or their business be involved in other financial and professional activities which may on occasion have potential conflicts of interest with the CCF or a particular Fund and/or other funds managed by the Manager or other funds for which the Depositary acts as the depositary, trustee or custodian. The Depositary will, however, have regard in such event to its obligations under the the Depositary Agreement and the Regulations and, in particular, will use reasonable endeavours to ensure that the performance of its duties will not be impaired by any such involvement it may have and that any conflicts which may arise will be resolved fairly and in the best interests of Unitholders collectively so far as practicable, having regard to its obligations to other clients.

There is no prohibition on the Manager, the Investment Manager and/or Sub-Investment Manager or any other party related to the CCF acting as a "competent person" for the purposes of determining the probable realisation value of an asset of a Fund in accordance with the valuation provisions outlined in the "*Determination of Net Asset Value*" section below. Investors should note however, that in circumstances where fees payable by the CCF to such parties are calculated based on the Net Asset Value, a conflict of interest may arise as such fees will increase if the Net Asset Value increases. Any such party will endeavour to ensure that such conflicts are resolved fairly and in the best interests of the Unitholders.

In selecting brokers to make purchases and sales for the CCF, the CCF will require the Investment Manager and/or Sub-Investment Manager to choose those brokers who provide best execution to the CCF. In determining what constitutes best execution, the Investment Manager and/or Sub-Investment Manager will be required to consider the over-all economic result of the CCF, (price of commission plus other costs), the efficiency of the transaction, the broker's ability to effect the transaction if a large block is involved, availability of the broker for difficult transactions in the future, other services provided by the broker such as research and the provision of statistical and other information and the financial strength and stability of the broker. In managing the assets of the CCF, the Investment Manager and/or Sub-Investment Manager may receive certain research and statistical and other information and assistance from brokers. The Investment Manager and/or Sub-Investment Manager may allocate brokerage business to brokers who have provided such research and assistance to the CCF and/or other accounts for which the Investment Manager and/or Sub-Investment Manager exercises investment discretion. The benefits provided under any commission arrangements must assist in the provision of investment services to the CCF and any such commission arrangements must be disclosed in the periodic reports of the CCF. Where appropriate, any such arrangements will comply with the requirements of Article 11 of the MiFID II Delegated Directive.

Members of UBS Group AG, its affiliates, subsidiaries and parent (the "**UBS Group**") may act as approved counterparty and calculation agent to the swaps and other FDIs to which the CCF is a party, counterparty to FX forwards, authorised participant, Index Provider, counterparty to any securities lending arrangements or repurchase transactions, market maker and/or the sub-custodian to the CCF all in accordance with the relevant agreements which are in place. The Manager acknowledge that, by virtue of carrying-out these functions in connection with the CCF, potential conflicts of interest are likely to arise. In such circumstances, each of the foregoing will use its reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the interests of the CCF and the Unitholders are not unfairly prejudiced. The Manager believe that such members of the UBS Group are suitable and competent to perform such functions.

Each connected party will provide the CCF with relevant details of each transaction (including the name of the party involved and where relevant, fees paid to that party in connection with the transaction) in order to facilitate the CCF

discharging its obligation to provide the Central Bank with a statement within the relevant Fund's annual and semi-annual reports in respect of all connected party transactions.

The preceding list of potential conflicts of interest does not purport to be a complete enumeration or explanation of all of the conflicts of interest that may be involved in an investment in the CCF.

#### *Counterparty Risk*

The Funds are subject to credit risk with respect to the counterparties with which the CCF, on behalf of the Funds, enters into FDI and other transactions such as repurchase agreements and securities lending transactions. If a counterparty becomes insolvent or otherwise fails to perform its obligations, a Fund may experience significant delays in obtaining any recovery in an insolvency, bankruptcy, or other reorganisation proceeding and may obtain only a limited recovery or may obtain no recovery.

#### *Currency Risk*

A Fund may invest in securities that are denominated in currencies that differ from the Base Currency. Changes in the values of those currencies relative to the Base Currency may have a positive or negative effect on the values of the Fund's investments denominated in those currencies. A Fund may, but will not necessarily, invest in currency exchange contracts to help reduce exposure to different currencies, however there is no guarantee that these contracts will successfully do so. Also, these contracts may reduce or eliminate some or all of the benefit that a Fund may experience from favourable currency fluctuations.

A Class will not generally be leveraged as a result of the use of any of the efficient portfolio management techniques outlined above.

The Investment Manager and/or Sub-Investment Manager may try, but is not obliged, to mitigate this risk by using financial instruments such as those described under the heading "Use of Currency Forwards and Futures". Any such hedging will endeavour to hedge no less than 95% of the portion of the Net Asset Value of the relevant Class which is to be hedged against currency risk. Due to matters outside the control of the CCF, currency exposure may be over or under hedged but over hedged positions will not be permitted to exceed 105% of the Net Asset Value of the relevant Class. Hedged positions will be kept under review on an ongoing basis, at least at the same valuation frequency of the relevant Fund, to ensure that over hedged or under hedged positions do not exceed/fall short of the permitted levels disclosed above. Such review will incorporate a procedure to rebalance the hedging arrangements on a regular basis to ensure that any such position stays within the permitted position levels disclosed above and is not carried forward from month to month.

Although hedging strategies may not necessarily be used in relation to each Class within the CCF, the financial instruments used to implement such strategies shall be assets/liabilities of the CCF as a whole. However, the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant hedged Class. Any currency exposure of a hedged Class may not be combined with or offset with that of any other Class of the CCF.

Investors should be aware that this strategy may substantially limit Unitholders of the relevant hedged Class from benefiting if the Class Currency falls against the Base Currency of the relevant Fund and/or the currency/currencies in which the assets of the relevant Fund are denominated. In such circumstances, Unitholders of the hedged Class may be exposed to fluctuations in the Net Asset Value per Units reflecting the gains/loss on and the costs of the relevant financial instruments.

#### *Unhedged Classes*

A Fund may at any stage launch unhedged Classes comprising some or all of the Classes of that Fund. Investors should note that for unhedged classes, currency conversion in the case of subscriptions, redemptions, switching and distributions will take place at the prevailing exchange rate at that time. Fluctuations in that exchange rate may affect the performance of the Units independent of the performance of the Fund's investments. The costs of currency exchange transactions in connection with the purchase, redemption and exchange of Units will be borne by the relevant unhedged Class and will be

reflected in the Net Asset Value of that Class. The value of the Unit expressed in the Class Currency will be subject to exchange rate risk in relation to the Base Currency.

#### *Currency Hedged Classes*

Fluctuations between the currency of a currency-hedged Class and the currency of an underlying Index constituents are reduced by the use of one-month foreign exchange forwards. The use of one-month foreign exchange forwards is in line with the Index methodology may not take into account the underlying Index constituents' intra-month price movements. As a result a risk of an intra-month under- or over-hedging may arise. Consequently the performance of an Index measured in its base currency may not exactly be achieved by the hedged Index measured in the hedged currency.

#### *Custodial Risk*

There are risks involved in dealing with the custodians or brokers who hold or settle a Fund's trades. It is possible that, in the event of the insolvency or bankruptcy of a custodian or broker, a Fund would be delayed or prevented from recovering its assets from the custodian or broker, or its estate, and may have only a general unsecured claim against the custodian or broker for those assets. The Depositary will hold assets in compliance with applicable laws and such specific provisions as agreed in the Depositary Agreement. These requirements are designed to protect the assets against the insolvency in bankruptcy of the Depositary but there is no guarantee they will successfully do so. In addition, as the CCF may invest in markets where custodial and/or settlement systems and regulations are not fully developed, including emerging markets, the assets of the CCF which are traded in such markets and which have been entrusted to sub-custodians, in circumstances where the use of sub-custodians is necessary, may be exposed to risk in circumstances where the Depositary will have no liability. Investors should also refer to "*International Investment Risk*".

#### *Depositary Risk*

If a Fund invests in assets that are financial instruments that can be held in custody ("**Custody Assets**"), the Depositary is required to perform full safekeeping functions and will be liable for any loss of such assets held in custody unless it can prove that the loss 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. In the event of such a loss (and the absence of proof of the loss being caused by such an external event), the Depositary is required to return identical assets to those lost or a corresponding amount to the Fund without undue delay.

If a Fund invests in assets that are not financial instruments that can be held in custody ("**Non-Custody Assets**"), the Depositary is only required to verify the Fund's ownership of such assets and to maintain a record of those assets which the Depositary is satisfied that the Fund holds ownership of. In the event of any loss of such assets, the Depositary will only be liable to the extent the loss has occurred due to its negligent or intentional failure to properly fulfil its obligations pursuant to the Depositary Agreement.

As it is likely that the Funds may each invest in both Custody Assets and Non-Custody Assets, it should be noted that the safekeeping functions of the Depositary in relation to the respective categories of assets and the corresponding standard of liability of the Depositary applicable to such functions differs significantly.

The Funds enjoy a strong level of protection in terms of Depositary liability for the safekeeping of Custody Assets. However, the level of protection for Non-Custody Assets is significantly lower. Accordingly, the greater the proportion of a Fund invested in categories of Non-Custody Assets, the greater the risk that any loss of such assets that may occur may not be recoverable. While it will be determined on a case-by-case whether a specific investment by the Fund is a Custody Asset or a Non-Custody Asset, generally it should be noted that derivatives traded by a Fund over-the-counter will be Non-Custody Assets. There may also be other asset types that a Fund invests in from time to time that would be treated similarly. Given the framework of Depositary liability under UCITS V, these Non-Custody Assets, from a safekeeping perspective, expose the Fund to a greater degree of risk than Custody Assets, such as publicly traded equities and bonds.

### *Derivatives Risk*

The Funds may use FDI for efficient portfolio management purposes. Each Fund's Relevant Supplement will indicate how or if the Fund intends to use FDI. A Fund's use of FDI involves risks different from, and possibly greater than, the risks associated with investing directly in securities. These risks include:

- Potential changes in value in response to interest rate changes or other market developments or as a result of the counterparty's credit quality;
- The potential for the FDI transaction not to have the effect the Investment Manager and/or Sub-Investment Manager anticipated;
- The failure of the counterparty to the FDI transaction to perform its obligations under the transaction or to settle a trade (Investors should also refer to "*Counterparty Risk*");
- Possible mispricing or improper valuation of the FDI;
- The potential for imperfect correlation in the value of FDI with the asset, rate, or index underlying the FDI;
- The risks specific to the asset underlying the FDI;
- Possible increase in the amount and timing of taxes payable by Unitholders;
- Lack of liquidity for a FDI if a secondary trading market does not exist;
- The potential for reduced returns to a Fund due to losses on the transaction and an increase in volatility; and
- Legal risks arising from the form of contract used to document FDI trading.

When a Fund invests in certain FDI, it could lose more than the stated amount of the instrument. In addition, some FDI transactions can create investment leverage and may be highly volatile and speculative in nature.

Further, when a Fund invests in FDI, it may not be required to post collateral equal to the amount of the FDI. Consequently, the cash held by the Fund (generally equal to the unfunded amount of the FDI) will typically be invested in money market instruments and therefore, the performance of the Fund will be affected by the returns achieved from these investments. It is possible that returns on the investment of this cash may have a negative impact on the performance and/or returns of the Fund.

### *Fluctuation of Net Asset Value*

The Net Asset Value per Unit will generally fluctuate with changes in the market value of a Fund's securities Holdings.

### *Index Risk*

The ability of a Fund to achieve significant correlation between the performance of the Fund and the Index it tracks may be affected by changes in securities markets, changes in the composition of the Index, cash flows into and out of the Fund and the fees and expenses of the Fund. The Fund will seek to track Index returns regardless of the current or projected performance of the Index or of securities comprising the Index. As a result, the Fund's performance may be less favourable than that of a portfolio managed using an active investment strategy. The structure and composition of the Index will affect the performance, volatility and risk of the Index (in absolute terms and by comparison with other indices), and consequently, the performance, volatility and risk of the Fund.

### *International Investment Risk*

Investments in securities of companies from multiple countries and/or securities of companies with significant exposure to multiple countries can involve additional risks. Political, social, and economic instability, the imposition of currency or capital controls, or the expropriation or nationalisation of assets in a particular country can cause dramatic declines in that country's economy. Less stringent regulatory, accounting, and disclosure requirements for issuers and markets are

common in certain countries. Enforcing legal rights can be difficult, costly, and slow in some countries, and can be particularly difficult against governments. Additional risks of investing in various countries include trading, settlement, custodial, and other operational risks due to different systems, procedures and requirements in a particular country, and varying laws regarding withholding and other taxes. These factors can make investments in multiple countries, especially investments in emerging or less developed markets, more volatile and less liquid than investments in a single country and could potentially result in an adverse affect on a Fund's performance. In addition, investment in emerging markets subjects a Fund to a greater risk of loss than investments in a developed market. This is due to, among other things, greater market volatility, lower trading volume, political and economic instability, high levels of inflation, deflation or currency devaluation, greater risk of market shut down, and more governmental limitations on foreign investment policy than those typically found in a developed market. In addition, the financial stability of issuers (including governments) in emerging market countries may be more precarious than in other countries. As a result, there will tend to be an increased risk of price volatility in a Fund's investments in emerging market countries, which may be magnified by currency fluctuations relative to the Base Currency of the Fund. Settlement practices for transactions in foreign markets may differ from those in developed markets. Such differences include delays beyond periods customary in the developed markets and practices, such as delivery of securities prior to receipt of payment, which increase the likelihood of a "failed settlement." Failed settlements can result in losses to a Fund. For these and other reasons, investments in emerging markets are often considered speculative.

#### *Investment Risk*

A Unitholder may lose the entire principal amount invested in a Fund. The value of the securities held in a Fund may increase or decrease, at times rapidly and unexpectedly. An investment in a Fund may at any point in the future be worth less than the original amount invested.

#### *Issuer Risk*

The values of securities purchased by a Fund may decline for a number of reasons which directly relate to the issuers of those securities, such as, for example, management performance, financial leverage and reduced demand for the issuer's goods and services.

#### *Leveraging Risk*

Certain transactions, including, for example, when-issued, delayed-delivery and forward commitment purchases, loans of portfolio securities and the use of FDI, can result in leverage. Leverage generally has the effect of increasing the amounts of loss or gain a Fund might realise, and creates the likelihood of greater volatility of the value of a Fund's portfolio. In transactions involving leverage, a relatively small market movement or change in other underlying indicator can lead to significantly larger losses to the Fund.

#### *Limited Investment Program Risk*

An investment in any Fund, or even in a combination of Funds, is not intended to be a complete investment program but rather is intended for investment as part of a diversified investment portfolio. Investors should consult their own advisors as to the role of an investment in any of the Funds in their overall investment program.

#### *Liquidity Risk*

Certain investments and types of investments are subject to restrictions on resale, may trade in the over-the-counter market or in limited volume, or may not have an active trading market. Illiquid securities may trade at a discount from comparable, more liquid investments and may be subject to wide fluctuations in market value. It may be difficult for a Fund to value illiquid securities accurately. Also, a Fund may not be able to dispose of illiquid securities or execute or close out FDI transactions readily at a favourable time or price or at prices approximating those at which the Fund currently values them. Illiquid securities also may entail registration expenses and other transaction costs that are higher than those for liquid securities.

### *Management Risk*

Each Fund is subject to management risk. The Investment Manager's and/or Sub-Investment Manager's judgments about the selection and application of indexing models and the most effective ways to minimise differences in performance between the Fund and the relevant Index may prove to be incorrect, and there can be no assurance that they will produce the desired results. Each Fund will be dependent to a substantial degree on the continued service of members of the Investment Manager and/or Sub-Investment Manager. In the event of the death, disability or departure of any such individuals, the performance of the applicable Fund may be adversely impacted.

### *Market Risk*

The investments of a Fund are subject to general economic conditions, normal market fluctuations and the risks inherent in investment in international securities markets and there can be no assurances that appreciation in value will occur. Investment markets can be volatile and securities prices can change substantially due to various factors including, but not limited to, economic growth or recession, changes in interest rates, market perception of the creditworthiness of the issuer and general market liquidity. Even if general economic conditions do not change, the value of an investment in a Fund could decline if the particular industries, sectors or companies in which the Fund invests do not perform well or are adversely affected by events. The magnitude of these price fluctuations will be greater when the maturity of the outstanding securities is longer. Since investment in securities may involve currencies other than the Base Currency of a Fund, the value of a Fund's assets may also be affected by changes in currency rates and exchange control regulations, including currency blockage. Further, legal, political, regulatory and tax changes also may cause fluctuations in markets and securities prices.

### *No Prior Operating History*

Each Fund is a newly formed entity with limited operating history and there can be no assurance that it will be successful. Prior performance is no guarantee of future results. Further, the performance of other investment funds managed by the Investment Manager and/or Sub-Investment Manager should not be taken as any indicator of the likely performance of a Fund.

### *Portfolio Turnover Risk*

Portfolio turnover generally involves a number of direct and indirect costs and expenses to the relevant Fund, including, for example, brokerage commissions, dealer mark-ups and bid/offer spreads, and transaction costs on the sale of securities and reinvestment in other securities. Nonetheless, a Fund may engage in frequent trading of investments in furtherance of its investment objective. The costs related to increased portfolio turnover have the effect of reducing a Fund's investment return, and the sale of securities by a Fund may result in the realisation of taxable capital gains, including short-term capital gains.

