

## INDEPENDENT GLOBAL FLEXIBLE FUND

### Supplement to the Prospectus dated 9 March 2021 for Sanlam Global Funds plc (a Retail Investor Alternative Investment Fund)

This Supplement contains specified information in relation to Independent Global Flexible Fund (the “Fund”), a Fund of Sanlam Global Funds plc (the “Company”), an open-ended umbrella type investment company with segregated liability between Funds.

The Company is a Retail Investor Alternative Investment Fund, a category of non-UCITS collective investment schemes authorised by the Central Bank of Ireland (the “Central Bank”) to which the Companies Act 2014 and chapter 1 of the AIF Rulebook applies. There are eighteen other Funds of the Company in existence, namely:

ABSA Africa Dynamic Income Fund  
ABSA Global Access Fund  
ABSA Global Best Blend Fund  
ARX Pangaia Global Managed Fund  
Counterpoint Global Equity Fund  
Counterpoint Global Owner Managed Flexible Fund  
Excalibur Global Managed Fund  
Mpile Global Equity Fund  
Northstar Global Flexible Fund  
Sanlam BIFM Emerging Markets Equity Fund  
Sanlam BIFM Global Fixed Income Fund  
Sanlam BIFM World Equity Fund  
Sanlam Global Balanced Fund  
Sanlam Global Equity Fund  
Sanlam Global Liquidity Fund  
Sanlam Private Wealth Global Balanced Fund  
Sanlam US Dollar Liquidity Fund  
Visio Global Healthcare Fund

**This Supplement forms part of and should be read in conjunction with the Prospectus dated 9 March 2021 and the latest audited financial statements of the Company. An investment in the Fund is not suitable for all investors. A decision to invest in the Fund should take into account your own financial circumstances and the suitability of the investment on a part of your portfolio. You should consult a professional investment adviser before making an investment.**

**The Fund will invest in financial derivative instruments (“FDIs”) for efficient portfolio management and hedging purposes.**

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

Words and expressions defined in the Prospectus shall, unless the context otherwise requires have the same meaning when used in this Supplement.

Save as disclosed herein, there has been no significant change and no significant new matter has arisen since the publication of the Prospectus.

Dated: 9 March 2021

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## **Investment Objective and Policies**

### **Investment Objective**

The investment objective of Fund is to achieve long-term capital growth. There is no guarantee that the Fund will meet its objective.

### **Policy and Guidelines**

In order to meet its investment objective, the Fund will diversify investments across various asset classes (as detailed below) providing the opportunity for long-term capital growth.

The Fund intends to invest in the following asset classes: global equities (which will primarily be common stocks and other securities with equity characteristics, comprising preference shares, as well as depository receipts), global bonds (fixed and/or floating; government and/or corporate; rated and unrated), real estate investment trusts (REITS) and cash and cash equivalents (including but not limited to commercial paper, certificates of deposit and letters of credit) (each an "**Asset Class**", together the "**Asset Classes**"). The cash and cash equivalents may be held in currencies other than the base currency of the Fund.

The Fund will be primarily managed with an equity bias with the Investment Manager maintaining a majority exposure to global equities. The Investment Manager will have a natural equity bias because of the superior returns of equities historically. However, if returns from equities as an asset class are not providing such superior returns and where the Investment Manager considers it in the best interest of the Fund, and subject to Investment Restrictions set out in the Prospectus, the exposure to other Asset Classes will increase according to the Investment Manager's view of changing economic and market conditions.

The Fund is not focused on any specific geographical area, industry or sector and may invest in equities of companies across the full spectrum of market capitalisations. With the exception of permitted investments in unlisted securities, investments by the Fund will be restricted to securities listed or traded on stock exchanges and regulated markets as set out in Appendix I of the Prospectus.

The Fund will only invest in securities which are consistent with achieving the investment objective of the Fund.

The Fund may invest up to 35% of its Net Asset Value in the units and/or shares of Underlying Funds as an alternative means of gaining exposure to the Asset Classes, or invest in a combination of the two, subject to the maximum exposure of any one Underlying Fund not exceeding 20% of the Fund's Net Asset Value.

