

**Davy Funds p.l.c.**

An open-ended umbrella investment company  
with variable capital and segregated liability between sub-funds  
incorporated with limited liability in Ireland  
under the Companies Act 2014  
with registration number 533779

**SUPPLEMENT**

**Davy Global Bond Fund**

Dated 17 December 2021

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## 1 IMPORTANT INFORMATION

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

Shareholders should note that all the fees and expenses of the Fund may be charged to the capital of the Fund. Thus on redemption of holdings shareholders may not receive back the full amount invested and this will have the effect of lowering the capital value of the shareholders investment.

Shareholders should note that dividends will be paid out of capital, therefore capital may be eroded, distribution is achieved by forgoing the potential for future capital growth and this cycle may continue until all capital is depleted.

This Supplement contains information relating specifically to Davy Global Bond Fund (the "**Fund**"), a Fund of Davy Funds p.l.c. (the "**Company**"), an open-ended umbrella fund with segregated liability between sub-funds authorised by the Central Bank as a UCITS pursuant to the Regulations.

**This Supplement forms part of and should be read in the context of and in conjunction with the Prospectus for the Company dated 17 December 2021 (the "Prospectus").**

The Fund is suitable for investors who are prepared to accept a high level of volatility.

An investment in the Fund should not constitute a substantial portion of an investment portfolio and may not be appropriate for all investors.

As the price of Shares in each Fund may fall as well as rise, the Company shall not be a suitable investment for an investor who cannot sustain a loss on their investment.

The Fund may invest in Financial Derivative Instruments ("FDI") for currency hedging and efficient portfolio management purposes. (See "Borrowing and Leverage; Leverage" below for details of the leverage effect of investing in FDI).

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## 2 DEFINITIONS

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**Base Currency** means Euro;

**Business Day** means any day (other than a Saturday, Sunday or public holiday) on which commercial banks are open for business in Dublin and/or such other day or days as may be determined by the Directors from time to time and as notified to Shareholders in advance;

**Dealing Day** means each Business Day and/or such other day or days as the Directors may in their absolute discretion determine and notify in advance to Shareholders provided that there shall be at least two Dealing Days in each Month (with at least one Dealing Day per two week period);

**Dealing Deadline** in respect of subscriptions and repurchases means 16.00 p.m. (Irish time) on the Business Day immediately preceding the relevant Dealing Day, or such other time for the relevant Dealing Day as may be determined by Directors and notified in advance to Shareholders provided always that the Dealing Deadline is no later than the Valuation Point;

**Distribution Date** means the date or dates by reference to which a distribution may at the option of the Investment Manager be declared which shall usually be 30 September and 31 March in each year;

**Investment Grade** means any investment with a rating of at least Baa3 from Moody's BBB – from Standard & Poor's or BBB – from Fitch or higher;

**Investment Manager** means Davy Global Fund Management Limited;

**Manager** means Davy Global Fund Management Limited or such other person as may be designated, in accordance with the Central Bank Rules, as the Company's fund management company;

**Minimum Fund Size** means €5,000,000 or such other amount as the Directors may in their absolute discretion determine;

**Minimum Shareholding** means €500 or such other amount as the Directors may in their absolute discretion determine.

**Settlement Date** in respect of subscriptions and redemptions respectively shall have the meaning outlined in the section entitled "**Key Information for Buying and Selling Shares**" below;

**Valuation Point** means the close of business in the relevant market where assets are listed or traded on the first Business Day immediately preceding the relevant Dealing Day by reference to which the Net Asset Value per Share of the Fund is determined provided such point will in no case precede the close of business in the relevant market that closes first on the relevant Business Day.

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

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### 3 INFORMATION ON THE FUND

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#### 3.1 Investment Objective, Investment Policies and Investment Strategy

##### (a) Investment Objective

The investment objective of the Fund is to provide investors with income and capital appreciation through a combination of interest income, capital appreciation and currency gains by investing in global fixed income securities.

There can be no assurance that the Fund will achieve its investment objective.