### *Risk Of Investment In Other Pools*

If a Fund invests in another pooled investment vehicle, it is exposed to the risk that the other pool will not perform as expected. The Fund is exposed indirectly to all of the risks applicable to an investment in the other pool. The investment policies and limitations of the other pool may not be the same as those of the Fund; as a result, the Fund may be subject to additional or different risks, or may achieve a reduced investment return, as a result of its investment in another pool. Investors should also refer to "*Conflicts of Interest*" above.

### *Securities Financing Transactions*

Securities Financing Transactions create several risks for the CCF and its investors, including counterparty risk if the counterparty to a Securities Financing Transaction defaults on its obligation to return assets equivalent to the ones provided to it by the relevant Fund and liquidity risk if the Fund is unable to liquidate collateral provided to it to cover a counterparty default.

### *Securities Lending Risk*

The Investment Manager and/or Sub-Investment Manager intends to engage in securities lending on behalf of certain of the Funds and this carries with it a risk that the borrower may become insolvent or otherwise become unable to meet, or refuse to honour, its obligations to return equivalent securities to the loaned securities. In this event, the Fund could experience delays in recovering the securities and may incur a capital loss. In particular, if a counterparty defaults and fails to return equivalent securities to those loaned the Fund may suffer a loss equal to the shortfall between the value of the realised collateral and the market value of the replacement securities. If cash is received as collateral in connection with securities lending, the cash may be reinvested. Any such reinvestment is not guaranteed by the Investment Manager and/or Sub-Investment Manager and any losses incurred on such investments will be borne by the relevant Fund.

#### *Repurchase Agreements:*

A Fund may enter into repurchase arrangements. Accordingly, the Fund will bear a risk of loss in the event that the other party to the transaction defaults on its obligation and the Fund is delayed or prevented from exercising its rights to dispose of the underlying securities. The Fund will, in particular, be subject to the risk of a possible decline in the value of the underlying securities during the period in which the Fund seeks to assert its right to them, the risk of incurring expenses associated with asserting those rights and the risk of losing all or a part of the income from the agreement.

#### *Absence of Regulation; Counterparty Risk*

In general, there is less government regulation and supervision of transactions in the OTC markets (in which currencies, spot and option contracts, certain options on currencies and swaps are generally traded) than of transactions entered into on recognised exchanges (as referred to in the Prospectus). OTC derivatives lack transparency as they are privately negotiated contracts and any information concerning them is usually only available to the contracting parties. While measures are being introduced under EMIR that aim to mitigate risks involved in investing in OTC derivatives and improve transparency, these types of investments continue to present challenges in clearly understanding the nature and level of risks involved. In addition, many of the protections afforded to participants on some exchanges, such as the performance guarantee of an exchange clearing house, might not be available in connection with OTC transactions.

OTC derivatives are generally not regulated. OTC derivatives are non-exchange traded option agreements, which are specifically tailored to the needs of an individual investor. These options enable the user to structure precisely the date, market level and amount of a given position. The counterparty for these derivatives will be the specific firm involved in the transaction rather than an exchange, and accordingly the bankruptcy or default of a counterparty with which the CCF on behalf of a Fund trades OTC derivatives could result in substantial losses to that Fund. In addition, a counterparty may refrain from settling a transaction in accordance with its terms and conditions because the contract is not legally enforceable or because it does not accurately reflect the intention of the parties or because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing that Fund to suffer a loss. To the extent that a counterparty defaults on its obligation and that Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. Regardless of the measures that Fund may implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that the Fund will not sustain losses on the transactions as a result. Counterparty exposure will be in accordance with that Fund's investment restrictions.

#### *Brexit*

On 29 March 2017, the United Kingdom triggered the procedures to withdraw from the European Union after the two year period settlement negotiation as prescribed in Article 50 of the Treaty of Lisbon. However, the Prime Minister of the UK has warned that the process could extend beyond the two year period. The ongoing withdrawal process could cause an extended period of uncertainty and market volatility, not just in the United Kingdom but throughout the European Union, the European Economic Area and globally. As an investment manager authorised and regulated by the FCA, the Investment Manager is currently subject to provisions of certain European directives and regulations (e.g., Markets in Financial Instruments Directive and EMIR) which have either been incorporated into the UK law or have direct effect in the UK. The longer term impact of the decision to leave the EU on the UK regulatory framework will depend, in part, on the relationship that the UK will seek to establish with the EU in the future. In particular, it is uncertain whether and how UK laws that incorporate EU directives may be modified in the future and whether UK firms (such as the Investment Manager) will continue to have the benefit of certain rights to conduct cross border business within the EU. It is not possible to

ascertain the precise impact the United Kingdom's departure from the EU may have on the CCF or the Investment Manager from an economic, financial or regulatory perspective but any such impact could have material consequences for the Investment and/or the CCF.

#### *Eurozone Crisis*

As a result of the crisis of confidence in the markets which has caused bond yield spreads (the cost of borrowing in the debt capital markets) and credit default spreads (the cost of purchasing credit protection) to increase, most notably in relation to certain Eurozone countries, certain countries in the EU have had to accept "bailouts" from banks and lines of credit from supra-governmental agencies such as the International Monetary Fund (the "IMF") and the recently created European Financial Service Facility (the "EFSF"). The European Central Bank (the "ECB") has also been intervening to purchase Eurozone debt in an attempt to stabilise markets and reduce borrowing costs. In December 2011, leaders of the countries in the Eurozone, as well as the leaders of certain other countries in the EU, met in Brussels and agreed a "fiscal compact" which includes a commitment to a new fiscal rule, to be introduced into the legal systems of the relevant countries, as well as acceleration of the entry into force of the European Stability Mechanism treaty.

Notwithstanding the measures described above, and future measures which may be introduced, it is possible that a country may leave the Eurozone and return to a national currency, and as a result may leave the EU and/or that the Euro, the European single currency, will cease to exist in its current form and/or lose its legal status in one or more countries in which it currently has such status. The effect of such potential events on the Funds which are denominated in Euro or which invest in instruments predominantly tied to Europe is impossible to predict.

#### *Subscriptions/Redemptions Account*

The CCF operates a Subscriptions/Redemptions Account for each Fund. Monies in the Subscriptions/Redemptions Accounts are deemed assets of the respective Fund and shall not have the protection of the Investor Money Regulations. There is a risk for investors to the extent that monies are held by the CCF in the Subscriptions/Redemptions Account for the account of a Fund at a point where such Fund (or another Fund of the CCF) becomes insolvent. In respect of any claim by an investor in relation to monies held in the Subscriptions/Redemptions Account, the investor shall rank as an unsecured creditor of the CCF.

#### *Operational Risks (including Cyber Security and Identity Theft)*

An investment in a Fund, like any fund, can involve operational risks arising from factors such as processing errors, human errors, inadequate or failed internal or external processes, failure in systems and technology, changes in personnel, infiltration by unauthorised persons and errors caused by service providers such as the Manager, Investment Manager, the Sub-Investment Manager or the Administrator. While the Funds seek to minimise such events through controls and oversight, there may still be failures that could cause losses to a Fund.

The Manager, Investment Manager, Sub-Investment Manager, Administrator and Depositary (and their respective groups) each maintain appropriate information technology systems. However, like any other system, these systems could be subject to cyber security attacks or similar threats resulting in data security breaches, theft, a disruption in the Manager's Investment Manager's, Sub-Investment Manager's, Administrator's and/or Depositary's service or ability to close out positions and the disclosure or corruption of sensitive and confidential information. Notwithstanding the existence of policies and procedures designed to detect and prevent such breaches and ensure the security, integrity and confidentiality of such information as well as the existence of business continuity and disaster recovery measures designed to mitigate any such breach or disruption at the level of the CCF and its delegates, such security breaches may potentially also result in loss of assets and could create significant financial and or legal exposure for the CCF.

#### **Efficient Portfolio Management Risk**

The Manager on behalf of a Fund may employ techniques and instruments relating to transferable securities, money market instruments and/or other financial instruments in which it invests for efficient portfolio management purposes. Many of the risks attendant in utilising FDIs, as disclosed in the section entitled "**Derivatives Risk**" above, will be equally relevant when employing such efficient portfolio management techniques. In addition, particular attention is drawn to the sub-sections entitled "*Counterparty Risk*". Investors should also be aware that from time to time, a Fund may engage with



repurchase / reverse repurchase agreements counterparties and/or securities lending agents that are related parties to the Depositary or other service providers of the CCF. Such engagement may on occasion cause a conflict of interest with the role of the Depositary or other service provider in respect of the CCF. Please refer to the "Conflicts of Interest" above for further details on the conditions applicable to any such related party transactions. The identity of any such related parties will be specifically identified in the CCF's semi-annual and annual reports.

### **Reinvestment of Cash Collateral Risk**

As a Fund may reinvest cash collateral received, subject to the conditions and within the limits laid down by the Central Bank, a Fund reinvesting cash collateral will be exposed to the risk associated with such investments, such as failure or default of the issuer of the relevant security.

#### *Collateral Risk*

Collateral or margin may be passed by the Fund to a counterparty or broker in respect of OTC FDI transactions. Assets deposited as collateral or margin with brokers may not be held in segregated accounts by the brokers and may therefore become available to the creditors of such brokers in the event of their insolvency or bankruptcy. Where collateral is posted to a counterparty or broker by way of title transfer, the collateral may be re-used by such counterparty or broker for their own purpose, thus, exposing the Fund to additional risk.

Risks related to a counterparty's right of re-use of any collateral include that, upon the exercise of such right of re-use, such assets will no longer belong to the relevant Fund and the Fund will only have a contractual claim for the return of equivalent assets. In the event of the insolvency of a counterparty the Fund shall rank as an unsecured creditor and may not recover its assets from the counterparty. More broadly, assets subject to a right of re-use by a counterparty may form part of a complex chain of transactions over which the Fund or its delegates will not have any visibility or control.

#### *Tax Risk*

The tax information provided in the "*Tax Information*" section is based on the best knowledge of the Manager of tax law and practice as at the date of this Prospectus and is subject to change from time to time. Any change in the taxation legislation in Ireland or in any jurisdiction where a Fund is registered, listed, marketed or invested could affect the tax status of the CCF and any Fund, affect the value of the relevant Fund's investments in the affected jurisdiction, affect the relevant Fund's ability to achieve its investment objective, and/or alter the after-tax returns to Unitholders. Where a Fund invests in FDI, these considerations may also extend to the jurisdiction of the governing law of the FDI and/or the relevant counterparty and/or to the markets to which the FDI provides exposure. The availability and value of any tax reliefs available to Unitholders depend on the individual circumstances of each Unitholder. The information in the "*Tax Information*" section is not exhaustive and does not constitute legal or tax advice. Prospective Unitholders should consult their tax advisors with respect to their particular tax situations and the tax effects of an investment in the Funds. Where a Fund invests in a jurisdiction where the tax regime is not fully developed or is not sufficiently certain, the CCF, the relevant Fund, the Investment Manager and/or Sub-Investment Manager, the Depositary and the Administrator shall not be liable to account to any Unitholder for any payment made or suffered by the CCF or the relevant Fund in good faith to a fiscal authority for taxes or other charges of the CCF or the relevant Fund notwithstanding that it is later found that such payments need not or ought not have been made or suffered.

#### *FATCA*

The United States and Ireland have entered into an intergovernmental agreement to implement FATCA (the "**IGA**"). Under the IGA, an entity classified as a Foreign Financial Institution (an "**FFI**") that is treated as resident in Ireland is expected to provide the Revenue Commissioners with certain information in respect of its "account" holders (i.e. Unitholders). The IGA further provides for the automatic reporting and exchange of information between the Revenue Commissioners and the IRS in relation to accounts held in Irish FFIs by U.S. persons, and the reciprocal exchange of information regarding U.S. financial accounts held by Irish residents. Provided the CCF complies with the requirements of the IGA and the Irish legislation, it should not be subject to FATCA withholding on any payments it receives and should not be required to impose FATCA withholding on payments which it makes.

Although the CCF or the Manager on behalf of the CCF will attempt to satisfy any obligations imposed on it in respect of the FATCA withholding tax, no assurance can be given that the CCF or the Manager on behalf of the CCF will be able to satisfy these obligations. In order to satisfy its FATCA obligations, the CCF or the Manager on behalf of the CCF will require certain information from investors in respect of their FATCA status. If the CCF becomes subject to a withholding tax as a result of the FATCA regime, the value of the Units held by all Unitholders may be materially affected.

All prospective investors / Unitholders should consult with their own tax advisors regarding the possible FATCA implications of an investment in the CCF.

## **CRS**

Ireland has provided for the implementation of CRS through section 891F of the TCA and the enactment of the Returns of Certain Information by Reporting Financial Institutions Regulations 2015 (the "**CRS Regulations**").

The CRS, which has applied in Ireland since 1 January 2016, is a global OECD tax information exchange initiative which is aimed at encouraging a coordinated approach to disclosure of income earned by individuals and organisations.

The CCF is a Reporting Financial Institution for CRS purposes and will be required to comply with the Irish CRS obligations. In order to satisfy its CRS obligations, the CCF will require its investors to provide certain information in respect of their tax residence and may, in some cases, require information in relation to the tax residence of the controlling persons of the investor. The CCF, or a person appointed by the CCF, will report the information required to the Revenue Commissioners by 30 June in the year following the year of assessment for which a return is due. The Revenue Commissioners will share the appropriate information with the relevant tax authorities according to the relevant exchange relationships.

All prospective investors / Unitholders should consult with their own tax advisors regarding the possible CRS implications of an investment in the CCF.

## *Section 871(m)*

Section 871(m) of the US Tax Code requires withholding (up to 30%, depending on whether a treaty applies) on certain financial instruments to the extent that the payments or deemed payments on the financial instruments are contingent upon or determined by reference to U.S.-source dividends. Under U.S. Treasury Department regulations, certain payments or deemed payments to the CCF with respect to certain equity-linked instruments that reference U.S. stocks may be treated as dividend equivalents that are subject to U.S. withholding tax at a rate of 30% (or lower treaty rate). Under these regulations, withholding may be required even in the absence of any actual dividend-related payment or adjustment made pursuant to the terms of the instrument. If the CCF becomes subject to a withholding tax as a result of 871(m), the value of the Units held by the Unitholders may be materially affected. All prospective investors/Unitholders should consult with their own tax advisors regarding the possible implications of 871(m) on an investment in the CCF.

## *Valuation Risk*

A Fund's investments will typically be valued at the relevant market value, in accordance with the Deed of Constitution and applicable law. In certain circumstances, a portion of a Fund's assets may be valued by the CCF at fair value using prices provided by a pricing service or, alternatively, a broker-dealer or other market intermediary (sometimes just one broker-dealer or other market intermediary) when other reliable pricing sources may not be available. If no relevant information is available from those sources or the CCF considers available information unreliable, the CCF may value a Fund's assets based on such other information as the CCF may in its discretion consider appropriate. There can be no assurance that such prices will accurately reflect the price a Fund would receive upon sale of a security, and to the extent a Fund sells a security at a price lower than the price it has been using to value the security, its Net Asset Value will be adversely affected. When a Fund invests in other funds or investment pools, it will generally value its investments in those funds or pools based on the valuations determined by the funds or pools, which may not be the same as if the net assets of the funds or pools had been valued using the procedures employed by the Fund to value its own assets.

## *Foreign Taxes*

The CCF may be liable to taxes (including withholding taxes) in countries other than Ireland on income earned and capital gains arising on its investments. The CCF may not be able to benefit from a reduction in the rate of such foreign tax by virtue of the double taxation treaties between Ireland and other countries. The CCF may not, therefore, be able to reclaim any foreign withholding tax suffered by it in particular countries. If this position changes and the CCF obtains a repayment of foreign tax, the Net Asset Value of a Fund will not be restated and the benefit will be allocated to the then-existing Unitholders rateably at the time of repayment.

## **RISKS ASSOCIATED WITH INVESTMENT IN EQUITIES**

### *Equity Risk*

The market prices of equity securities owned by a Fund may go up or down, sometimes rapidly or unpredictably. The value of a security may decline for a number of reasons that may directly relate to the issuer (Investors should also refer to "*Issuer Risk*"). The values of equity securities also may decline due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. A Fund may continue to accept new subscriptions and to make additional investments in equity securities even under general market conditions that the Investment Manager and/or Sub-Investment Manager views as unfavourable for equity securities.

### *Investment Style Risk*

Equity securities generally fall into four broad categories – large-cap, mid-cap, small-cap and micro-cap. If a Fund invests primarily in one category, there is a risk that due to current market conditions, the Fund may perform less well than a Fund that is invested in another category or across several categories. General risks associated with these categories are set forth below:

- (a) Large-Cap Risk - Returns on investments in stocks of large companies could trail the returns on investments in stocks of smaller and mid-sized companies.
- (b) Mid-Cap Risk - Mid-sized companies may be more volatile and more likely than large-capitalisation companies to have relatively limited product lines, markets or financial resources, or depend on a few key employees. Returns on investments in stocks of mid-size companies could trail the returns on investments in stocks of larger or smaller companies.
- (c) Small-Cap Risk - Small-sized companies may be more volatile and more likely than large- and mid-capitalisation companies to have relatively limited product lines, markets or financial resources, or depend on a few key employees. Returns on investments in stocks of small companies could trail the returns on investments in stocks of larger companies. Investors should also refer to "*Small Companies Risk*".
- (d) Micro-Cap Risk – Micro-cap companies may be newly formed or in the early stages of development with limited product lines, markets or financial resources. Therefore, micro-cap companies may be less financially secure than large-, mid- and small-capitalisation companies and may be more vulnerable to key personnel losses due to reliance on a smaller number of management personnel. In addition, there may be less public information available about these companies. Micro-cap stock prices may be more volatile than large-, mid- and small-capitalisation companies and such stocks may be more thinly traded and thus difficult for a Fund to buy and sell in the market. Investors should also refer to "*Small Companies Risk*".