"Underlying Fund(s)" means a fund (including exchange traded funds) which will be open-ended and will be listed and which will be domiciled, in the case of a regulated fund, in a Member State, Guernsey, Jersey, Isle of Man and/or the United States. An Underlying Fund will follow an investment strategy that seeks to provide capital appreciation to its investors through direct investment in transferable securities as described above. Underlying Funds may not be leveraged. Underlying funds will comply in all material respects with the AIF Rulebook issued by the Central Bank and will comply with all South African requirements that would allow it to be solicited directly in South Africa.

Investment in the Fund is suitable for investors seeking to achieve a long-term return and who are prepared to accept a high degree of volatility.

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

Where the Investment Manager considers that it is in the best interests of the Fund to reduce the risk to the assets of the Fund, the Investment Manager may utilise any of the following instruments for the purpose of efficient portfolio management, namely spot and forward currency contracts, options on securities, options or futures on indices and currencies, interest rate or exchange rate swaps (except credit default swaps), contracts for difference and options on futures subject to the relevant restrictions outlined in the Prospectus. The Investment Manager may also enter into securities lending subject to the conditions and within the limits laid down by the Central Bank.

The term “efficient portfolio management” refers to transactions that are entered into with the aim of reducing risk, reducing cost or generating additional capital for the Fund with an appropriate level of risk, taking into account the risk profile of the Fund. This section should be read in conjunction with the section entitled "Efficient Portfolio Management" in the Prospectus.

### **Investment Strategy**

The asset allocation of the Fund will be actively managed and will continually reflect the Investment Manager’s view of the relative attractiveness of each Asset Class. The Investment Manager will apply prudent diversification criteria, in accordance with the requirements of the Central Bank, within the equity portion of the portfolio, the composition of which will change from time to time according to economic fundamentals such as changing market conditions, liquidity and valuation.

#### *Equity Investment Selection Process*

The Investment Manager will apply an equity investment selection process to identify the global equities in which the Fund will invest. The equity investment selection process involves understanding the business model, valuing the company, comparing each potential investment to other investment opportunities and lastly to make the final portfolio investment decision. In terms of understanding the business model the Investment Manager reads all relevant company documentation, attends investor presentations physically or via webcast, reads third party research, analyses the financial statements and determines the key value drivers for each company. The key value drivers of a company are: turnover growth, operating margin, tax rate, working capital investment, fixed capital investment, weighted cost of capital and residual growth. These key value drivers allow the Investment Manager to fully understand the financial dynamics that impact a company and assess the sensitivity of the company’s valuation to changes in each of the value drivers. The key value drivers will indicate if a business is for instance, capital intensive, cyclical, margin sensitive, has net creditor funding or is over leveraged.

The Investment Manager will also seek to identify companies with normalised levels of profitability with a view to calculating the valuation of the company as accurately as possible. The Investment Manager uses two key financial ratios to determine normalised levels of profitability, the return on invested capital (“**ROIC**”) and operating margin. ROIC is operating profit after tax divided by invested capital (fixed assets + net working capital + intangible assets). Operating margin is defined as operating income divided by turnover. The current levels of ROIC and operating margin are considered in the context of the long-term average generated by the business. As a generalisation, long-term averages provide a reasonable expectation of the ROIC and operating margin a company can achieve.

By considering all equities in terms of their key value drivers the Investment Manager can objectively understand a company's business model and the industry within which it operates. The Investment Manager places particular emphasis on analysing the strength of the business model of a company, the sustainability of returns and the ability of a company to pay increasingly higher dividends to shareholders.

#### *Asset Class Selection Process*

The Asset Class selection process includes the assimilation of research data from various sources on topics such as global economic conditions, asset valuations, and political and social trends. Investment views are developed based on the characteristics (e.g. risk and yield) and behaviour of the different Asset Classes throughout the economic cycle. This includes studying and analysing different Asset Classes and their behaviour throughout the economic cycles. Through this analysis, the Investment Manager considers factors such as valuation levels, interest rates, currency risk, inflation and country specific factors, including but not limited to economic policy, social and political factors and population dynamics. The Investment Manager employs a proprietary asset allocation

model which forecasts the probable returns from each Asset Class over the long-term. The forecasts generated by the proprietary asset allocation model are algorithmic. The proprietary asset allocation model utilises a multiple factor screening model to determine which companies are best suited to achieving the Fund's investment objective. These quantitative factors include return on invested capital, earnings per share growth and a proprietary internal rate of return model ("IRR") to measure and compare the probable return of each company in which the Fund may invest.