##### (b) Investment Policies

The Fund intends to achieve its investment objective by investing primarily in fixed income obligations of both government and non-government issuers in OECD Member States<sup>1</sup> traded on permitted markets as detailed in Appendix II of the Prospectus ("**Recognised Exchanges**") worldwide.

The Fund intends to invest in a range of both sovereign and non-sovereign fixed income securities denominated in multiple currencies, including bonds, notes (fixed rate notes and floating rate notes), commercial paper, convertible securities (including convertible bonds and convertible preferred stock) and preferred stock.

Cash, commercial paper (i.e. short term paper issued by credit institutions), and money market obligations such as short and medium-term treasury bills and treasury notes (both fixed and floating rate) issued or guaranteed by a national government or its agencies or instrumentalities, certificates of deposit, bankers' acceptances, commercial paper and floating rate notes (i.e. bonds which have a variable coupon) will be held by the Fund to provide liquidity and will be in a manner consistent with the Fund's investment objective and policies and subject to the restrictions set out in the Prospectus.

The Fund will only invest in securities which, at the time of purchase, are of Investment Grade. The Fund may hold below Investment Grade or unrated securities provided that such securities were of Investment Grade at the time of purchase.

The Fund may also use Financial Derivative Instruments ("**FDIs**") for efficient portfolio management and/or hedging purposes as described in section 3.2 below.

##### (c) Currency Hedging

The Investment Manager will utilise different FDIs (in the form of currency futures, currency forwards, options on foregoing or any combination thereof (whether exchange-traded or over-the-counter), to seek to hedge against the currency risk of investing in assets which are denominated in currencies other than the Base Currency as further discussed in section 3.2 below. However, the Investment Manager may determine that up to 30% of the non-base currency exposure may be unhedged by way of tactical currency overlay.

All hedging transactions will be clearly attributable to a specific Share Class and therefore currency exposures of different Share Classes shall not be combined or offset against the currency exposures of other Share Classes. Furthermore, any FDIs entered into by the Investment Manager on behalf of the relevant Share Class could expose the relevant Share Class to credit risk from creditworthiness of the counterparty.

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<sup>1</sup> Total investments in non-OECD bonds will not exceed 20% of the portfolio at the point of trade. Where total non-OECD positions subsequently exceed 20% due to market movements, the Investment Manager will not be obliged to reduce the position, subject to an upper limit of 25% in non-OECD holdings.

The Fund may acquire foreign currency by means of a back-to-back loan agreement. Foreign currency obtained in this manner is not classified as borrowing for the purposes of Regulation 103(1) 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.

It is expected that the extent to which such currency exposure will be hedged will range from 95% to 105% of the Net Asset Value attributable to the relevant Share Class. Where the value of the hedges in place in respect of a given Share Class are less or more than 100% of the Net Asset Value attributable to that Share Class, the Investment Manager shall keep the situation under review and will ensure that over the Net Asset Value will not be carried forward from month to month. While it is not the intention of the Fund, over-hedged or under-hedged positions may arise due to factors outside the control of the Fund or the Investment Manager.

The Company may incur transaction costs in respect of entering into any currency hedging. Any costs and gains or losses of the currency strategy will accrue solely to the relevant Share Class.

The use of FDI for the purposes outlined above may expose the Fund to the risks disclosed under the section of the Prospectus entitled "**Risk Factors**".

(d) **Investment Strategy**

The Investment Manager will follow an investment process structured around its Fundamentals, Valuations and Technicals (FVT) framework. This framework assists the Investment Manager to analyse the bond market and assess related opportunities and risks. The following is a brief overview of the three pillars of this framework:

- 1) **Fundamentals:** Bond yields are intrinsically linked to macroeconomic fundamentals, given their impact on credit metrics and the path of central bank interest rates. Therefore, comprehensive macroeconomic research is very important. This involves analysing not just real time economic data, but also high-level events and trends which affect the bond market. Examples of events and trends that have affected the interest rate environment in recent times include: (i) ageing populations: ageing populations lead to increased savings, which in turn push yields lower through more demand for fixed income assets; (ii) increased regulation of financial entities which consequently required financial entities to de-risk and hold higher quality bonds pushing their yields lower; (iii) secular stagnation (i.e. a state of little or no economic growth): following the global financial crisis, growth and inflation rates did not achieve levels as high as previous cycles and, as a result, there was less of a requirement for higher interest rates from central banks to prevent overheating of the economy; (iv) the COVID-19 pandemic which led to a dramatic fall in "risk free" government bond yields.
- 2) **Valuations:** The team assesses the valuation of fixed income securities both on an absolute and relative basis.