### *Small Companies Risk*

Small companies may offer greater opportunities for capital appreciation than larger companies, but they tend to be more vulnerable to adverse developments than larger companies, and investments in these companies may involve certain special risks. Small companies may have limited product lines, markets, or financial resources and may be dependent on a limited management group. In addition, these companies may have been recently organised and have little or no track record of success. Also, the Investment Manager and/or Sub-Investment Manager may not have had an opportunity to evaluate such newer companies' performance in adverse or fluctuating market conditions. The securities of small

companies may trade less frequently and in smaller volume than more widely held securities. The prices of these securities may fluctuate more sharply than those of other securities and a Fund may experience some difficulty in establishing or closing out positions in these securities at prevailing market prices. There may be less publicly available information about the issuers of these securities or less market interest in such securities than in the case of larger companies, both of which can cause significant price volatility. Some securities of smaller issuers may be illiquid or may be restricted as to resale.

## **RISKS ASSOCIATED WITH INVESTMENT IN DEBT SECURITIES**

### *Debt Securities Risk*

Fixed-income securities and other income-producing securities are obligations of their issuers to make payments of principal and/or interest on future dates. As interest rates rise, the values of debt securities or other income-producing investments are likely to fall. This risk is generally greater for obligations with longer maturities. Debt securities and other income-producing securities also carry the risk that the issuer or the guarantor of a security will be unable or unwilling to make timely principal and/or interest payments or otherwise to honour its obligations. This risk is particularly pronounced for lower-quality, high-yielding debt securities.

Additional general risks that may be part of debt securities include the following:

- (a) **Credit Risk** - The ability, or perceived ability, of the issuer of a debt security to make timely payments of interest and principal on the security will affect the value of the security. It is possible that the ability of an issuer to meet its obligations will decline substantially during the period when a Fund owns securities of that issuer or that the issuer will default on its obligations. Investors should also refer to "*Issuer Risk*". An actual or perceived deterioration of the ability of an issuer to meet its obligations will likely have an adverse effect on the value of the issuer's securities. With certain exceptions, credit risk is generally greater for investments issued at less than their face values and that require the payment of interest only at maturity rather than at intervals during the life of the investment. Credit rating agencies base their ratings largely on the issuer's historical financial condition and the rating agencies' investment analysis at the time of rating. The rating assigned to any particular investment does not necessarily reflect the issuer's current financial condition and does not reflect an assessment of an investment's volatility or liquidity. Although investment-grade securities generally have lower credit risk than securities rated below investment grade, they may share some of the risks of lower-rated investments, including the possibility that the issuers may be unable to make timely payments of interest and principal and thus default. Consequently, there can be no assurance that investment grade securities will not be subject to credit difficulties leading to the loss of some or all of the sums invested in such securities. If a security held by a Fund loses its rating or its rating is downgraded, the Fund may nonetheless continue to hold the security in the discretion of the Investment Manager and/or Sub-Investment Manager.
- (b) **Extension Risk** - During periods of rising interest rates, the average life of certain types of securities may be extended because of slower-than-expected principal payments. This may lock in a below-market interest rate, increase the security's duration, and reduce the value of the security. Extension risk may be heightened during periods of adverse economic conditions generally, as payment rates decline due to higher unemployment levels and other factors.
- (c) **Income Risk** - To the extent a Fund's income is based on short-term interest rates, which may fluctuate over short periods of time, income received by the Fund may decrease as a result of a decline in interest rates.
- (d) **Interest Rate Risk** - The values of bonds and other debt instruments usually rise and fall in response to changes in interest rates. Declining interest rates generally increase the values of existing debt instruments, and rising interest rates generally reduce the values of existing debt instruments. Interest rate risk is generally greater for investments with longer durations or maturities and may also be greater for certain types of debt securities such as zero coupon and deferred interest bonds. Interest rate risk is also relevant in situations where an issuer calls or redeems an investment before its maturity date. Investors should also refer to "*Prepayment Risk*". Adjustable rate instruments also generally react to interest rate changes in a similar manner although generally to a lesser degree (depending, however, on the characteristics of the reset terms, including the index chosen, frequency of reset and reset caps or floors, among other factors).

- (e) Lower-Rated Securities Risk - Securities rated below investment grade (i.e. high-yield bonds or junk bonds) typically lack outstanding investment characteristics and have speculative characteristics and are subject to greater credit and market risks than higher-rated securities. The lower ratings of junk bonds reflect a greater possibility that adverse changes in the financial condition of the issuer or in general economic conditions, or an unanticipated rise in interest rates, may impair the ability of the issuer to make payments of interest and principal. If this were to occur, the values of such securities held by a Fund may become more volatile and the Fund could lose some or all of its investment.
- (f) Prepayment Risk - A debt security held by a Fund could be repaid or "called" before the money is due, and the Fund may be required to reinvest the proceeds of the prepayment at lower interest rates and therefore might not benefit from any increase in value as a result of declining interest rates. Intermediate-term and long-term bonds commonly provide protection against this possibility, but mortgage-backed securities do not. Mortgage-backed securities are more sensitive to the risks of prepayment because they can be prepaid whenever their underlying collateral is prepaid.

#### *Mortgage And Asset-Backed Securities Risk*

Mortgage-backed and asset-backed investments tend to increase in value less than other debt securities when interest rates decline, but are subject to similar risk of decline in market value during periods of rising interest rates. In a period of declining interest rates, a Fund may be required to reinvest more frequent prepayments on mortgage-backed and asset-backed investments in lower-yielding investments. Asset-backed securities in which the Fund invests may have underlying assets that include motor vehicle instalment sales or instalment loan contracts, leases of various types of real and personal property, and receivables from credit card agreements. Like mortgages underlying mortgage-backed securities, underlying automobile sales contracts or credit card receivables are subject to prepayment, which may reduce the overall return to asset-backed security holders. Holders may also experience delays in payment on the securities if the full amounts due on underlying sales contracts or receivables are not realised because of unanticipated legal or administrative costs of enforcing the contracts or because of depreciation or damage to the collateral (usually automobiles) securing certain contracts, or other factors. The values of mortgage-backed securities or asset-backed securities may be substantially dependent on the servicing of the underlying asset pools, and are therefore subject to risks associated with the negligence or malfeasance by their servicers and to the credit risk of their servicers. In certain circumstances, the mishandling of related documentation may also affect the rights of security holders in and to the underlying collateral. The insolvency of entities that generate receivables or that utilise the assets may result in added costs and delays in addition to losses associated with a decline in the value of underlying assets. It is possible that many or all mortgage-backed securities and asset-backed securities will fall out of favour at any time or over time with investors, affecting adversely the values and liquidity of the securities.

#### *Sovereign Risk*

A Fund may invest in debt securities issued by governments or by agencies, instrumentalities and sponsored enterprises of governments. The value of these securities may be affected by the creditworthiness of the relevant government, including any default or potential default by the relevant government. In addition, issuer payment obligations relating to securities issued by government agencies, instrumentalities and sponsored enterprises of governments may have limited or no support of the relevant government.

#### *Variable And Floating Rate Securities*

In addition to traditional fixed-rate securities, a Fund may invest in debt securities with variable or floating interest rates or dividend payments. Variable or floating rate securities bear rates of interest that are adjusted periodically according to formulae intended to reflect market rates of interest. These securities allow the Fund to participate in increases in interest rates through upward adjustments of the coupon rates on such securities. However, during periods of increasing interest rates, changes in the coupon rates may lag the change in market rates or may have limits on the maximum increase in coupon rates. Alternatively, during periods of declining interest rates, the coupon rates on such securities readjust downward and this may result in a lower yield.

**The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in purchasing Units. Prospective investors should read this entire Prospectus and the Relevant Supplements and consult with their own advisers before deciding whether to purchase Units.**

---

## PURCHASE AND SALE INFORMATION

---

### *Subscription for Units*

The provisions set out below apply only to subscriptions directly to the CCF. The Manager may issue Units of any Class in the CCF. Subscriptions for Units may be made in cash, in kind or in a combination of both.

Except as disclosed in this Prospectus, the Funds do not impose any restrictions on the frequency of subscriptions and redemptions; however, the Manager may in its absolute discretion refuse to accept any subscription for Units, in whole or in part.

Fractions of up to 4 decimal places of a Unit may be issued. Subscription moneys representing smaller fractions of Units will not be returned to the applicant but will be retained as part of the assets of the relevant Fund.

### *Initial Subscriptions*

Units will be issued initially at the price specified in the Relevant Supplement and all Duties and Charges (if applicable and subject to any applicable regulations), and, thereafter, at the Net Asset Value per Unit as specified in the Relevant Supplement and all Duties and Charges (if applicable and subject to any applicable regulations). Subscriptions for Units will be considered upon receipt by the Administrator of completed share application form and supporting documentation including, but not limited to, anti-money laundering documentation and any required tax documentation and must be settled with, cleared funds and/or any other appropriate consideration as specified in the Relevant Supplement. For the avoidance of doubt, subscriptions for Units may not be made via nominees acting on behalf of natural persons. In exceptional circumstances, the Manager may decide to accept subscription requests after the relevant Dealing Deadline and provided that they are received before the relevant Valuation Point. Initial subscriptions for Units may be made either by post or by fax in accordance with the requirements of the Central Bank.

The Minimum Holding for Units of each Fund is set out in the Supplement for the relevant Fund.

A subscription charge of up to 5% of the subscription amount may be charged by the Manager for payment to the Investment Manager on the issue of Units, out of which the Manager/Investment Manager may, for example, pay commission to financial intermediaries. Details of such charge in respect of a Fund, if any, will be set out in the Supplement for the relevant Fund.

The Manager reserves the right to impose an Anti-Dilution Levy on a transaction basis in the case of net subscriptions as a percentage adjustment (to be communicated to the Administrator) on the value of the relevant subscription calculated for the purposes of determining a subscription price to cover dealing costs and to preserve the value of the underlying assets of the relevant Fund where they consider such a provision to be in the best interests of a Fund. Such amount will be added to the price at which Shares will be issued in the case of net subscription requests. Any such sum will be paid into the account of the relevant Fund.

### *Subsequent Subscriptions*

Unitholders may submit subsequent applications for Units to the Administrator either by post or by fax or in such format or method as shall be agreed in advance in writing with the Administrator in accordance with the requirements of the Central Bank. Subsequent subscriptions will be accepted at a price corresponding to the Net Asset Value per Unit as determined as at the Valuation Point for the relevant Dealing Day and all Duties and Charges (if applicable and subject to any applicable regulations).

### *Minimum Subscription Amounts*

Unitholders who subscribe for Units, in any of the ways described below, must subscribe an amount that is at least equal to the Minimum Subscription Amount. The Minimum Subscription Amount may differ for initial subscriptions and subsequent subscriptions and may be waived by the Manager in their absolute discretion. The Minimum Subscription Amount for any Fund will be specified in the Relevant Supplement.

### *Application Forms*

Signed, original subscription application forms and supporting anti-money laundering documentation should be sent by post to the Administrator in accordance with the details set out in the subscription application form. Completed application forms may also be accepted by fax, provided that the original application form and the supporting documentation required for anti-money laundering purposes is received by post promptly thereafter. Amendments to a Unitholder's registration details and payment instructions will only be effected upon receipt of original documentation.

### *Cash Subscriptions*

Investors may subscribe for Units for cash (unless specified otherwise in the Relevant Supplement) on each Dealing Day by making an application before the Dealing Deadline. Any properly made application received by the Administrator after the time specified in the Relevant Supplement will not be deemed to have been accepted until the following Dealing Day, provided always that the Manager may in exceptional circumstances decide to accept subscriptions after the relevant Dealing Deadline, provided that they are received before the relevant Valuation Point.

Subscription monies in the currency in which the relevant Units are denominated should be sent by wire transfer to the Subscriptions/Redemption Account specified in the subscription application form no later than the time specified in the Relevant Supplement. If cleared funds representing the subscription monies (and all Duties and Charges) are not received by the CCF by the time and date specified in the Relevant Supplement, the Manager reserves the right to cancel any provisional allotment of Units.

Upon receipt into the Subscriptions/Redemptions Account, subscription monies will become the property of the relevant Fund and accordingly an investor will be treated as a general creditor of the relevant Fund during the period between receipt of subscription monies into the Subscriptions/Redemptions Account and the issue of Units.

### *In-Kind Subscriptions*

Each Fund may allow Investors to subscribe for Units in-kind on each Dealing Day, unless specified otherwise in the Relevant Supplement. In this context, "in-kind" means that, rather than receiving cash in respect of a subscription, the CCF may receive securities (or predominantly securities) and a cash component.

The Manager may at its absolute discretion in consultation with the Investment Manager, provided that the Depositary is satisfied that no material prejudice would result to any existing Unitholder in any Fund, allot Units in any Fund against the vesting in the Depositary on behalf of the CCF of investments which would form part of the assets of the relevant Fund provided such investments would qualify as an investment of the relevant Fund in accordance with its investment objective, policies and restrictions. The number of Units to be issued in this way shall be the number which would have been issued for cash against the payment of a sum equal to the value of the investments minus such sum as the Manager may consider represents any fiscal or other expenses as aforesaid to be paid out of the assets of the relevant Sub-Fund in connection with the vesting of such assets in the Depositary.

The value of the investments to be vested shall be calculated by applying the valuation methods described under the section titled "Determination Of Net Asset Value" below.

### *Duties and Charges for Cash and in kind Subscriptions*

The Manager may, in its absolute discretion, include an appropriate provision for Duties and Charges in respect of each subscription.

### *Registration of Units*

All Units issued will be in registered form. Written confirmation of ownership will be sent to investors that have subscribed for Units. Units may only be issued as fully paid and in whole units. Generally, Units will be issued in dematerialised, non-certificated form. No individual certificates for Units will be issued by the CCF.



### *Redemption of Units*

The provisions set out below apply only to redemptions of Units by the CCF.

The redemption proceeds will correspond to the Net Asset Value per Unit as determined as at the Valuation Point for the relevant Dealing Day, less any redemption charge and all Duties and Charges (if applicable and subject to any applicable regulations). In exceptional circumstances, the Manager may decide to accept redemption requests after the relevant Dealing Deadline provided that they are received before the relevant Valuation Point. A properly completed signed redemption instruction must be received by the Administrator by post or fax before the Dealing Deadline. The Manager may, in its absolute discretion, reject a request to redeem Units, in whole or in part where the Manager has reason to believe that the request is being made fraudulently.

If the CCF, Manager, any Fund or any Unitholder becomes liable to account for tax in any jurisdiction as a result of a Unitholder or beneficial owner of a Unit having received (or being deemed to have received) a payment of Gross Income in respect of its existing Units or in respect of Units which were disposed of or redeemed (a "**Chargeable Event**") the Manager and/or its delegate shall be entitled to deduct from any Gross Income Payment arising on a Chargeable Event an amount equal to the appropriate tax and any interest or penalties thereon and/or appropriate, cancel or compulsorily repurchase such number of Units held by the Unitholder or beneficial owner as are required to discharge such liabilities. The relevant Unitholder shall indemnify and keep the Manager and its delegate on behalf of the CCF or the relevant Fund indemnified against any loss arising to the Manager and/or its delegate, the CCF or the Fund by reason of the CCF or the Sub-Fund becoming liable to account for tax in any jurisdiction on the happening of a Chargeable Event if no such deduction, appropriation or compulsory repurchase had been made.

The Manager may decline to effect a redemption request which would have the effect of reducing the value of any holding of Units relating to any Fund below the Minimum Holding. Any redemption request having such an effect may be treated by the Manager as a request to redeem the Unitholder's entire holding of that class of Units.

The Manager reserves the right to impose an Anti-Dilution Levy in the case of net repurchases on a transaction basis as a percentage adjustment (to be communicated to the Administrator) on the value of the relevant repurchase calculated for the purposes of determining a repurchase price to cover dealing costs and to preserve value of the underlying assets of the Fund where they consider such a provision to be in the best interests of a Fund. Such amount will be deducted from the price at which Shares will be repurchased in the case of net repurchase requests. Any such sum will be paid into the account of the Fund.

### *Minimum Redemption Amount.*

Unitholders who wish to redeem Units may only redeem Units with a value that is at least equal to the Minimum Redemption Amount. The Minimum Redemption Amount may be waived by the Manager in its absolute discretion. The Minimum Redemption Amount for any Fund will be specified in the Relevant Supplement.

### *Redemptions for Cash*

Unitholders may request the redemption, in cash, of Units on any Dealing Day at the Net Asset Value per Unit as of the relevant Dealing Day.

The Administrator or the Manager may refuse to pay or delay payment of repurchase proceeds where the requisite information for verification purposes has not been produced by a Unitholder. Any amendments to a Unitholder's registration detail or payment instructions will only be effected upon receipt of original documentation by the Administrator. All redemptions for cash will be subject to an appropriate provision for Duties and Charges. Payment for Units redeemed will normally be effected no later than three (3) Business Days after the relevant Dealing Deadline or such lesser period as may be set out in the Relevant Supplement. Redemption proceeds in the Class Currency will be paid by wire transfer to the bank account detailed on the application form or as subsequently notified to the Administrator in writing.

The cost of any transfer of proceeds by wire transfer will be deducted from such proceeds. Payment will be made only to an account in the name of the registered Unitholder. The Units shall be redeemed at the Net Asset Value per Unit on the Dealing Day on which redemption is effected.

### *Redemption of Units In-Kind*

Each Fund may allow Unitholders to redeem Units in-kind on each Dealing Day, unless otherwise specified in the Relevant Supplement. In this context, "in-kind" means that, with the consent of the Unitholder, rather than delivering cash proceeds in respect of a redemption, the CCF will deliver securities or a combination of cash, and securities, and amounts relating to receivable tax reclaims, provided that the asset allocation is subject to the approval of the Depositary. Redemption requests must be received by the Administrator before the Dealing Deadline. The exact value of the cash balance is determined after calculation of the Net Asset Value on the relevant Dealing Day, established on the basis of the prices used in calculating the Net Asset Value per Unit. All redemptions in-kind will be subject to an appropriate provision for Duties and Charges. A determination to provide redemption in-kind shall be at the sole discretion of the CCF where the redeeming Unitholder requests redemption of Units in a Fund representing 5% or more of the Net Asset Value. Further, a determination to provide redemption in-kind shall be at the sole discretion of the CCF where the Units being redeemed were originally subscribed for in specie. The assets to be transferred shall be selected at the discretion of the Manager, subject to the approval of the Depositary and taken at their value used in determining the redemption price of the Units being so repurchased. In this event the CCF will, if requested, sell the assets on behalf of the Unitholder at the Unitholder's expense and give the Unitholder cash. Such distributions will not materially prejudice the interests of remaining Unitholders. The cost of any such disposal shall be borne by the redeeming Unitholder.

Where an Investor submits a subscription request in cash, the corresponding redemption will be satisfied in cash unless otherwise agreed with the Investor (with relevant asset allocation being approved by the Depositary).

### *Redemption Proceeds*

Redemptions proceeds (in-kind and/or in cash) will only be released where the Administrator has received the original subscription application form in respect of the Units being redeemed (including all requested supporting anti-money laundering documentation and the anti-money laundering procedures have been completed). Where Units are issued in dematerialised form in one or more recognised clearing and settlement systems, redemption of these Units can only be completed by the delivery of those Units back through that recognised clearing and settlement system. Redemption instructions received after the Dealing Deadline will be held over and dealt with on the following Dealing Day, unless the Manager in exceptional circumstances determine otherwise and the instruction is received prior to the Valuation Point. Redemption instructions should be sent by facsimile or by post to the Administrator. Unitholders will not be entitled to withdraw redemption requests unless otherwise agreed by the Manager in consultation with the Administrator.

Redemption proceeds entitled to any tax reclaims, as outlined in the "Tax Reclaims" section below, shall only be payable to such applicable Unitholders once such recoverable amounts are received by the CCF.

The Manager may, but shall not be obliged to, estimate the value of cash dividends and interest declared or accrued and not yet received by the relevant Fund as at the relevant Valuation Point, which amount the Manager shall be entitled to retain pending actual receipt and reconciliation of such cash dividends and interest. Upon actual receipt and reconciliation of such cash dividends and interest, the Manager will calculate the Unitholder's actual entitlement to such cash dividends and interest as of the Valuation Point applicable to the redemption and make a payment to the Unitholder taking into account the foreign exchange rate applied to such cash dividend or interest when it is received and after deducting any relevant fees, costs, charges and expenses payable by the Unitholder in relation to such cash dividends and interest.

Investors should note that any redemption proceeds being paid out by a Fund and held for any time in the Subscriptions/Redemptions Account shall remain an asset of the relevant Fund until such time as the proceeds are released to the investor. This would include, for example, cases where redemption proceeds are temporarily withheld pending the receipt of any outstanding identity verification documents as may be required by the CCF or the Administrator – enhancing the need to address these issues promptly so that the proceeds may be released. It should also be noted that the investor shall have ceased being considered a Unitholder and instead will rank as a general unsecured creditor of the CCF.

### *Redemption Limits*

If redemption requests received in respect of Units of a particular Fund on any Dealing Day total, in aggregate, more than 10% of all of the issued Units of that Fund on that Dealing Day, the Manager shall be entitled, at their absolute discretion,

to refuse to redeem such number of Units of that Fund on that Dealing Day, in excess of 10% of the issued Units of the Fund, in respect of which redemption requests have been received, as the Manager shall determine. If the CCF refuses to redeem Units for this reason, the requests for redemption on such date shall be reduced rateably and the Units to which each request relates which are not redeemed shall be redeemed on each subsequent Dealing Day, provided that the CCF shall not be obliged to redeem more than 10% of the number of Units of a particular Fund outstanding on any Dealing Day, until all the Units to which the original request related have been redeemed.

### **Gross Income Payments**

Subject as provided herein, the Manager will, if it thinks fit, pay the Gross Income of a Fund to Unitholders of that Fund who are registered in the register of Unitholders as of the Gross Income Date on a pro rata basis, although no payment can be declared or paid within the first four calendar months of the calendar year following the Accounting Date. A single income distribution rate per Unit will be calculated for distributions of Gross Income for each class of Units and shall be paid by electronic transfer on at least a yearly basis. Unitholders may elect in the Subscription Agreement to have their pro rata portion of Gross Income reinvested in the relevant Fund. The distribution policies applicable to each Class will be specified in the Relevant Supplement.

The amount of Gross Income payable, whether or not reinvested, in respect of any Gross Income Period shall be a sum equal to the Gross Income (if any) received by the Fund which may be adjusted by the Manager as it deems appropriate as follows:

- (a) addition or deduction of a sum by way of adjustments to allow for the effect of sales or purchases cum or ex-dividend
- (b) addition of a sum representing any interest or dividends or other income accrued but not received by the Manager at the end of the Gross Income Period and deduction of a sum representing (to the extent that an adjustment by way of addition has been made in respect of any previous Gross Income Period) interest or dividends or other income accrued at the end of the previous Gross Income Period;
- (c) addition of the amount (if any) available for payment in respect of the last preceding Gross Income Period but not distributed in respect thereof;
- (d) addition of a sum representing the estimated or actual repayment of tax resulting from any claims in respect of income tax relief or double taxation relief or otherwise applicable to the investors participating in the relevant class of Units;
- (e) deduction of the amount of any tax or other estimated or actual liability properly payable out of the Gross Income of the Fund;
- (f) deduction of an amount representing participation in income paid upon the cancellation of Units during the Gross Income Period; and
- (g) deduction of such amount as the Manager or its delegate may certify necessary in respect of any expenses, remuneration or other payments (including without limitation, administration expenses and disbursements) accrued during the Gross Income Period and properly payable out of the income or capital of the Fund.

In the absence of negligence, fraud or wilful default, the Manager shall not be responsible for any error in any estimates of tax repayments or double taxation relief expected to be obtained or of any sums payable by way of taxation or receivable as income. However if the same shall not prove in all respects correct the Manager shall ensure that the relevant amounts shall be adjusted in the Gross Income Period in which a further or final settlement or determination is made of such tax repayment or relief or amount payable or receivable. No adjustment shall be made to any payment previously made.

The Manager shall ensure that there are sufficient funds upon completion of the sale of the investments agreed to be sold to include cash sufficient to pay any Gross Income. Investors should note that any Gross Income being paid out by the Manager and held for a time in the Subscriptions/Redemptions Account shall remain an asset of the relevant Fund until such time as the income is released to the Unitholder and that during this time the Unitholder will rank as a general unsecured creditor of the CCF. See "Use of a Subscriptions/Redemptions Account" below for further information.

Any Gross Income payment not claimed within six years from their due date will lapse and revert to the relevant Fund or the remaining Fund's should the relevant Fund no longer exist. No Gross Income payment or other amount payable to any Unitholder shall bear interest against the Fund and the Manager.

Any Gross Income payment, shall take place on at least a yearly basis by electronic transfer, but no payment will be made during the first four months of the calendar year.

**Use of Subscriptions/Redemptions Accounts**

The CCF operates a Subscriptions/Redemptions Account for each Fund in accordance with the Central Bank's requirements. Accordingly, monies in each Subscriptions/Redemptions Account are deemed assets of the respective Fund and shall not have the protection of the Investor Money Regulations. The Depositary will monitor the Subscriptions/Redemptions Accounts in performing its cash monitoring obligations in accordance with its obligations as prescribed under UCITS V. There nonetheless remains a risk for investors to the extent that monies are held by the CCF in a Subscriptions/Redemptions Account for the account of a Fund at a point where such Fund (or another Fund of the CCF) becomes insolvent. In respect of any claim by an investor in relation to monies held in the Subscriptions/Redemptions Account, the investor shall rank as an unsecured creditor of the CCF.

The CCF in conjunction with Depositary shall establish a policy to govern the operation of the Subscriptions/Redemptions Accounts, in accordance with the Central Bank's guidance in this area. This policy shall be reviewed by the CCF and the Depositary at least annually.

**CONVERSIONS**

A conversion of Units, which may only occur between Classes of a Fund at the instance of an Investor, is executed by a redemption of the Units of the original Class and a subscription for Units in the new Class. On this basis and unless otherwise stated in the Relevant Supplement, Unitholders will be entitled on any Dealing Day to convert any or all of their Units in a Class into Units of any other Class in the Fund, provided that they meet all of the normal criteria for subscriptions into that Class, except where dealings in the relevant Units have been temporarily suspended in the circumstances described in this Prospectus. The conversion of Units shall be adjusted as appropriate, taking into account any accrued recoverable tax amounts and transferring such recoverable tax and conditions connected therewith, to the Investor's new converted holding, as further outlined in the "Tax Reclaims" section below. Unitholders should consider the terms of the Relevant Supplement for further details.

The number of Units into which the Unitholder would like to convert his/her Units is calculated according to the following formula:

$$\alpha = \frac{\beta * \chi * \delta}{\epsilon}$$

where:

α = number of Units of the new Class into which conversion is required

β = number of Units of the original Class from which conversion is required

χ = Net Asset Value of the Units presented for conversion

δ = foreign exchange rate between the Classes concerned. If both Classes are valued in the same currency of account, this coefficient equals 1

$\varepsilon$  = Net Asset Value of the units in Class into which the conversion is to be performed plus any taxes, commissions or other fees.

Any fees, taxes and stamp duties incurred in the individual countries for a conversion are charged to the Unitholders.

The above provisions are equally as applicable when there is a fund to fund switch.

#### **TRANSFER OF UNITS**

The transfer of Units is not permitted.

#### **COMPULSORY REDEMPTIONS OF UNITS**

The Manager may compulsorily repurchase all of the Shares of any Fund if the Net Asset Value of the relevant Fund is less than the Minimum Fund Size (if any) specified in the relevant Supplement.

A Fund is established for an unlimited period and may have unlimited assets. However, a Fund may (but is not obliged to) redeem all or some of the Units of any series or Class in issue if:

- (a) the Manager deem it appropriate because of adverse political, economic, fiscal or regulatory changes affecting the relevant Fund in any way;
- (b) the Net Asset Value of the relevant Fund falls below US\$100,000,000 or the prevailing currency equivalent in the currency in which Units are denominated;
- (c) an entity has not provided the required tax documentation or supporting documentation for money laundering prevention checks;
- (d) the Units are or become owned directly or indirectly by a Prohibited Person; or
- (e) the Manager deems it appropriate for any other reason.

If the Depositary has given notice of its intention to retire and no new depositary acceptable to the CCF and the Central Bank has been appointed within one hundred and twenty (120) days of such notice, the Manager shall apply to the Central Bank for revocation of its authorisation and shall redeem all of the Units of any series or class in issue.

In every case in which Units are redeemed compulsorily in accordance with this section, the Units shall be redeemed after giving not less than two (2) week's but not more than three (3) months' prior notice to all holders of such Units. The Units will be redeemed at the Net Asset Value per Unit on the relevant Dealing Day, less such sums as the Manager in their discretion may from time to time determine as an appropriate provision for estimated realisation costs of the assets of the CCF and/or any costs associated with the termination of the relevant Fund or the CCF.

---

## DETERMINATION OF NET ASSET VALUE

---

The Manager has delegated the calculation of the Net Asset Value of each Fund and the Net Asset Value per Unit to the Administrator.

The Net Asset Value of a Fund shall be calculated by ascertaining the value of the assets of the relevant Fund and deducting from such amount the liabilities of the Fund, which shall include all fees and expenses payable and/or accrued and/or estimated to be payable out of the assets of the Fund.

The Net Asset Value per Unit of a Fund shall be calculated by dividing the Net Asset Value of the relevant Fund by the total number of Units issued in respect of that Fund or deemed to be in issue as of the relevant Business Day.

The Net Asset Value per Unit in each Fund shall be calculated to the nearest four decimal places in the Class Currency of the relevant Fund on each Business Day in accordance with the valuation provisions set out in the Deed of Constitution and summarised below.

In the event that a Fund is divided into different Classes to accommodate different dividend policies and/or charges and/or fee arrangements and/or currencies and/or investments in FDI in accordance with the requirements of the Central Bank, the amount of the Net Asset Value of the Fund attributable to a Class shall be determined by establishing the number of Units issued in the Class at the relevant Valuation Point and by allocating the relevant fees and expenses and any costs, liabilities and/or benefits of any foreign exchange hedging or any investments in FDI entered into in respect of a Class, to the Class, making appropriate adjustments to take account of distribution, subscriptions, redemptions, gains and expenses of that Class and apportioning the Net Asset Value of the Fund accordingly. The Net Asset Value per Unit in respect of a Class will be calculated by dividing the Net Asset Value of the relevant Class by the number of Units of the relevant Class in issue. The Net Asset Value of a Fund attributable to a Class and the Net Asset Value per Unit in respect of a Class will be expressed in the relevant Class Currency, if different to the Base Currency.

The Net Asset Value per Unit in the CCF will be calculated at the Valuation Point on each Business Day.

Each asset which is quoted, listed or traded on or under the rules of any Recognised Market shall be valued using the Index method of first valuation. Accordingly, depending on the terms of the relevant Index, such assets will be valued at (a) closing bid price, (b) last bid price, (c) last traded price, (d) closing mid-market price or (e) last mid-market price on the relevant Recognised Market at the close of business on such Recognised Market on each Dealing Day. The Index method of valuation applied to determine the Net Asset Value per Unit for each Fund will be specified in the Relevant Supplement. The Index method of valuation may consist of any of the options specified at (a) to (e) above and will be applied consistently in the valuation of all assets of that asset class. Prices will be obtained from independent sources that the Administrator is directed to use by the Manager in accordance with its pricing policy, such as recognised pricing services or brokers specialising in the relevant markets. If the investment is normally quoted, listed or traded on or under the rules of more than one Recognised Market, the relevant Recognised Market shall be either (a) that which is the main market for the investment or (b) the market which the Manager determine provides the fairest criteria in a value for the security, as the Manager may determine. If prices for an investment quoted, listed or traded on the relevant Recognised Market are not available at the relevant time, or are unrepresentative in the opinion of the Manager, such investment shall be valued at such value as shall be estimated with care and in good faith as the probable realisation value of the investment by a competent professional person, firm or corporation appointed for such purpose by the Manager and approved for the purpose by the Depositary. If the investment is quoted, listed or traded on a Recognised Market but acquired or traded at a premium or discount outside of or off the Recognised Market, the investment shall be valued taking into account the level of premium or discount as of the date of valuation of the investment and the Depositary must ensure the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the security. Neither the Manager or their delegates nor the Depositary shall be under any liability if a price reasonably believed by them to be the (a) closing bid price, (b) last bid price, (c) last traded price, (d) closing mid-market price or (e) last mid-market price for the time being, may be found not to be such. The value of any investment which is not normally quoted, listed or traded on or under the rules of a Recognised Market, will be valued at its probable realisation value estimated with care and in good faith by the Manager or by a competent person, firm or corporation appointed by the Manager and approved for such purpose by the Depositary.

Cash in hand or on deposit shall be valued at face value together with accrued interest where applicable, unless in the opinion of the Manager any adjustment should be made to reflect the fair value thereof.

Exchange-traded derivative instruments will be valued based on the settlement price as determined by the market where the instrument is traded. If such settlement price is not available, such value shall be calculated in accordance with the value of any investment which is not normally quoted, listed or traded on or under the Rules of a Recognised Market above, i.e. being the probable realisation value estimated with care and in good faith by a competent person appointed by the Manager (and approved for such purpose by the Depositary).

Derivatives not listed on a stock exchange (OTC derivatives) are valued on the basis of independent pricing sources, selected by the Manager and approved for the purpose by the Depositary. If only one independent pricing source is available for a derivative, the plausibility of the valuation obtained will be verified using calculation models that are recognised by the Manager and the Fund's auditors, based on the market value of that derivative's underlying.

Forward foreign exchange and interest rate swap contracts may be valued by reference to freely available market quotations or, if such quotations are not available, in accordance with the provisions in respect of exchange-traded derivative instruments.

Certificates of deposit shall be valued by reference to the latest available sale price for certificates of deposit of like maturity, amount and credit risk on each Dealing Day or, if such price is not available, at the latest bid price or, if such price is not available or is unrepresentative of the value of such certificate of deposit in the opinion of the Manager, at probable realisation value estimated with care and in good faith by a competent person appointed by the Manager and approved for the purpose by the Depositary. Treasury bills and bills of exchange shall be valued with reference to prices ruling in the relevant markets for such instruments of like maturity, amount and credit risk at close of business on such markets on the relevant Dealing Day.

Units or shares in collective investment schemes shall be valued on the basis of the latest available net asset value per unit as published by the collective investment scheme. If units or shares in such collective investment schemes are quoted, listed or traded on or under the rules of any Recognised Market then such units or shares will be valued in accordance with the rules set out above for the valuation of assets which are quoted, listed or traded on or under the rules of any Recognised Market. If such prices are unavailable, the units will be valued at their probable realisation value estimated with care and in good faith by the Manager or by a competent person, firm or corporation appointed for such purpose by the Manager and approved for the purpose by the Depositary.