**Absolute valuations** refer to the level of yields in the marketplace. These are evaluated with reference to factors such as economic fundamentals, credit quality and the path of interest rates priced into the issuer's yield curve. As an example, the Investment Manager analyses what the different segments of the curve may be pricing in for the future path of central bank interest rates. If the Investment Manager strongly believes that the market's expectations for future central bank interest rates are too low or high, they may decide to position the Fund to profit from higher or lower (respectively) than expected rates in the future.

**Relative Valuations** refer to how the valuations of different bond issuers compare against each other while also considering potential differences in credit quality. In addition to analysing the relative value of different issuers within a particular sector, the relative valuations of a range of fixed income sectors (for example cash, government, government agency, municipal, supranational, and corporate bonds) are also compared with each other. Allocating dynamically between different fixed income sectors at the appropriate time in the cycle, or when there is a significant relative valuation anomaly, can also be a source of outperformance for the Fund.

- 3) **Technical:** These are variables that impact the bond market but cannot be explained by fundamentals or valuations. These include investor positioning, technical analysis (also known as charting), supply and demand factors and liquidity. These factors may play a role in the timing of strategic investment decisions, or in taking short-term positions to help the Fund benefit from overbought/sold extremes.

Application of the FVT framework brings a consistency to the Investment Manager's decision-making process. It also helps to ensure that a wide variety of factors are considered before the making of important strategic decisions for the Fund, such as determining the appropriate level of interest rate and credit risk and where investments should be positioned in terms of specific geographies, sectors and maturities.

(e) **Environmental and/or Social Characteristics of the Fund**

The Fund will seek to avoid investment in securities of issuers which are considered by a third-party data provider to be violating fundamental humanitarian principles or violating human rights (and where the third-party data provider's assessment does not cover a particular issuer, the Investment Manager will establish on a best-efforts basis whether the issuer is in violation of these principles). Additionally, the Fund will seek to avoid investment in securities of issuers that manufacture cluster munitions or landmines or issuers that derive more than 10% of their revenue from the production of thermal coal.

3.2 **Use of Derivatives and Efficient Portfolio Management Techniques**

The Fund may engage in transactions in FDIs for the purposes of efficient portfolio management and/or to protect against currency exchange risks within the conditions and limits laid down by the Central Bank from time to time. The Investment Manager will look to ensure that the techniques and instruments used are economically appropriate in that they will be realised in a cost-effective way. Such transactions may include foreign exchange transactions which alter the currency characteristics of transferable securities held by the Fund. Such techniques and instruments (details of which are outlined below) are futures, forwards and options on the foregoing.

Warrants and share purchase rights and convertible securities will not be directly acquired but may be issued to the Fund pursuant to its investment in a particular security and, in such cases, may be retained for the purposes of efficient portfolio management and traded or exercised when considered appropriate.

*Futures*

Futures could be used to gain exposure to positions in a more efficient manner. For example a single stock future could be used to provide the Fund with exposure to a single security. The Fund will use futures for the purpose of managing interest rate, equity or currency risk.

*Forwards*

Forward currency contracts could be used to hedge against currency risk that has resulted from assets held by the Fund that are not in the Base Currency. The Fund, may, for example, use forward currency contracts by selling forward a foreign currency against the Base Currency to protect the Fund from foreign exchange rate risk that has risen from holding assets in that currency.