Notwithstanding the above provisions the Manager may, with the approval of the Depositary (a) adjust the valuation of any listed investment where such adjustment is considered necessary to reflect the fair value in the context of currency, marketability, dealing costs and/or such other considerations which are deemed relevant; or (b) in relation to a specific asset permit an alternative method of valuation approved by the Depositary to be used if they deem it necessary.

In determining the CCF's Net Asset Value per Unit, all assets and liabilities initially expressed in foreign currencies will be converted into the Class Currency of the relevant Fund at market rates. If such quotations are not available, the rate of exchange will be determined to be the probable realisation value estimated with care and in good faith by the Manager.

Save where the determination of the Net Asset Value per Unit in respect of any Fund has been temporarily suspended in the circumstances described under "*Temporary Suspension of Dealings*" below, the Net Asset Value per Unit shall be made public as soon as practicable following calculation at the registered office of the Investment Manager and on the Website. It shall also be published by various publications as required and will be notified to any Listing Stock Exchange in accordance with the rules of the relevant Listing Stock Exchange.

The Administrator shall use reasonable endeavours to verify any pricing information supplied by the Investment Manager and/or Sub-Investment Manager or any connected person thereof (including a connected person which is a broker, market maker or other intermediary). However, in certain circumstances it may not be possible or practicable for the Administrator to verify such information and, in such circumstances, the Administrator shall not be liable (subject to the overall terms of the Administration Agreement) for any loss suffered by the CCF or any Unitholder by reason of any error in the calculation of the Net Asset Value resulting from any inaccuracy in the information provided by the Investment Manager or any connected person thereof (including a connected person which is a broker, market maker or other

intermediary) or in the case of information provided by a non-connected party that such information was provided by a third party pricing agency in accordance with the Manager's pricing policy. In circumstances where the Administrator is directed by the Manager or Investment Manager or any connected person thereof (including a connected person which is a broker, market maker or other intermediary) to use particular pricing services, brokers, market makers or other intermediaries, the Administrator shall not be liable for any loss suffered by the CCF by reason of any error in the calculation of the Net Asset Value resulting from any inaccuracy in the information provided by such pricing services, brokers, market makers or other intermediaries.

### **TEMPORARY SUSPENSION OF DEALINGS**

The Manager may at any time temporarily suspend the issue, valuation, sale, purchase, redemption or conversion of any Classes, or the payment of redemption proceeds, during:

- (a) any period when any Recognised Market on which a substantial portion of the investments for the time being comprised in the CCF are quoted, listed or dealt in is closed otherwise than for ordinary holidays, or during which dealings on any such Recognised Market are restricted or suspended;
- (b) any period when, as a result of political, military, economic or monetary events or other circumstances beyond the control, responsibility and power of the Manager, the disposal or valuation of investments for the time being comprised in the CCF cannot, in the opinion of the Manager, be effected or completed normally or without prejudicing the interests of Unitholders;
- (c) any breakdown in the means of communication normally employed in determining the value of any investments for the time being comprised in the CCF or during any period when for any other reason the value of investments for the time being comprised in the CCF cannot, in the opinion of the Manager, be promptly or accurately ascertained;
- (d) any period when the CCF is unable to repatriate funds for the purposes of making redemption payments or during which the realisation of investments for the time being comprised in the CCF, or the transfer or payment of funds involved in connection therewith cannot, in the opinion of the Manager, be effected at normal prices or normal rates of exchange;
- (e) any period when, as a result of adverse market conditions, the payment of redemption proceeds may, in the opinion of the Manager, have an adverse impact on the CCF or the remaining Unitholders in the CCF; and
- (f) any period when the Manager determine that it is in the best interests of the Unitholders to do so.

Notice of any such temporary suspension shall be published by the CCF at its registered office and in such newspapers and through such other media as the Manager may from time to time determine, if in the opinion of the Manager, such temporary suspension is likely to exceed thirty (30) days, and shall be transmitted immediately to the Central Bank and the Unitholders. Unitholders who have requested the issue or redemption of Units of any series or class will have their subscription or redemption request dealt with on the first Dealing Day after the suspension has been lifted unless applications or redemption requests have been withdrawn prior to the lifting of the suspension. Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.



---

## FEES AND EXPENSES

---

All of the fees and expenses payable in respect of a Fund are paid as one single fee. This is referred to as the "**Total Expense Ratio**" ("**TER**") or "**Flat Fee**". Out of the aforementioned Flat Fee, the CCF will bear all costs incurred in connection with the CCF's assets. This includes, but is not limited to, fees and expenses of the Manager, Investment Manager or Sub-Investment Manager, Depositary, Administrator, Distributor or sub-distributor. The Flat Fee is allocated by the CCF and paid directly to the Manager. The Manager will pay out of its fees the Depositary, the Administrator, Investment Manager, and if applicable, the Distributor, each of which is a service provider. The CCF may pay, subject to any applicable regulations, part or all of its fees to any person that invests in or provides services to the CCF or in respect of any Fund. The following fees and expenses will also be discharged out of the Flat Fee:

- (i) the cost of convening and holding Manager' and Unitholders' meetings;
- (ii) professional fees and expenses for legal and other consulting services;
- (iii) the costs and expenses of preparing, printing, publishing and distributing prospectuses, supplements, annual and semi-annual reports and other documents to current and prospective Unitholders;
- (iv) the costs and expenses arising from any licensing or other fees payable to any Index Provider or other licensor of intellectual property, trademarks or service marks used by the CCF;
- (v) the costs and expenses of any investment adviser appointed by the Investment Manager and/or Sub-Investment Manager;
- (vi) fees of any duly appointed distributor, where such distributor is not paid directly by the Manager out of the Flat Fee;
- (vii) such other costs and expenses (excluding non-recurring and extraordinary costs and expenses) as may arise from time to time and which have been approved by the Manager as necessary or appropriate for the continued operation of the CCF or of any Fund; and
- (viii) the cost of establishing the Funds as well as the cost of establishing subsequent Funds, unless otherwise provided in the Supplement for the relevant Fund.

The Flat Fee does not include extraordinary costs and expenses (including but not limited to transaction charges, stamp duty or other taxes on the investments of the CCF including duty charges for portfolio re-balancing, withholding taxes, commissions and brokerage fees incurred with respect to the CCF's investments, interest on borrowings and bank charges incurred in negotiating, effecting or varying the terms of such borrowings, any commissions charged by intermediaries in relation to an investment in the Fund and such extraordinary or exceptional costs and expenses (if any) as may arise from time to time, such as material litigation in relation to the CCF all of which will be paid separately out of the assets of the relevant Fund). The Flat Fee is calculated and accrued daily from the Net Asset Value of each Fund and payable monthly in arrears. The Flat Fee of each Fund is as listed in the Relevant Supplement. If a Fund's expenses exceed the Flat Fee outlined above in relation to operating the Funds, the Distributor or its affiliate will cover any shortfall from its own assets.

The cost of establishing the CCF, including but not limited to obtaining authorisation from any authority, filing fees, the preparation and printing of this Prospectus are anticipated not to exceed €500,000 (plus VAT where applicable) and will be borne by the Manager.

---

## TAX INFORMATION

---

Investors in the Units should be aware that they may suffer income tax, withholding tax, capital gains tax, wealth tax, stamp taxes or any other kind of tax on distributions or deemed distributions of the Fund, capital gains within the Fund whether realised or unrealised, income received or accrued or deemed received within the Fund, subject to the laws and practices of the country where the Units are purchased, sold, held or redeemed and subject to the country of tax residence or nationality of the Unitholder.

Investors should be aware of the fact that taxes may be calculated based on income received and/or deemed to be received and/or accrued in the Fund in relation to the assets of a Fund, whereas the performance of the Fund, and subsequently the return investors received after redemption of the Units, might partially or fully depend on the performance of a reference index or reference asset.

The Manager recommends that investors consult their own independent tax advisors as to the Irish or other tax consequences of the purchase, ownership and disposal of Units. In addition, investors should be aware that tax regulations and their application or interpretation by the relevant tax authorities' change from time to time. Accordingly, it is not possible to predict the precise tax treatment, which will apply at any given time.

The following is a summary of certain Irish tax consequences of the purchase, ownership and disposal of Units. The summary does not purport to be a comprehensive description of all of the Irish tax considerations that may be relevant. The summary relates only to the position of persons who are the absolute beneficial owners of Units (other than dealers in securities). The summary is based on Irish tax laws and the practice of the Revenue Commissioners in effect on the date of this Prospectus (and is subject to any prospective or retroactive change). Potential investors in Units should consult their own advisors as to the Irish or other tax consequences of the purchase, ownership and disposal of Units.

### Taxation of the CCF

The CCF is a common contractual fund as defined in section 739I of the TCA, in which the Unitholders by contractual arrangement participate and share in the property of the CCF as co-owners. The CCF is transparent for Irish tax purposes and does not have separate legal personality.

Section 739I of the TCA provides that a common contractual fund shall not be chargeable to tax in respect of its relevant income and relevant gains ("**relevant profits**"). Instead, the relevant profits of the common contractual fund shall be treated as arising, or as the case may be, accruing to each unitholder of the common contractual fund in proportion to the value of the units beneficially owned by the unitholder, as if the relevant profits had arisen or as the case may be, accrued, to the unitholders in the common contractual sub-fund without passing through the hands of the common contractual fund. This tax treatment is subject to each of the units of the common contractual fund:

- (a) being an asset of a pension fund or being beneficially owned by a person other than an individual, or
- (b) being held by an intermediary, a custodian or trustee for the benefit of a person other than an individual.

It is the intention of the Manager that the CCF should meet these conditions.

On the basis that the Units of the CCF are held by persons described above and that the CCF is a UCITS constituted other than under trust law or statute law, the CCF shall not be chargeable to tax in respect of its relevant profits.

## **Report to the Irish Revenue Commissioners**

The CCF is required in respect of each year of assessment, on or before of 28 February in the year following the year of assessment, to make a statement to the Irish Revenue Commissioners specifying:

- (a) the total amount of relevant profits (which should be the total profits of the relevant Fund of the CCF) arising to the Unitholders in respect of Units, and
- (b) in respect of each Unitholder:
  - (i) the name and address of the Unitholder;
  - (ii) the amount of the relevant profits to which the person is entitled, and
  - (iii) such other information as the Revenue Commissioners may require.

## **Stamp duty**

No Irish stamp duty will be payable on the subscription or redemption of Units provided that no application for Units or repurchase or redemption of Units is satisfied by an in specie transfer of any Irish situated securities or other property.

No Irish stamp duty will be payable by the CCF 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 incorporated or registered in Ireland and provided the conveyance or transfer does not relate to any immovable property situated in Ireland or to any stocks or marketable securities of a company (other than a company which is a collective investment undertaking within the meaning of Section 734, TCA) which is registered in Ireland.

## **Capital acquisitions tax**

No Irish gift tax or inheritance tax (capital acquisitions tax) liability will arise on a gift or inheritance of Units provided that at the date of the disposition the transferor is neither domiciled nor ordinarily resident in Ireland and at the date of the gift or inheritance the transferee of the Units is neither domiciled nor ordinarily resident in Ireland or the gift or inheritance is not subject to Irish law; and the Units are comprised in the disposition at the date of the gift or inheritance and the valuation date.

## **Certain Tax Definitions**

### **Intermediary**

This means a person who:

- (a) carries on a business which consists of, or includes, the receipt of payments from an investment undertaking resident in Ireland on behalf of other persons; or
- (b) holds units in an investment undertaking on behalf of other persons.

## **Other Jurisdictions**

As Unitholders are no doubt aware, the tax consequences of any Investment can vary considerably from one jurisdiction to another, and ultimately will depend on the tax regime of the jurisdictions within which a person is tax resident. Therefore the Manager strongly recommend that Unitholders obtain tax advice from an appropriate source in relation to the tax liability arising from the holding of Units in the CCF and any Investment returns from those Units.

**THE TAX AND OTHER MATTERS DESCRIBED IN THIS MEMORANDUM DO NOT CONSTITUTE, AND SHOULD NOT BE CONSIDERED AS LEGAL OR TAX ADVICE TO PROSPECTIVE UNITHOLDERS. EACH INVESTOR SHOULD SEEK ADVICE FROM ITS OWN TAX ADVISER BASED ON ITS INDIVIDUAL CIRCUMSTANCES.**

### **Taxation of Unitholders**

Distributions, interest or gains derived from securities may be subject to taxes, including withholding taxes imposed by the country of source. The CCF has been constituted by the Manager with the objective that it would be viewed as tax transparent. As such, where double taxation treaties apply, those treaties between the countries where the investors and the investments are located will be relevant. The objective of the Manager is that the CCF may effectively be ignored for double taxation treaty purposes, although the Manager makes no representations or warranties as to the tax transparency of the CCF or its Funds in any jurisdiction.

The investors in the CCF may not be able to benefit from a reduction in the rate of withholding tax and may not therefore be able to prevent withholding taxes being deducted or be able to reclaim withholding taxes suffered in particular countries. If this position changes in the future and the application for a lower or higher rate results in a repayment to the relevant Fund of the CCF or a payment by the relevant Fund, the Net Asset Value of the relevant Fund will not be restated and the benefit or cost will be allocated to the existing Unitholders of the relevant Fund rateably at the time of repayment or payment.

### **Tax Reclaims**

Tax reclaims will be filed on behalf of Unitholders and may be recorded in the relevant Fund and/or Class by accounting on a cash basis. Therefore, reclaims may be shared at the time of payment amongst the existing Unitholders in a Fund and/or Class of Units. The composition of Unitholders and/or their holdings in the Fund and/or Class at the time at which reclaims were generated may change.

The Manager reserves the right not to apply applicable double taxation treaties on individual reclaim amounts where, for example, the Manager determines the cost of filing treaty claims outweighs the tax benefit or where the relevant tax authority does not permit individual reclaims below a certain amount as they are uneconomic for those tax authorities to process. As a result, investors in the CCF may suffer some withholding taxes being deducted even where double taxation treaties apply, and where higher value reclaims are being successfully pursued. The monetary impact of not pursuing small value reclaims is expected to have a negligible impact on the tax efficiency of the CCF, but it should be noted the impact may be felt more on smaller investments, as the dividend yield from underlying investments translates into smaller dividend values. Investor level reclaims will not be pursued where the Manager has instructed the Depositary to apply for a fund-level withholding tax exemption or relief in a particular market on behalf of the Fund.

### **Other Tax Matters**

The income and/or gains of the CCF or a Fund from its securities and Assets may suffer withholding and other taxes in the countries where such income and/or gains arise. It is not intended that the CCF will be able to benefit from double taxation agreements between Ireland and such countries. Instead, it is intended that the treaty between the investor's home country and country of Investment should be applicable.

Investors participating in the same Class of Units in a Fund must all be entitled to the same double taxation treaties allowing their unique withholding tax and tax reclaims to be isolated to those eligible to benefit from such treaties. Events which would cause an investor's income entitlements to diverge from the other investors within the Class include:

- (a) lack of valid investor tax documentation for a particular market; and
- (b) divergence of tax treaty rates and domestic exemption applicability between investors.

If an investor lacks valid tax documentation to receive treaty benefits, the investor's Units in the Class may be compulsorily exchanged for Non-Treaty Class Units until valid documentation is received by the Manager and its delegates. When an investor's withholding rate or tax reclaim rate diverges from the other investors in the Class due to

changes in double tax treaties or domestic exemptions covering the investor, the investor's Units in a Class may be exchanged by the Manager, in its discretion, for Units in a separate Class.

It is the intention of the Manager that each Fund will be treated as an entity which is separate and apart from all other Funds.

### **Automatic Exchange of Information**

The CCF is obliged, pursuant to the IGA, Council Directive 2011/16/EU, section 891E, section 891F and section 891G of the TCA and regulations made pursuant to those sections, to collect certain information about its investors.

The CCF will be required to provide certain information to the Revenue Commissioners in relation to the investors (including information in respect of the investor's tax residence status) and also in relation to accounts held by investors. For further information on FATCA or CRS please refer to the website of the Revenue Commissioners at [www.revenue.ie/en/business/aeoi/index.html](http://www.revenue.ie/en/business/aeoi/index.html).

Further detail in respect of FATCA and CRS is set out below.

#### **FATCA**

On 21 December 2012, the governments of Ireland and the U.S. signed the IGA.

The IGA significantly increases the amount of tax information automatically exchanged between Ireland and the U.S. It provides for the automatic reporting and exchange of information in relation to accounts held in Irish "financial institutions" by U.S. persons and the reciprocal exchange of information regarding U.S. financial accounts held by Irish Residents. The CCF is subject to these rules. Complying with such requirements will require the CCF to request and obtain certain information and documentation from its Unitholders, other account holders and (where applicable) the beneficial owners of its Unitholders and to provide any information and documentation indicating direct or indirect ownership by U.S. Persons to the competent authorities in Ireland. Unitholders and other account holders will be required to comply with these requirements, and non-complying Unitholders may be subject to compulsory redemption and/ or U.S. withholding tax of 30% on withholdable payments and/or other monetary penalties.

The IGA provides that Irish financial institutions will report to the Revenue Commissioners in respect of U.S. account-holders and, in exchange, U.S. financial institutions will be required to report to the IRS in respect of any Irish-resident account-holders. The two tax authorities will then automatically exchange this information on an annual basis.

The CCF (and/or any of its duly appointed agents) shall be entitled to require Unitholders to provide any information regarding their tax status, identity or residency in order to satisfy any reporting requirements which the CCF may have as a result of the IGA or any legislation promulgated in connection with the IGA and Unitholders will be deemed, by their subscription for or holding of Units to have authorised the automatic disclosure of such information by the CCF or any other person to the relevant tax authorities.