*Options*

An option contains the right to buy or sell a specific quantity of a specific asset at a fixed price at or before a specified future date. There are two forms of options: put or call options. Put options are contracts sold for a premium that give to the buyer the right, but not the obligation, to sell to the seller a specified quantity of a particular asset (or financial instrument) at a specified price. Call options are similar contracts sold for a premium that give the buyer the right, but not the obligation, to buy from the seller a specified quantity of a particular asset (or financial instrument) at a specified price. Options may also be cash-settled. The Fund may use such instruments to hedge against market risk or gain exposure to relevant underlying bond and bond related security. Any option entered into by the Fund will be in accordance with the limits prescribed by law.

Direct and indirect operational costs and/or fees (which do not include hidden revenue) arising from use of FDIs for EPM purposes may be deducted from the revenue delivered to the Company. Such costs and/or fees are payable to the relevant counterparty to the FDI in question and such counterparty may or may not be related to the Investment Manager or the Depositary. All revenues generated from such FDIs, net of direct and indirect operational costs, will be returned to the Company.

Collateral or margin may be passed by the Fund to a counterparty or broker in respect of OTC FDI transaction. Please refer to the section of the Prospectus entitled "**Collateral Policy**" for further details.

The use of FDI and efficient portfolio management techniques for the purposes outlined above will expose the Fund to the risks disclosed under the section of the Prospectus entitled "**Risk Factors**".

### **3.3 Borrowing and Leverage**

#### **(a) Borrowing**

The Company may only borrow on a temporary basis for the account of the Fund and the aggregate amount of such borrowings may not exceed 10% of the Net Asset Value of the Fund. In accordance with the provisions of the Regulations, the Company may charge the assets of the Fund as security for borrowings of the Fund.

#### **(b) Leverage**

The Fund may utilise FDI as referred to in the section headed "**Use of Derivatives and Efficient Portfolio Management Techniques**" above. The Fund will use the commitment approach to measure market risk and calculate its exposures. The total expected level of leverage of the Fund as a result of its investments shall not exceed 100% of its Net Asset Value.

The Investment Manager does not expect the use of FDI to significantly increase the Fund's risk profile.

The expected level of leverage range is calculated based on the sum of the absolute value of notionals of the derivatives used, in accordance with the requirements of the Central Bank. This figure does not take into account any netting and hedging arrangements that the Fund has in place at any time even though these netting and hedging arrangements are used for risk reduction purposes and is therefore not a risk-adjusted method of measuring leverage which means this figure is higher than it otherwise would be if such netting and hedging arrangements were taken into account. As these netting and hedging arrangements, if taken into account, may reduce the level of leverage, this calculation may not provide an accurate measure of the Fund's actual leverage position.

The Company on behalf of the Fund has filed with the Central Bank its risk management process which enables it to accurately measure, monitor and manage the various risks associated with the use of FDI. Any FDI not included in the risk management process will not be utilised until such time as a revised submission has been provided to the Central Bank. The Company will, on request, provide supplementary information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

### **3.4 Investment Restrictions**

Investors must note that the Company and the Fund adhere to the restrictions and requirements set out under the Regulations, as may be amended from time to time. These are set out in Appendix I to the Prospectus.

### **3.5 Profile of a Typical Investor**

A typical investor will be seeking to achieve a return on their investment in the medium to long term.

### 3.6 Risk Factors

Investors should read and consider the sections of the Prospectus entitled "**RISK FACTORS**" and "**SFDR-related Disclosures (a) Sustainability Risk**" before investing in the Fund. However, not all of the risks disclosed in the **RISK FACTORS** section of the Prospectus will be material to an investment in this particular Fund.

In addition to the above referenced risks, investors should also consider the particular implications of the following risks that are relevant to an investment in the Fund. Fees and expenses of the Fund may be charged to the capital of the Fund. Thus, on redemptions of holdings shareholders may not receive back the full amount invested and this will have the effect of lowering the capital value of their investment. There is a greater risk therefore that capital may be eroded and "income" will be achieved by foregoing the potential for future capital growth of your investment and the value of future returns may also be diminished. Investors should note however that distributions made during the life of the Fund are a form of capital reimbursement.

The Fund may charge fees and expenses to capital where insufficient income has been generated by the Fund to cover the fees and expenses. There is a greater risk therefore that capital may be eroded and "income" will be achieved by foregoing the potential for future capital growth of your investment.

The risks described in the Prospectus should not be considered to be an exhaustive list of the risks which potential investors should consider before investing in the Fund. Potential investors should be aware that an investment in the Fund may be exposed to other risks from time to time.

### 3.7 Key Information for Buying and Selling Shares

Details of all share classes are set out in the table below.

Class	Class Currency	Hedged***	Initial Offer Period*/ Offer Period	Initial Issue Price	Minimum Shareholding**	Minimum Initial Investment Amount**	Minimum Additional Investment Amount**
A Accumulating	Euro		Initial offer period is closed	Initial offer period is closed	€500	€500	€100
A Distributing	Euro		9.00am (Irish time) on 20 December 2021 to 5.00pm (Irish time) on 20 June 2022*	The prevailing issue price for the corresponding Share Class in the Davy Global Bond Fund, a sub-fund of Davy Equity Trust, which will be available at <a href="http://www.Davy.ie">www.Davy.ie</a> .	€500	€500	€100
B Accumulating	Euro		Initial offer period is closed	Initial offer period is closed	€500	€500	€100

Class	Class Currency	Hedged***	Initial Offer Period*/ Offer Period	Initial Issue Price	Minimum Shareholding**	Minimum Initial Investment Amount**	Minimum Additional Investment Amount**
B Distributing	Euro		9.00am (Irish time) on 20 December 2021 to 5.00pm (Irish time) on 20 June 2022*	The prevailing issue price for the corresponding Share Class in the Davy Global Bond Fund, a sub-fund of Davy Equity Trust, which will be available at <a href="http://www.Davy.ie">www.Davy.ie</a>	€500	€500	€100
C Accumulating	Sterling		9.00am (Irish time) on 20 December 2021 to 5.00pm (Irish time) on 20 June 2022*	£100	£500	£500	£100
C Distributing	Sterling		9.00am (Irish time) on 20 December 2021 to 5.00pm (Irish time) on 20 June 2022*	£100	£500	£500	£100
D Accumulating	Euro		9.00am (Irish time) on 20 December 2021 to 5.00pm (Irish time) on 20 June 2022*	€100	€500	€500	€500
D Distributing	Euro		9.00am (Irish time) on 20 December 2021 to 5.00pm (Irish time) on 20 June 2022*	€100	€500	€500	€500

Class B Accumulating Shares do not bear any Investment Management Fees or performance fees and are restricted to Davy Group personnel. Shares of any Class cannot be switched for Shares of Class B Accumulating.

\*The Initial Offer Period may be shortened or extended by the Directors. The Central Bank will be notified in advance of any such shortening or extension if subscriptions for Shares have been received and otherwise shall be notified subsequently, on an annual basis.

\*\*Subject to the discretion of the Directors (or their delegate) in each case to allow lesser amounts.

\*\*\*The Company may (but is not obliged to) enter into certain currency related transactions (through the use of FDI as disclosed above in Section 3.2 entitled "**Use of Derivatives and Efficient Portfolio Management Techniques**") in order to hedge the currency exposure of the Classes denominated in a currency other than the Base Currency, as described under the heading "**Hedged Classes**" in the Prospectus. In the case of Classes that are denominated in a currency other than the Base Currency and are not identified as hedged the value of the Shares in the relevant Class will be subject to exchange rate risk in relation to the Base Currency.

Applications for Shares and/or applications for the redemption of Shares along with all required anti-money laundering documentation must be received by the Dealing Deadline. Applications for Shares will only be accepted on a cleared funds basis in the Base Currency.

Applications received after the Dealing Deadline for the relevant Dealing Day shall be deemed to have been received by the next Dealing Deadline, save in exceptional circumstances where the Directors may in their absolute discretion (reasons to be documented) determine and provided the Applications are received before the Valuation Point for the relevant Dealing Day. Repurchase requests received after the Dealing Deadline shall be treated as having been received by the following Dealing Deadline, save in exceptional circumstances where the Directors may in their absolute discretion (reasons to be documented) determine and provided they are received before the Valuation Point for the relevant Dealing Day.