#### **CRS**

Ireland introduced CRS Regulations in December 2015 and implementation of CRS among early adopting countries (including Ireland) occurred with effect from 1 January 2016.

Ireland has provided for the implementation of CRS through section 891F of the TCA and the enactment of the CRS Regulations.

CRS is a global OECD tax information exchange initiative which is aimed at encouraging a coordinated approach to disclosure Specified information in relation to financial accounts held by individuals and organisations.

Ireland and a number of other jurisdictions have entered or will enter into agreements modelled on the Common Reporting Standard for Automatic Exchange of Financial Account Information published by the OECD. The CCF is required to provide certain information to the Revenue Commissioners about its investors.

The CCF, or a person appointed by the CCF, will request and obtain certain information in relation to the tax residence of its Unitholders or "account holders" for CRS purposes and (where applicable) will request information in relation to the controlling persons of any such account holders. The CCF, or a person appointed by the CCF, will report the information required to the Revenue Commissioners by 30 June in the year following the year of assessment for which a return is due. The Revenue Commissioners will share the appropriate information with the relevant tax authorities according to the relevant exchange relationships.

## **Meaning of Terms**

### **The United Kingdom – Taxation**

The following is a summary of various aspects of the United Kingdom ("UK") taxation regime which may apply to UK resident persons acquiring Units in the Classes of a Fund. It is intended as a general summary only, based on current law and practice in force as of the date of this Prospectus. Such law and practice may be subject to change, and the below summary is not exhaustive. Further, it will apply only to those UK Unitholders holding Units as an investment rather than those which hold Units as part of a financial trade; and does not cover UK Unitholders which are tax exempt or subject to special taxation regimes.

This summary should not be taken to constitute legal or tax advice, and any prospective Unitholder should consult their own professional advisers as to the UK tax treatment of returns from the holding of Units in the CCF.

#### *The CCF*

The affairs of the CCF are intended to be conducted in such a manner that it should not become resident in the UK for taxation purposes. Therefore, on the condition that the CCF does not carry on a trade in the UK through a branch or agency or permanent establishment located there, then the CCF will not be subject to UK tax on income or chargeable gains arising to it, other than on certain UK source income.

Since the CCF is not incorporated in the UK and the register of Unitholders will be kept outside the UK, no liability to UK stamp duty reserve tax should arise by reason of the transfer, subscription for, or redemption of Units. Liability to UK stamp duty will not arise provided that any instrument in writing, transferring Units in the CCF is executed and retained at all times outside the UK. However, the CCF may be liable to transfer taxes in the UK on acquisitions of investments. In the UK, stamp duty reserve tax or stamp duty at a rate of 0.5% will be payable by the CCF on the acquisition of shares in companies that are either incorporated in the UK or that maintain a share register there.

#### *Taxation of Unitholders who are resident for tax purposes in the United Kingdom*

For both U.K. income tax and corporation tax purposes it is intended that the CCF will be treated as transparent as regards its income. As such, U.K. Unitholders will be liable to income tax or corporation tax as income arises to the CCF from its underlying assets, regardless of whether such income is paid or credited to such Unitholders. Such income will retain its original character (e.g. income) in the hands of U.K. Unitholders, the nature of which will determine (i) whether other U.K. or foreign tax credits are available to U.K. Unitholders generally and (ii) whether any distribution exemptions apply for Unitholders subject to corporation tax.

Such income may be subject to withholding tax when paid or credited to the CCF from the jurisdiction from which the source income arises, subject to the ability of any U.K. Unitholder to claim the benefit of a double taxation agreement between the U.K. and the relevant jurisdiction in which the source income arises. Such taxes may include U.K. income tax withheld on certain forms of U.K. source income.

A holding in the CCF will be treated as opaque for capital gains tax purposes, i.e. as though it were a holding of shares in an offshore company for U.K. capital gains tax purposes. As such, capital gains or losses realised by the CCF upon disposal of its underlying investments will not be subject to, or available for relief from U.K. tax. Instead, a disposal, or redemption of Units in the CCF will become a chargeable disposal for U.K. capital gains tax purposes. Please note that this only applies to U.K. taxable investors.

Dependent upon the characteristics of the CCF's underlying investments, the U.K. tax treatment of any gain realised upon disposal or redemption of Units may depend upon whether the CCF complies with the reporting fund regime in respect of the Class, or Classes of Units held by U.K. Unitholders, as described below.

Unitholdings in the CCF are likely to constitute interests in offshore funds, as defined for the purposes of the UK Finance Act 2008, with each Class of the Fund treated as a separate "offshore fund" for these purposes.

The Offshore Funds (Tax) Regulations 2009 provide that if an investor resident or ordinarily resident in the UK for taxation purposes holds an interest in an offshore fund and that offshore fund is a "non-reporting fund", any gain accruing to that investor upon the sale or other disposal of that interest will be charged to UK tax as income and not as a capital gain. Alternatively, where an investor resident in the UK holds an interest in an offshore fund that has been a "reporting fund" for all periods of account for which they hold their interest, any gain accruing upon the sale or other disposal of the interest will be subject to tax as a capital gain rather than income. In this case, the investor may claim relief for any accumulated or reinvested profits which have already been subject to UK income tax or corporation tax on income (even where such profits are exempt from UK corporation tax).

Where an offshore fund may have been a non-reporting fund for part of time during which the UK Unitholder held their interest and a reporting fund for the remainder of that time, there are elections which can potentially be made by the Unitholder in order to pro-rate any gain made upon disposal; the impact being that the portion of the gain made during the time when the offshore fund was a reporting fund would be taxed as a capital gain. In these circumstances, from the date the offshore fund changes status such elections have specified time limits in which they can be made

It should be noted that a "disposal" for UK tax purposes would include a switching of interest between Funds within the CCF and might in some circumstances also include a switching of interests between Classes in the same Fund of the CCF.

Disposals of interests in tax transparent offshore funds such as any Class of Units in the CCF should generally attract capital gains tax treatment rather than offshore income gains treatment unless either more than 5% of the value of the relevant offshore funds' assets were at any time during the investor's period of ownership invested in non-reporting funds or the fund fails to make sufficient information available to its U.K. participants to enable those participants to meet their tax obligations in the U.K. with respect to their share of the income of the fund.

If reporting fund status becomes relevant (e.g., where any Class of Units in the CCF holds 5% or more in non-reporting funds), any gain realised upon disposal will be subject to marginal rates of income tax without the benefit of the annual exempt allowance provided for under chargeable gains provisions for holdings in reporting funds.

If reporting fund status becomes relevant and is obtained by the CCF in respect of the appropriate class or classes of Units, any gain will remain subject to capital gains tax, with the benefit of the annual exempt allowance.

In broad terms, a "reporting fund" is an offshore fund that meets certain upfront and annual reporting requirements to HM Revenue & Customs and its Unitholders. The Manager intend to manage the affairs of the CCF so that these upfront and annual duties are met and continue to be met in relation to each Class in each Fund as and when deemed necessary by the Manager.

Once reporting fund status is obtained from HM Revenue & Customs for the relevant Classes, it will remain in place permanently so long as the annual requirements are undertaken.

The attention of investors resident or ordinarily resident in the UK is drawn to the provisions of Section 13 of Taxation of Chargeable Gains Act 1992. Under these provisions, where a chargeable gain accrues to a company that is not resident in the UK, but which would be a close company if it were resident in the UK, a person may be treated as though a proportional part of that chargeable gain, calculated by reference to their interest in the company, has accrued to them. No liability under Section 13 can be incurred by such a person, however, where such a proportion does not exceed one-quarter of the gain.

## **The US Foreign Account Tax Compliance (FATCA) provisions**

The Foreign Account Tax Compliance provisions within the US Hiring Incentives to Restore Employment Act of 2010 ("HIRE Act") impose a new reporting and withholding tax regime ("FATCA withholding") with respect to certain U.S. source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce U.S. source interest or dividends paid to certain foreign entities.

The objective of these provisions is to report to US tax authorities US persons' direct and indirect ownership of non-U.S. accounts and non-U.S. entities. FATCA requires certain actions by foreign entities by 30 June 2013 while actual withholding under FATCA would begin on withholdable payments made on or after 1 January 2014. As a result of these potentially wide ranging provisions, financial service providers and investment funds, including the CCF and the service providers listed in the Directory will need to consider whether to enter into a Foreign Financial Institution Agreement ("FFI Agreement") with the US tax authorities to provide information, representations and waivers of non-U.S. law as may be required to comply with the provisions of the new rules, including information relating to direct and indirect U.S. accountholders as defined in the provisions.

The US tax authorities have yet to provide comprehensive and final guidance regarding the HIRE provisions including guidance on the extent to which the CCF, being an exchange traded fund, is within the scope of the HIRE provisions.



---

## MANAGEMENT

---

### MANAGER

UBS Fund Management (Luxembourg) S.A. is the manager of the CCF pursuant to the Deed of Constitution with power to delegate one or more of its functions subject to the overall control of the directors. The Manager was incorporated on 1 July 2010 as a public limited company (société anonyme) in Luxembourg. The Manager is authorised by the Commission de Surveillance du Secteur Financier in Luxembourg and has obtained the necessary passport and permissions to act as a UCITS management company of the CCF. The Manager is part of UBS Asset Management, a business division within the UBS Group whose ultimate parent company is UBS Group AG, having its registered office in Zurich, Switzerland. The main business of the Manager is the provision of fund management services to collective investment schemes such as the CCF. The directors of the Manager are:

**Mr. André Müller-Wegner** joined UBS Asset Management in 1999 as a project manager for investment funds. From 2005 to 2009, he was a part of UBS Wealth Management's real estate business where he took on various roles, including Head of Real Estate Product Management. Following this, he was the Head of Fund Product Development & Management at UBS Wealth Management. Since April 2016, he has been the Head of Fund Management Services at UBS Asset Management. He holds a Master of Laws from the University of St. Gallen and a Master in Public Administration from Harvard University.

**Mr. Andreas Schlatter** holds a PhD in mathematics. He currently holds independent board memberships in the financial industry and is a lecturer in mathematics and physics at universities. He previously held various senior positions at UBS Asset Management, including Global Head of Distribution from 2014 to 2015 and CEO Switzerland 2009 to 2014. Mr. Schlatter worked for UBS since 1996.

**Mr. Gilbert Schintgen** is responsible for conducting the business of the Manager. In this capacity he is responsible for identifying, assessing and monitoring risks to which the Manager and the UBS funds which are managed by the Manager could be exposed and to ensure adequate controls are in place. Mr. Schintgen has approximately 36 years of experience in the financial industry. He joined UBS in 1995 and was appointed head of the Management Services department in 1999, covering legal services, corporate accounting and financial control, human resources and product control. He has been a member of the Executive Management Board of UBS Fund Services (Luxembourg) S.A. since 1999, and a Board member of the Luxembourg domiciled UBS funds since 2001. He was appointed to his current role in July 2010. Prior to joining UBS he had 15 years of experience at Banque Générale du Luxembourg S.A. where he had responsibilities in both the investment banking and investment funds departments. Mr. Schintgen holds a Diploma EUPED from University Centre of Luxembourg.

**Mr. Pascal Kistler** is General Counsel EMEA and Switzerland for UBS Asset Management. In this role, he is responsible for the legal function in Europe, Middle East and Africa (EMEA) on a range of asset management services including traditional asset management, alternatives (including real estate, private equity and infrastructure), structuring of investment vehicles and third party distribution. Mr. Kistler is a member of various management boards including UBS Asset Management EMEA Management Committee and Global Fund Management Committee. Mr. Kistler joined UBS in 2011 as Head of Legal Asset Management Switzerland. He was previously Head of Advisory Control Group Asset Management Switzerland for Credit Suisse AG from 2009 to 2011. In this role, he was responsible for private and institutional discretionary management business in Switzerland including global coordination of private clients business. Mr. Kistler has a Doctor of Law Degree with a specialisation in Stock Exchange and Business Law from the University of Zurich in 2001 and holds a LL.M. degree in International and European Business Law. He also acts as a board member of UBS Clean Energy Infrastructure Switzerland AG.

The Manager shall manage the CCF in accordance with the Deed of Constitution, the applicable provisions of the Prospectus or such other document relating to the CCF and each Fund including, in particular, the investment objective, investment policies and the investment restrictions of the CCF and each Fund, the UCITS Regulations, the Central Bank Rules, applicable laws, any explanatory memorandum or other such document relating to the CCF distributed from time to time by or on behalf of the CCF (and made available by the CCF to the Manager), all lawful resolutions of the Manager

and other lawful orders and directions given to the Manager from time to time by the Manager. Pursuant to the Deed of Constitution the Manager will be entitled to receive fees as described in each Supplement.

In the absence of wilful default, fraud, bad faith or negligence on the part of the Manager, its employees, directors, servants or agents, the Manager, its employees, directors, servants or agents shall not be liable to the CCF or any Unitholder for any of its acts or omissions in the course of, or connected in any way with, rendering the services herein provided for or for any losses which may be sustained in the purchase, holding or sale of any of the investments of the CCF and the Manager, its employees, directors, servants or agents shall not be liable for indirect, special or consequential damages of any nature.

Pursuant to the Deed of Constitution the Manager will be held harmless and receive an indemnity for its employees, directors and agents, out of the assets of the relevant Fund, against all actions, proceedings and claims and against all costs, demands, loss and expenses (including legal and professional expenses) arising therefrom which may be brought against, suffered or incurred by the Manager, its employees, directors and agents by reason of its performance of duties under the terms of the Deed of Constitution (otherwise than due to the wilful default, fraud, bad faith or negligence in the performance by the Manager, its employees, directors, servants or agents (which, for the avoidance of doubt shall not include brokers or dealers used by the Manager) of its obligations or functions hereunder) and in particular (but without limitation) this protection and indemnity extends to any such items aforesaid which arise as a result of any such loss suffered or incurred by the CCF or any loss, delay, misdelivery or error in transmission of any cable or telegraphic communication or as a result of acting in good faith upon any forged document or signature. For the avoidance of doubt, the CCF shall in no event be liable or indemnify the Manager for indirect, special, or consequential damage of any nature.

The Manager may, in accordance with the requirements of the Central Bank in respect of the CCF, delegate the whole or any part of its functions under the Deed of Constitution.

## **INVESTMENT MANAGER**

UBS Asset Management (UK) Ltd serves as the investment manager to each Fund and, subject to the supervision of the Manager, is responsible for the investment management of the Funds pursuant to an investment management agreement dated 8 August 2018 between the Manager and the Investment Manager (the "**Investment Management Agreement**"). The Investment Manager provides an investment management program for each Fund and manages the investment of the Funds' assets. The Investment Manager was incorporated in England on 19 February, 1981 and is authorised and regulated in the UK in the conduct of financial services and investment management activities by the Financial Conduct Authority. The Investment Manager is part of UBS Asset Management, a business division within the UBS Group. Headquartered in Zurich, Switzerland, UBS is a global firm providing services to private, corporate and institutional clients. Its strategy is to focus on international wealth management and the Swiss banking business alongside its global expertise in investment banking and asset management. In Switzerland, UBS is the market leader in retail and commercial banking. The invested assets of UBS Asset Management at 30 June 2017 totalled CHF 703 billion. The principal activity of the Investment Manager is the provision of investment management services.

The Investment Management Agreement shall continue in effect until terminated by either party upon the giving of not less than 6 months written notice to the other, or upon such lesser period of notice as may be mutually agreed; provided that no purchase, sale or trade which was instituted on or before receipt of any such written notice from the CCF shall be so affected. The Investment Manager will act in good faith and with due diligence in the exercise of its duties. The Investment Management Agreement contains indemnities in favour of the Investment Manager other than matters arising by reason of the wilful default, fraud or negligence on the part of the Investment Manager or its delegates.

## **SUB-INVESTMENT MANAGERS**

The Investment Manager may delegate certain of its powers, duties and discretions exercisable in respect of the discretionary investment management of the Funds to the Sub-Investment Managers. Details of any such appointments will be set out in the Relevant Supplement.

## **ADMINISTRATOR**

Northern Trust International Fund Administration Services (Ireland) Limited has been appointed by the Manager to act as administrator, registrar and transfer agent under the terms of the Administration Agreement.

The Administrator is a private limited liability company incorporated in Ireland on 15 June 1990 and is an indirect wholly owned subsidiary of the Northern Trust Corporation. Northern Trust Corporation and its subsidiaries comprise the Northern Trust Group, one of the world's leading providers of global custody and administration services to institutional and personal investors. The principal business activity of the Administrator is the administration of collective investment schemes. The administration duties and functions of the Administrator will include, inter alia, the calculation of the Net Asset Value and the Net Asset Value per Unit, the keeping of all relevant records and accounts of the CCF as may be required with respect to obligations assumed by it pursuant to the Administration Agreement, the preparation and maintenance of the CCF's books and accounts, liaising with the Auditor in relation to the audit of the financial statements, the provision of certain Unitholder registration and transfer agency services in respect of Units in the CCF.

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

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

The Administration Agreement provides that the appointment of the Administrator will continue in force unless and until terminated by either party giving to the other not less than three months written notice although in certain circumstances (e.g. the insolvency of either party, unremedied breach after notice etc.) the Agreement may be terminated forthwith by notice in writing by either party to the other. The Administration Agreement provides that the Administrator not be liable for any claim, damage, expense, loss or liability arising in any way out of or in connection with the Administration Agreement except to the extent that the claim, damage, expense, loss or liability directly results from the fraud, wilful default or gross negligence of the Administrator.