Subscription Settlement Date: Subscription monies should be paid to the account specified in the Application Form (or such other account specified by the Administrator) so as to be received by no later than three Business Days after the relevant Dealing Day. If payment in full and/or a properly completed Application Form along with all required anti-money laundering documentation have not been received by the relevant times stipulated above, the application may be refused.

Redemption Settlement Date: Payment of Repurchase Proceeds will be made by electronic transfer to the account of the redeeming Shareholder at the risk and expense of the Shareholder normally within three Business Days of the relevant Dealing Day and, in all cases, will be paid within ten Business Days of the Dealing Deadline for the relevant Dealing Day, provided that all the required documentation has been furnished to and received by the Administrator.

### 3.8 Exchange of Shares

Shareholders may exchange between similar Classes of Shares in accordance with the provisions set out under the heading "**Exchange of Shares**" in the Prospectus. The Directors can refuse an application to exchange between Classes of Shares in accordance with the provisions set out under the heading "**Exchange of Shares**".

### 3.9 Dividend Policy

For the Class A Accumulating, Class B Accumulating, Class C Accumulating and Class D Accumulating Classes of Shares in issue (and indicated as such in the table in the section above titled "**Key Information for Buying and Selling Shares**"), it is the present intention of the Directors not to declare or pay dividends, and any income or gains earned by the Fund and these Share Classes, will be reinvested and reflected in the value of the Shares.

For the Class A Distributing, Class B Distributing, Class C Distributing and Class D Distributing Classes of Shares in issue (and indicated as such in the table in the section above entitled "**Key Information for Buying and Selling Shares**"), subject to net income being available for distribution, the Directors intend to declare dividends on the Distribution Date and such dividends will be paid on or before the 14<sup>th</sup> Business Day following the Distribution Date to all Shareholders entered on the register of Shareholders at the close of business on the Business Day immediately preceding the Distribution Date and therefore applicants for Shares to be dealt on or after the Distribution Date will not be entitled to the distribution paid in respect of such Distribution Date but Shareholders seeking to repurchase their Shares on or after the Distribution Date will receive the distribution paid in respect of such Distribution Date.

The Directors reserve the right to increase or decrease the frequency of dividend payments, if any, at their discretion for income distribution Shares. In the event of a change of policy full details will be disclosed in an updated Supplement and Shareholders will be notified in advance. Under the Constitution, dividends may be paid out of the profits, being (i) the accumulated revenue (consisting of all revenue accrued including interest and dividends) less expenses and/or (ii) realised and unrealised capital gains on the disposal/valuation of investments and other funds less realised and unrealised accumulated capital losses of the Fund; or (iii) out of capital.

Dividends are paid out of capital to allow the provision of income to Shareholders of the Distributing Share Classes, in the event of insufficient income being in the Fund for a particular period.

Dividends will be paid to Shareholders by electronic transfer to the relevant Shareholder's bank account of record on the initial Application Form in the currency of denomination of the relevant Class of Shares at the expense of the payee and within such timeframe as discussed above. The net income available for distribution in respect of the relevant Share Class will be determined in accordance with the relevant law and generally accepted accounting principles consistently applied.

Please also refer to the section in the Prospectus entitled "**Dividend Policy**".

### 3.10 Fees and Expenses

The following fees and expenses will be incurred by the Company on behalf of the Fund and will affect the Net Asset Value of the relevant Share Class of the Fund.

Class	A Accumulating	A Distributing	B Accumulating	B Distributing	C Accumulating	C Distributing	D Accumulating	D Distributing
Investment Management Fee	0.5%	0.5%	0%	1%	0.5%	0.5%	0.35%	0.35%
Distributor Fee	0%	0%	0%	0%	0%	0%	0%	0%
Administration Fee	0.085% Per annum of the NAV of the Fund	0.085% Per annum of the NAV of the Fund	0.085% Per annum of the NAV of the Fund	0.085% Per annum of the NAV of the Fund	0.085% Per annum of the NAV of the Fund	0.085% Per annum of the NAV of the Fund	0.085% Per annum of the NAV of the Fund	0.085% Per annum of the NAV of the Fund
Depositary Fee	0.0175% Per annum of the NAV of the Fund	0.0175% Per annum of the NAV of the Fund	0.0175% Per annum of the NAV of the Fund	0.0175% Per annum of the NAV of the Fund	0.0175% Per annum of the NAV of the Fund	0.0175% Per annum of the NAV of the Fund	0.0175% Per annum of the NAV of the Fund	0.0175% Per annum of the NAV of the Fund
Performance Fee	0%	0%	0%	0%	0%	0%	0%	0%

#### Investment Management Fee & Expenses

The Investment Manager shall be entitled to the maximum annual Investment Management Fee equal to a percentage of the Net Asset Value of the relevant Class detailed in the above table.

Such fee shall be calculated and accrued at each Valuation Point and payable monthly in arrears.

The Investment Manager is also entitled to its reasonable out-of-pocket expenses out of the assets of the Fund.

### **Distributor Fee & Expenses**

The Distributor shall be entitled to the maximum annual Distributor Fee equal to a percentage of the Net Asset Value of the relevant Class detailed in the above table.

Such fee shall be calculated and accrued at each Valuation Point and payable monthly in arrears.

The Distributor is also entitled to its reasonable out-of-pocket expenses out of the assets of the Fund.

### **Depositary Fee & Expenses**

The Depositary shall be entitled to an annual Depositary Fee equal to a percentage of the Net Asset Value of the relevant Class, detailed in the above table, subject to a minimum monthly fee of €600 in respect of the Fund and a transaction fee for each transaction conducted pursuant to the Depositary Agreement which will be charged at normal commercial rates. Such fee shall be calculated and accrued at each Valuation Point and payable monthly in arrears.

The Depositary shall also be entitled to be reimbursed out of the assets of the Fund all agreed sub-custodian fees, expenses and transaction charges (which will be charged at normal commercial rates) as agreed with the Directors.

### **Administrator Fee & Expenses**

The Administrator shall be entitled to the maximum annual Administrator Fee equal to a percentage of the Net Asset Value of the relevant Class detailed in the above table. Such fee shall be calculated and accrued at each Valuation Point and payable monthly in arrears. The Administrator shall also be entitled to a minimum annual fee of €30,000 per year and a transaction fee for each transaction conducted pursuant to the Administration Agreement which will be charged at normal commercial rates.

The Administrator is also entitled to its reasonable out-of-pocket expenses out of the assets of the Fund.

### **Management Fee**

Investors are referred to the Prospectus for details of the Manager's fee.

#### **3.11 Benchmark Regulation**

The Fund uses the JPM Global Bond Index (the "**Benchmark**") to measure the performance of the Fund for comparison purposes only.

The Benchmark, administered by the European Money Markets Institute, has been added to the list of critical benchmarks pursuant to Article 10(1) of the Benchmark Regulation.

#### **3.12 Other Fees and Expenses**

This section should be read in conjunction with the section entitled "**Fees and Expenses**" in the Prospectus.

##### **(a) Anti-Dilution Levy**

The Directors reserve the right to impose an Anti-Dilution Levy in the case of net subscriptions and/or net repurchases on a transaction basis 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 reflect the impact of other dealing costs relating to the acquisition or disposal of assets 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 added to the price at which Shares will be issued in the case of net subscription requests and 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.

(b) **Establishment Expenses**

All fees and expenses relating to the establishment and organisation of the Fund as detailed in the section of the Prospectus entitled "**Establishment Expenses**" have been borne by the Company and amortised in accordance with the provisions of the Prospectus.

3.13 **Miscellaneous**

Additional Funds of the Company may be added in the future with the prior approval of the Central Bank. The names of the other Funds are disclosed in the Prospectus.

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