## **DEPOSITARY**

Northern Trust Fiduciary Services (Ireland) Limited has been appointed by the Manager to act as Depositary of all of the assets of the CCF and each Fund under the terms of the Depositary Agreement.

The Depositary is a private limited liability company incorporated in Ireland on 5 July 1990. Its main activity is the provision of custodial services to collective investment schemes. The Depositary is an indirect wholly subsidiary of Northern Trust Corporation. Northern Trust Corporation and its subsidiaries comprise the Northern Trust Group, one of the world's leading providers of global custody and administration services to institutional and personal investors. The principal activity of the Depositary is to act as depositary and trustee to collective investment schemes.

The Depositary shall carry out functions in respect of the CCF including but not limited to the following:

- (i) the Depositary shall hold in custody all financial instruments capable of being registered or held in a financial instruments account opened in the Depositary's books and all financial instruments capable of being physically delivered to the Depositary and the Depositary shall ensure that all financial instruments that can be registered in a financial instruments account opened in the Depositary's books are registered in the Depositary's books within segregated accounts in accordance with the principles set out in Article 16 of Commission Directive 2006/73/EC, opened in the name of the CCF or the Manager on behalf of the CCF, so that they can be clearly identified as belonging to the CCF in accordance with the applicable law at all times;
- (ii) the Depositary shall verify each Fund's ownership of all any assets (other than those referred to in (i) above) and maintain and keep up-to-date a record of such assets it is satisfied are owned by the Funds;
- (iii) the Depositary shall ensure effective and proper monitoring of each Fund's cash flows;

- (iv) the Depositary shall be responsible for certain oversight obligations in respect of the CCF – see "Summary of Oversight Obligations" below.

Duties and functions in relation to (iii) and (iv) above may not be delegated by the Depositary.

Under the terms of the Depositary Agreement, the Depositary may delegate its safekeeping obligations provided that (i) the services are not delegated with the intention of avoiding the requirements of the UCITS Regulations, (ii) the Depositary can demonstrate that there is an objective reason for the delegation and (iii) the Depositary has exercised all due, skill, care and diligence in the selection and appointment of any third party to whom it wants to delegate parts of the services, and keeps exercising all due skill, care and diligence in the periodic review and ongoing monitoring of any third party to whom it has delegated parts of its safekeeping services and of the arrangements of the third party in respect of the matters delegated to it. The liability of the Depositary will not be affected by virtue of any such delegation. The Depositary has delegated to its global sub-custodian, The Northern Trust Company, London branch, responsibility for the safekeeping of the CCF's financial instruments and cash. The global sub-custodian proposes to further delegate these responsibilities to sub-delegates. As at the date of this Prospectus, the Depositary has appointed the delegates and sub-delegates listed in Schedule III.

### **Summary of Oversight Obligations:**

The Depositary is obliged to, among other things:

- (i) ensure that the sale, issue, redemption and cancellation of Units effected on behalf of the CCF are carried out in accordance with the conditions imposed by the Central Bank and the Deed of Constitution;
- (ii) ensure that the value of Units is calculated in accordance with the UCITS Regulations and the Deed of Constitution;
- (iii) carry out the instructions of the Manager unless they conflict with the Regulations or the Deed of Constitution;
- (iv) ensure that in transactions involving the assets of the Funds, any consideration is remitted to it within the usual time limits;
- (v) ensure that the CCF and each Fund's income is applied in accordance with the UCITS Regulations and the Deed of Constitution; and
- (vi) enquire into the conduct of the Manager in each financial year and to report thereon to the Unitholders. The Depositary's report shall be delivered to the Manager in good time to enable it to be included in the annual report of the CCF. The Depositary's report shall state whether in the Depositary's opinion the CCF has been managed in that period:
  - (a) in accordance with the limitations imposed on the investment and borrowing powers of the CCF by the Deed of Constitution and by the UCITS Regulations; and
  - (b) otherwise in accordance with the provisions of the Deed of Constitution and the UCITS Regulations.

If the Manager has not complied with (a) or (b) above, the Depositary must state why this is the case and outline the steps which the Depositary has taken to rectify the situation.

- (i) notify the Central Bank promptly of any material breach by the Manager or the Depositary of any requirement, obligation or document to which Regulation 114(2) of the Central Bank Regulations relates; and
- (ii) notify the Central Bank promptly of any non-material breach by the Manager or the Depositary of any requirement, obligation or document to which Regulation 114(2) of the Central Bank Regulations relates where such breach is not resolved within 4 weeks of the Depositary becoming aware of such non-material breach.

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

The Depositary agreement provides that the appointment of the Depositary will continue unless and until terminated by the Manager or the Depositary giving to the other parties not less than 120 days' written notice although in certain circumstances the Depositary Agreement may be terminated immediately by the Manager or the Depositary provided that the appointment of the Depositary shall continue in force until a replacement Depositary approved by the Central Bank has been appointed and provided further that if within a period of 120 days' from the date on which the Depositary notifies the Manager of its desire to retire or from the date on which the Manager notifies the Depositary of its intention to remove the Depositary, no replacement Depositary shall have been appointed, the Manager shall apply to the Central Bank for the revocation of the CCF's authorisation. In such a case, the Depositary may not retire nor may its appointment be terminated unless and until the authorisation of the CCF has been revoked by the Central Bank.

**Prospective investors are referred to the Section headed "Risk Factors" above.**

## **DISTRIBUTOR**

The Manager has appointed UBS AG as distributor pursuant to a distribution agreement dated 8 August 2018 as amended from time to time (the "**Distribution Agreement**"). The Distributor is a company duly organised and validly existing under the laws of Switzerland.

The Distribution Agreement provides that the appointment of the Distributor shall remain in force unless terminated by either party giving to the other not less than six months written notice although in certain circumstances (e.g. in case of a breach of any material provision contained in the Agreement or gross negligence which shall not have been remedied within thirty (30) days of the delivery of the written notice thereof) the Distribution Agreement may be terminated forthwith by notice in writing by either party to the other. The Distribution Agreement provides that each party is liable to the other party for any direct damage caused intentionally or through gross negligence by a breach of the duties described in the Agreement.

## **PAYING AGENTS**

Local laws/regulations in certain EEA member states may require (i) the Manager to appoint facilities agents/paying agents/representatives/distributors/correspondent banks (any such appointee is hereafter referred to as a "**Paying Agent**") and provided further that any such appointment may be made notwithstanding that it is not a legal or regulatory requirement) and (ii) the maintenance of accounts by such Paying Agents through which subscription and redemption monies or dividends may be paid. Unitholders who choose or who are obliged under local regulations to pay subscription monies or receive redemption monies or dividends through a Paying Agent are subject to the credit risk of the Paying Agent with respect to (a) subscription monies for investment in a Fund held by the Paying Agent prior to the transmission of such monies to the Depositary for the account of the relevant Fund and (b) redemption monies and dividend payments held by the Paying Agent (after transmission by the CCF) prior to payment to the relevant Unitholder. Fees and expenses of the Paying Agents appointed by the Manager, which will be at normal commercial rates, will be borne by the Fund in respect of which a Paying Agent has been appointed. All Unitholders of a Fund on whose behalf a Paying Agent is appointed may use the services provided by Paying Agents appointed by or on behalf of the Manager.

## **AUDITORS**

PricewaterhouseCoopers serve as auditors to the CCF.

## **LEGAL ADVISORS**

Maples and Calder serve as legal advisors to the CCF as to matters of Irish law.

---

## WHERE TO LEARN MORE ABOUT THE FUNDS

---

Copies of the following documents may be inspected at the registered offices of the Legal Advisors in Ireland as set out in the Directory during normal business hours on any Dealing Day:

- (a) the material contracts referred to above;
- (b) the Deed of Constitution;
- (c) the UCITS Directive and the Central Bank Regulations issued pursuant thereto;
- (d) the Depositary Agreement;
- (e) a description of any safe-keeping functions delegated by the Depositary, a list of delegates and sub-delegates and any conflicts of interest that may arise from such delegation.

In addition, the Deed of Constitution and any yearly or half-yearly reports may be obtained free of charge at the registered office of the Legal Advisors in Ireland or may be inspected at the registered office of the Legal Advisors in Ireland during normal business hours on any Dealing Day.

The most recent audited financial statements for the CCF will be available when published at the registered office of the Administrator during normal business hours on any Dealing Day.

### **Remuneration Policy, Complaint Handling Policy, Whistleblower Policy and Cyber Security Policy**

The Manager has a remuneration policy in place to ensure compliance with UCITS V. This remuneration policy imposes remuneration rules on staff and senior management within the CCF whose activities have a material impact on the risk profile of the Funds. The Manager will ensure that its remuneration policies and practices are consistent with sound and effective risk management, will not encourage risk-taking which is inconsistent with the risk profile of the Funds and the Deed of Constitution, and will be consistent with UCITS V. The Manager will ensure that the remuneration policy is at all times consistent with the business strategy, objectives, values and interests of the CCF, the Funds and Unitholders, and includes measures to ensure that all relevant conflicts of interest may be managed appropriately at all times.

The Manager has a best execution, conflict of interest, complaint handling, remuneration and voting policy in place.

Further details with regard to these policies, including, but not limited to; (i) a description of how remuneration and benefits are calculated; (ii) the identities of persons responsible for awarding the remuneration and benefits; and (iii) the composition of the remuneration committee, where such a committee exists are available at [www.ubs.com/lu/en/asset\\_management/investor\\_information.html](http://www.ubs.com/lu/en/asset_management/investor_information.html). A paper copy of the remuneration policy, may be obtained free of charge on request from the Manager.

The Manager also has a whistle-blower policy in place.

The CCF has a cyber security policy in place.

### **UNITHOLDER INFORMATION**

Unitholder inquiries may be directed to the Funds by contacting the Administrator or through the Website.

**No person has been authorised to give any information or to make any representations other than those contained in this Prospectus in connection with the offer of the Units, and, if given or made, the information or representations must not be relied upon as having been authorised by the CCF. Neither the delivery of this**

**Prospectus or any Relevant Supplement nor any sale of Units shall under any circumstance imply that the information contained herein is correct as of any date after the date of this Prospectus.**

---

## SCHEDULE I – DEFINITIONS

---

In this Prospectus the following words and phrases shall have the meanings indicated below:

<b>Administration Agreement</b>	means the agreement dated 8 August 2018 between the Manager and the Administrator as amended, supplemented or otherwise modified from time to time in accordance with the Central Bank Rules;
<b>Administrator</b>	Northern Trust International Fund Administration Services (Ireland) Limited, or such other company as may from time to time be appointed to provide administration and accounting services to the CCF in accordance with the requirements of the Central Bank;
<b>AIFMD</b>	Directive 2011/61/EC of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers;
<b>Anti-Dilution Levy</b>	means an adjustment made on a transaction basis in the case of net subscriptions and/or net repurchases as a percentage adjustment (to be communicated to the Administrator) on the value of the relevant subscription/ repurchase calculated for the purposes of determining a subscription price or repurchase price to cover dealing costs and to preserve the value of the underlying assets of the relevant Fund;
<b>Base Currency</b>	the currency in which the Net Asset Value of each Fund is calculated;
<b>Benchmark Regulations</b>	means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts to measure the performance of investment funds.
<b>Business Day</b>	unless otherwise specified in a Relevant Supplement, a day on which markets and commercial banks are open in Ireland, Luxembourg and such other day or days as the Manager may determine and notify in advance to Unitholders;
<b>CCF</b>	UBS Common Contractual Fund, an open-ended umbrella common contractual fund with segregated liability between sub-funds established under the laws of Ireland and authorised by the Central Bank pursuant to the UCITS Regulations;
<b>Central Bank</b>	the Central Bank of Ireland or any division thereof or any successor entity;
<b>Central Bank Regulations</b>	the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings For Collective Investment in Transferable Securities) Regulations 2015 as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time;
<b>Central Bank Rules</b>	the Central Bank Regulations and any other statutory instrument, regulations, rules, conditions, notices, requirements or guidance of the Central Bank issued from time to time applicable to the CCF pursuant to the UCITS Regulations;
<b>Class</b>	units of a particular Fund representing an interest in the Fund but designated as a class of Units within such Fund for the purposes of attributing different proportions of the Net Asset Value of the relevant Fund to such Units to accommodate different Unitholder profiles, dividend policies, tax treatments, charges and/or fee arrangements (including different total expense ratios) and/or currencies;
<b>Class Currency</b>	the currency in which the Net Asset Value of any Class of Units is denominated;



<b>CRS</b>	the Standard for Automatic Exchange of Financial Account Information approved on 15 July 2014 by the Council of the Organisation for Economic Cooperation and Development, also known as the Common Reporting Standard, and any bilateral or multilateral competent authority agreements, intergovernmental agreements and treaties, laws, regulations, official guidance or other instrument facilitating the implementation thereof and any law implementing the Common Reporting Standard;
<b>Dealing Day</b>	such day or days as are specified in the Relevant Supplement;
<b>Dealing Deadline</b>	the time on each Dealing Day by which applications for subscriptions and redemptions must be received by the Administrator in order to be processed on that Dealing Day, as specified for each Fund in the Relevant Supplement;
<b>Deed of Constitution</b>	means the deed of constitution dated 8 August 2018 between the Manager and the Depositary as may be further amended and supplemented from time to time with the prior approval of the Central Bank;
<b>Depositary</b>	Northern Trust Fiduciary Services (Ireland) Limited or such other company as may from time to time be appointed to provide depositary services to the CCF in accordance with the requirements of the Central Bank;
<b>Depositary Agreement</b>	means the agreement made between the Manager and the Depositary dated 8 August 2018 and as may be amended or supplemented from time to time in accordance with the Central Bank Rules pursuant to which the latter was appointed as depositary of the CCF;
<b>Duties and Charges</b>	all stamp duties and other duties, taxes, governmental charges, imposts, levies, exchange costs and commissions (including foreign exchange spreads), depositary and sub-custodian charges, transfer fees and expenses, agents' fees, brokerage fees, commissions, bank charges, registration fees, dilution levies and other duties and charges, including any provision for the spread or difference between the price at which any asset was valued for the purpose of calculation of the Net Asset Value per Unit of any Fund and the estimated or actual price at which any such asset is purchased or expected to be purchased, in the case of subscriptions to the relevant Fund, or sold or expected to be sold, in the case of redemptions from the relevant Fund, including, for the avoidance of doubt, any charges or costs arising from any adjustment to any swap or other FDI required as a result of a subscription or redemption, whether paid, payable or incurred or expected to be paid, payable or incurred in respect of the constitution, increase or reduction of all of the cash and other assets of the CCF or the creation, acquisition, issue, conversion, exchange, purchase, holding, repurchase, redemption, sale or transfer of Units (including, if relevant the issue or cancellation of certificates for Units) or investments by or on behalf of the CCF;
<b>EEA</b>	the European Economic Area;
<b>EEA Member States</b>	the member states of the European Economic Area, the current members at the date of this Prospectus being the EU Member States, Iceland, Liechtenstein and Norway;
<b>Eligible Counterparty</b>	a counterparty to OTC derivatives with which a Fund may trade and belonging to one of the categories approved by the Central Bank which at the date of this Prospectus comprise the following: <ul style="list-style-type: none"> <li>(i) a Relevant Institution;</li> <li>(ii) an investment firm, authorised in accordance with the Markets in Financial Instruments Directive in an EEA Member State; or</li> <li>(iii) 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</li> </ul>

is subject to bank holding company consolidated supervision by that Federal Reserve.

<b>EMIR</b>	Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories;
<b>EU</b>	the European Union;
<b>€ or Euro</b>	the single currency of participating member states of the European Monetary Union introduced on 1 January 1999;
<b>FATCA</b>	means: <ul style="list-style-type: none"><li>(a) sections 1471 to 1474 of the U.S. Internal Revenue Code or any associated regulations or other official guidance;</li><li>(b) any intergovernmental agreement, treaty, regulation, guidance or other agreement between the Government of Ireland (or any Irish government body) and the US, or any other jurisdiction (including any government bodies in such jurisdiction), entered into in order to comply with, facilitate, supplement, implement or give effect to the legislation, regulations or guidance described in paragraph (a) above; and</li><li>(c) any legislation, regulations or guidance in Ireland that give effect to the matters outlined in the preceding paragraphs;</li></ul>
<b>FDI</b>	financial derivative instruments;
<b>Fixed Portfolio Basket</b>	a basket of securities and a cash component that is designed by the Investment Manager and/or Sub-Investment Manager to be closely aligned with the composition of the relevant Fund (so that the Investment Manager and/or Sub-Investment Manager will not be required, following completion of the subscription, to take any further material steps in the form of additional purchases or sales of securities or adjustment(s) of any other positions maintained in respect of the relevant Fund to re-balance the composition of the Fund);
<b>Fund</b>	a portfolio of assets established by the Manager (with the prior approval of the Depositary and the Central Bank) and constituting a separate fund represented by a separate series of Units and invested in accordance with the investment objective and policies applicable to such Fund;
<b>Gross Income</b>	means all dividends, interest income and all other income earned by a Fund to which each Unitholder is beneficially entitled (including "manufactured" dividends paid by borrowers of Fund's securities, which are the subject of a securities lending transaction on the same basis as if such income has been derived from dividends paid by the issuer of the relevant securities as if such securities had not been on loan at the time of the payment of such dividend) as these items of income arise in the Fund, keeping the same character and the same source as if received directly from the source, during a Gross Income Period and payable to the Unitholders of the Fund calculated and as may be adjusted as aforesaid;
<b>Gross Income Date</b>	means the date or dates by reference to which a Gross Income Payment may at the discretion of the Manager be declared and paid;

<b>Gross Income Payment</b>	means the payment of Gross Income, on at least a yearly basis by electronic transfer, but no payment will be made during the first four months of the calendar year;
<b>Gross Income Period</b>	means any period ending on an Accounting Period or a Gross Income Date as the Manager may select and beginning on the day following the last preceding Accounting Date or the day following the last preceding Gross Income Date or the date of the initial issue of Units of a Fund as the case may be;
<b>Index</b>	any financial index which a Fund will aim to track, pursuant to its investment objective and/or in accordance with its investment policies, as specified in the Relevant Supplement;
<b>Index Provider</b>	in relation to a Fund, the entity or person who, by itself or through a designated agent, compiles, calculates and publishes information on an Index as specified in the Relevant Supplement;
<b>Investment Management Agreement</b>	means the agreement made between the Manager and the Investment Manager dated 8 August 2018, as may be amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank.
<b>Investor Money Regulations</b>	the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations 2015 for Fund Service Providers, as may be amended from time to time.
<b>Manager</b>	means UBS Fund Management (Luxembourg) S.A. or any successors thereto appointed to act as manager of the CCF;
<b>Member State</b>	a member state of the European Union;
<b>MiFID II</b>	the Markets in Financial Instruments Directive (recast) (Directive 2014/65/EU);
<b>MiFID II Delegated Directive</b>	the Commission Delegated Directive (EU) of 7 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to safeguarding of financial instruments and funds belonging to clients, product governance obligations and the rules applicable to the provision or reception of fees, commissions or any monetary or non-monetary benefits;
<b>Minimum Holding</b>	means in respect of a Fund either a holding of Units in the relevant Fund or any Class the value of which by reference to the Net Asset Value per Unit is not less than such amount as may be determined by the Manager from time to time or such minimum number of Units as the Manager may determine and set out in the Prospectus;
<b>Minimum Fund Size</b>	means such amount (if any) as the Manager may consider for each Fund and as set out in the Supplement for the relevant Fund;
<b>Minimum Subscription Amount</b>	the minimum amount to be subscribed for Units on any Dealing Day, as determined by the Manager and/or Manager in respect of each Fund and specified in the Relevant Supplement, which may be expressed as a monetary amount or as a number of Units;
<b>Minimum Redemption Amount</b>	the minimum amount that may be redeemed from any Fund or any Dealing Day, as determined by the Manager in respect of each Fund and specified in the relevant Supplement, which may be expressed as a monetary amount or as a number of Units;
<b>Negotiated Portfolio Basket</b>	a basket of securities selected by the investor from a list identified by the Investment Manager and/or Sub-Investment Manager as appropriate for the Fund in the

implementation of its investment policy (but which, in order to enable the Fund to fully achieve its investment objective, may require the Investment Manager and/or Sub-Investment Manager to take further steps in the form of additional purchases or sales of securities or adjustment(s) of any other positions maintained in respect of the relevant Fund to re-balance the composition of the Fund) and a cash component;

<b>Net Asset Value</b>	the net asset value of a Fund calculated as described in the " <i>Determination of Net Asset Value</i> " section of this Prospectus;
<b>Net Asset Value per Unit</b>	the net asset value of a Unit in any Fund, including a Unit of any Class of Units issued in a Fund calculated as described in the " <i>Determination of Net Asset Value</i> " section of this Prospectus;
<b>Non-Treaty Class Units</b>	means a Class of Units that does not qualify to receive certain tax treaty benefits, as further described in the " <i>Other Tax Matters</i> " section of this Prospectus;
<b>OECD</b>	the Organisation for Economic Co-Operation and Development;
<b>Investment Manager</b>	UBS Asset Management (UK) Ltd or such other company as may from time to time be appointed to provide investment management services to the CCF in accordance with the requirements of the Central Bank;
<b>Prohibited Person</b>	any person who appears to be in breach of any law or requirement of any country or governmental authority by virtue of which such person is not qualified to hold such Units; or by any person or persons in circumstances (whether directly or indirectly affecting such person or persons, and whether taken alone or in conjunction with any other persons, connected or not, or any other circumstances appearing to the Manager and/or Manager to be relevant) which, in the opinion of the Manager and/or Manager, might result in the CCF or the relevant Fund incurring any liability to taxation or suffering any other pecuniary, regulatory, legal or material administrative disadvantages which the CCF or the relevant Fund might not otherwise have incurred, suffered or breached; or any individual under the age of 18 (or such other age as the Manager and/or Manager think fit) or of unsound mind;
<b>Prospectus</b>	this document, the Relevant Supplement for any Fund and any other supplement or addendum designed to be read and construed together with and to form part of this document;
<b>Recognised Market</b>	any recognised exchange or market listed or referred to in Schedule II to this Prospectus and such other markets as Manager and/or Manager may from time to time determine in accordance with the UCITS Regulations and specify in Schedule II to this Prospectus;
<b>Recognised Rating Agency</b>	Standard & Poor's Rating Group (" <b>S&amp;P</b> "), Moody's Investors Services (" <b>Moody's</b> "), Fitch IBCA or an equivalent rating agency;
<b>Relevant Declaration</b>	the declaration relevant to the Unitholder as set out in Schedule 2B TCA;
<b>Relevant Institution</b>	(a) a credit institution authorised in the EEA Member States; (b) a credit institution authorised within a signatory state (other than an EEA Member State) 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;
<b>Relevant Supplement</b>	a document containing information relating to each Fund;
<b>Revenue Commissioners</b>	the Irish Revenue Commissioners;

<b>RMP Statement</b>	any risk management process statement adopted by the Manager, from time to time, in respect of the Funds;
<b>Securities Financing Transactions</b>	repurchase agreements, reverse repurchase agreements, securities lending agreements and any other transactions within the scope of SFTR that a Fund is permitted to engage in;
<b>SFT Regulations or SFTR</b>	Regulation 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time;
<b>Subscriptions/Redemptions Account</b>	the account in the name of the CCF through which subscription monies and redemption proceeds and dividend income (if any) for each Fund are channelled, the details of which are specified in the application form;
<b>Sub-Investment Manager(s)</b>	such companies as may from time to time be appointed by the Investment Manager to provide investment management services to the Funds in accordance with the requirements of the Central Bank and as may be disclosed in the Relevant Supplement;
<b>TCA</b>	the Irish Taxes Consolidation Act 1997, as amended;
<b>Treaty Class Units</b>	means a Class of Units that qualifies to receive certain tax treaty benefits, as further described in the " <i>Other Tax Matters</i> " section of this Prospectus;
<b>UCITS</b>	an undertaking for collective investment in transferable securities within the meaning of the UCITS Regulations;
<b>UCITS Regulations</b>	the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. 352 of 2011), as amended and as may be further amended, consolidated or substituted from time to time;
<b>UCITS V</b>	Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as regards depositary functions, remuneration and sanctions as amended from time to time and including any supplementing European Commission delegated regulations in force from time to time;
<b>Unit</b>	means one undivided beneficial interest in a Fund and includes any fraction of a Unit which may be further divided into different Classes of Unit. Units in the CCF are not shares but serve to determine the proportion of underlying Assets of the CCF to which each Unitholder is beneficially entitled;
<b>Unitholder</b>	a person registered in the register of members of the CCF as a holder of Units. For the avoidance of doubt, neither natural persons nor nominees may be Unitholders;
<b>U.S. or United States</b>	the United States of America, its territories and possessions including the States and the District of Columbia;
<b>U.S. Person</b>	any person who: <ul style="list-style-type: none"> <li>(a) is a United States person within the meaning of Section 7701(a)(30) of the US Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder;</li> <li>(b) is a US person within the meaning of Regulation S under the US Securities Act</li> </ul>

- of 1933 (17 CFR § 230.902(k));
- (c) is not a Non-United States person within the meaning of Rule 4.7 of the US Commodity Futures Trading Commission Regulations (17 CFR § 4.7(a)(1)(iv));
  - (d) is in the United States within the meaning of Rule 202(a)(30)-1 under the US Investment Advisers Act of 1940, as amended; or
  - (e) any trust, entity or other structure formed for the purpose of allowing US Persons to invest in the CCF.

**Valuation Point**

the time specified for each Fund in the Relevant Supplement or such other time as the Manager may determine from time to time and notify to Unitholders. For the avoidance of doubt, the time at which the Net Asset Value is determined will always be after such time as the Manager shall determine as the Dealing Deadline. Any amendment to the Valuation Point will be notified to Unitholders and disclosed in an updated Relevant Supplement;

**Website**

[www.ubs.com/funds](http://www.ubs.com/funds) on which the Net Asset Value per Unit and any other relevant information relating to any Fund will be published and on which this Prospectus and any other information in respect of the CCF, including various unitholder communications, may be published.

---

## SCHEDULE II – RECOGNISED MARKETS

---

With the exception of permitted investments in unlisted securities and derivative instruments, investments will be restricted to the following stock exchanges and markets listed below in accordance with the regulatory criteria as defined in the Central Bank's Regulations. For the purposes of this Schedule II, reference to "unlisted securities" may include securities that are listed on a market or exchange where such exchange is not set out in the below list in accordance with Regulation 68(1)(c) and 68(2)(a) of the Regulations. The Central Bank does not issue a list of approved stock exchanges or markets.

(i) Any stock exchange or market in any EU Member State or in any of the following member countries of the OECD:  
Australia, Canada, Iceland, Japan, New Zealand, Norway, Switzerland and the United States of America.

(ii) Any of the following exchanges or markets:

Brazil	BM&F BOVESPA S.A.
Chile	Bolsa de Comercio de Santiago, Bolsa Electronica de Chile Bolsa de Valparaiso
China	Shanghai Stock Exchange Shenzhen Stock Exchange
Egypt	Egyptian Exchange
Hong Kong	Stock Exchange of Hong Kong, Hong Kong Futures Exchange
India	National Stock Exchange Bombay Stock Exchange, Ltd.
Indonesia	Indonesia Stock Exchange.
Israel	Tel Aviv Stock Exchange
Malaysia	Bursa Malaysia Securities Berhad, Bursa Malaysia Derivatives Berhad
Mexico	Bolsa Mexicana de Valores, Mercado Mexicano de Derivados
Peru	Bolsa de Valores de Lima
Philippines	Philippine Stock Exchange
Qatar	Qatar Exchange
Singapore	Singapore Exchange Limited, CATALIST
South Africa	JSE Limited, South African Futures Exchange
South Korea	Korea Exchange
Taiwan	Taiwan Stock Exchange, Taiwan Futures Exchange GreTai Securities Market
Thailand	Stock Exchange of Thailand, Market for Alternative Investments, Bond Electronic Exchange, Thailand Futures Exchange
Turkey	Istanbul Stock Exchange, Turkish Derivatives Exchange
United Arab Emirates	Abu Dhabi Securities Exchange, Dubai Financial Market

iii) The following markets:

- the UK market (i) conducted by banks and other institutions regulated by the Financial Conduct Authority ("FCA") and subject to the Inter-Professional Conduct provisions of the FCA's Market Conduct Sourcebook and (ii) in non-investment products which are subject to the guidance contained in the "**Non-Investment Product Code**" drawn up by the participants in the London market, including the FCA and the Bank of England (formerly known as "**The Grey Paper**");
- (a) NASDAQ in the United States, (b) the market in the US government securities conducted by the primary dealers regulated by the Federal Reserve Bank of New York; (c) the over-the-counter market in the United States conducted by primary and secondary dealers regulated by the

- Securities and Exchange Commission and the National Association of Securities Dealers and by banking institutions regulated by the US Controller of Currency, the Federal Reserve System or Federal Deposit Insurance Corporation;
- (a) NASDAQ Japan, (b) the over-the-counter market in Japan regulated by the Securities Dealers Association of Japan, and (c) Market of the High-Growth and Emerging Stocks ("**MOTHERS**")
  - the alternative investment markets in the United Kingdom regulated and operated by the London Stock Exchange;
  - the French Market for Titres de Créances Négotiables (over the counter market in negotiable debt instruments)
  - the over the counter market in Canadian Government Bonds, regulated by the Investment Dealers Association of Canada
  - EASDAQ (European Association of Securities Dealers Automated Quotation)

#### FDI

Nasdaq, the Chicago Mercantile Exchange, American Stock Exchange, Chicago Board of Trade, Chicago Board of Options Exchange, Coffee, New York Futures Exchange, New York Mercantile Exchange, Hong Kong Futures Exchange, Singapore International Monetary Exchange, Singapore Commodity Exchange, Tokyo Financial Exchange, New Zealand Futures and Options Exchange and any exchange or market, including any board of trade or similar entity, or automated quotation system, which exchanges and markets are regulated, operating regularly, recognised and open to the public in an EU Member State or a Member State of the European Economic Area.



### SCHEDULE III – SUB-CUSTODIAL AGENTS

List of sub-custodial agents appointed by The Northern Trust Company.

The Depository's global sub-custodian has appointed the following entities as sub-delegates in each of the markets set forth below. This list may be updated from time to time and is available upon request in writing from the Administrator or the Depository. The Depository does not anticipate that there would be any specific conflicts of interest arising as a result of any delegation to The Northern Trust Company or any of the sub-delegates listed below. The Depository will notify the board of the Manager of any such conflict should it so arise.

<b>Depository – Subcustodian Delegate Information</b>		
<b>31-May-18</b>		
<b>Jurisdiction</b>	<b>Subcustodian</b>	<b>Subcustodian Delegate</b>
Argentina	Citibank N.A., Buenos Aires Branch	
Australia	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Australia Limited
Austria	UniCredit Bank Austria AG	
Bahrain	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
Bangladesh	Standard Chartered Bank	
Belgium	Deutsche Bank AG	
Bermuda	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Bermuda Limited
Bosnia and Herzegovina (Federation of Bosnia-Herzegovina)	Raiffeisen Bank International AG	Raiffeisen Bank Bosnia DD BiH
Bosnia and Herzegovina (Republic of Srpska)	Raiffeisen Bank International AG	Raiffeisen Bank Bosnia DD BiH
Botswana	Standard Chartered Bank Botswana Limited	
Brazil	Citibank N.A., Brazilian Branch	Citibank Distribuidora de Titulos e Valores Mobiliarios S.A ("DTVM")

Bulgaria	Citibank Europe plc, Bulgaria Branch	
CD's - USD	Deutsche Bank AG, London Branch*	
Canada	The Northern Trust Company, Canada	
Canada*	Royal Bank of Canada	
Chile	Citibank N.A.	Banco de Chile
China A Share	Bank of Communications Co., Ltd	Not applicable
China A Share	China Construction Bank Corporation	Not applicable
China A Share	China Construction Bank Corporation	Not applicable
China A Share	Industrial and Commercial Bank of China Limited	Not applicable
China A Share	Standard Chartered Bank (China) Limited	Not applicable
China B Share	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (China) Company Limited
China B Share	Citibank N.A., Hong Kong Branch	Not applicable
Clearstream	Clearstream Banking S.A.,	Not applicable
Colombia	Cititrust Columbia S.A. Sociedad Fiduciaria	
Costa Rica	Banco Nacional de Costa Rica	
Croatia	UniCredit Bank Austria AG	Zagrebacka Banka d.d.
Cyprus	Citibank Europe PLC	
Czech Republic	UniCredit Bank Czech Republic and Slovenia, a.s.	
Denmark	Nordea Bank AB (publ)	

Denmark	Svenska Handelsbanken AB (publ)	
Egypt	Citibank N.A., Cairo Branch	
Egypt	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Egypt SAE
Estonia	Swedbank AS	
Finland	Nordea Bank AB (publ)	
Finland	Svenska Handelsbanken AB (publ)	Not applicable
France	The Northern Trust Company	
Germany	Deutsche Bank AG	
Ghana	Standard Chartered Bank Ghana Limited	
Greece	Citibank Europe PLC	
Hong Kong	The Hongkong and Shanghai Banking Corporation Limited	
Hong Kong (Stock Connect Shanghai/Shenzhen)	The Hongkong and Shanghai Banking Corporation Limited	
Hungary	UniCredit Bank Hungary Zrt.	
India	Citibank N.A.	
India	The Hongkong and Shanghai Banking Corporation Limited	
Indonesia	Standard Chartered Bank	
Ireland	Euroclear UK and Ireland Limited  (Northern Trust self-custody)*	
Israel	Bank Leumi Le-Israel B.M.	
Italy	Deutsche Bank SpA	
Japan	The Hongkong and Shanghai Banking Corporation Limited	

Jordan	Standard Chartered Bank	
Kazakhstan	Citibank Kazakhstan JSC	
Kenya	Standard Chartered Bank Kenya Limited	
Kuwait	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
Latvia	Swedbank AS	
Lithuania	AB SEB bankas	
Luxembourg	Euroclear Bank S.A./N.V.	
Malaysia	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Malaysia Berhad
Mauritius	The Hongkong and Shanghai Banking Corporation Limited	
Mexico	Banco Nacional de Mexico S.A. integrante del Grupo Financiero Banamex	
Morocco	Société Générale Marocaine de Banques	
Namibia	Standard Bank Namibia Ltd	
Netherlands	Deutsche Bank AG	
New Zealand	The Hongkong and Shanghai Banking Corporation Limited	
Nigeria	Stanbic IBTC Bank Plc	
Norway	Nordea Bank AB (publ)	
Norway	Svenska Handelsbanken AB (publ)	
Oman	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Oman S.A.O.G
Pakistan	Citibank N.A., Karachi Branch	
Panama	Citibank N.A., Panama Branch	
Peru	Citibank del Peru S.A.	

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

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

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