Strategic investment views are formulated based on long term conviction which the Investment Manager places on the different Asset Class exposures in order to achieve the investment objective of the Fund. Shorter term, tactical, investment trading positions can be established to complement the long term investment strategy based on changes in market conditions or the valuation of each of the Asset Classes. Momentum theory is the observed long-term tendency for stocks that are performing well to continue on this path in the subsequent investment horizon period. Similarly, over the short term, there is a tendency for stocks to overreact leading to a temporary reversion in value. These positions taken by the Fund will be based on a framework of quantitative investment research as outlined above as well as discussion and debate between members of the investment committee of the Investment Manager on the expected risk and return for each Asset Class and underlying investment.

The foregoing reflects the Investment Manager's current asset allocation strategy but investors should be aware that, subject to the requirements of the Central Bank, the Investment Manager may modify or change elements of its strategy from time to time.

### **SFDR Information**

For the purposes of Article 6 of SFDR, the AIFM, in consultation with the Investment Manager, has made a determination based on the Fund's investment strategy that Sustainability Risks are not currently relevant to the investment decisions being made in respect of the Fund and has further determined that Sustainability Risks are currently not likely to have a material impact on the returns of the Fund. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

### **Leverage and Global Exposure**

The Fund will calculate global exposure using the commitment method in accordance with Articles 8, 9, 10 and 11 of Commission Delegated Regulation (EU) No. 231/2013. Under the commitment method, the Fund will not be geared or leveraged.

The Fund is also required to calculate global exposure utilising the gross method, i.e. "the sum of the absolute value of all positions" with no allowance for netting or hedging arrangements to be applied to the calculation, in accordance with Article 7 of Commission Delegated Regulation (EU) No. 231/2013. Under the gross method, a maximum leverage limit of 200% shall be employed.

For the avoidance of doubt, the effective exposure of the Fund as a result of its use of derivatives for efficient portfolio management purposes shall not exceed the Net Asset Value of the Fund.

### **Investment Restrictions**

The general investment restrictions contained in the "Investment Restrictions" section of the Prospectus shall apply. In addition, the following investment restrictions shall apply to the Fund:

- (a) The Fund will not be geared or leveraged through investment in any security.
- (b) Over the counter derivative instruments (except for forward currency transactions, currency (exchange rate) swaps, contracts for difference and interest rate swap transactions) are not permitted.

- (c) The Fund will not invest more than 20% of its Net Asset Value in any one Underlying Fund.
- (d) The Fund will not invest in other fund of fund schemes or in other feeder schemes.
- (e) Where the Fund invests in shares of an Underlying Fund or any other collective investment scheme managed by the same management company or by an associated or related company, the manager of the scheme in which the investment is being made must waive the preliminary/initial/redemption charge and any management fee which it would normally charge.
- (f) The Fund will not invest in exchange traded funds which are capable of obtaining leveraged exposure to underlying assets.
- (g) The Fund will not invest in Underlying Funds, organised as a foreign collective investment scheme in hedge funds in accordance with the requirements of the South African legislation governing Foreign Collective Investment Schemes in Hedge Funds.
- (h) The Fund may only invest in collective investment schemes which ordinarily invest in securities as defined in the South African Collective Investment Schemes Control Act No. 45 2002 governing Collective Investment Schemes in Securities.
- (i) Any commission received by the Investment Manager in consideration of an investment in an Underlying Fund will be paid into the Fund.
- (j) The Fund will not invest in securities that compel the Fund to accept physical delivery of a commodity.

### **Investment Manager and Distributor**

The AIFM has appointed the following as Investment Manager and Distributor to the Fund:

Independent Securities (Pty) Limited (the “**Investment Manager**”) is a company incorporated in South Africa, and is authorised and regulated by the Financial Sector Conduct Authority in South Africa. The Investment Manager’s registered office is 3 West Street, Houghton, South Africa, 2198, South Africa.

The Investment Manager manages assets in excess of R24billion.

### **Borrowings**

In accordance with the general provisions contained in the “Borrowing and Lending Powers” section of the Prospectus, the Fund may borrow up to 10% of its net assets on a temporary basis. Such borrowings are permitted only to meet the Fund’s obligations in relation to (i) the administration of the Fund relating to purchase or sale transactions; and/or (ii) the redemption or cancellation of Shares in the Fund. Borrowings in relation to (i) above are only permitted for a period of up to 8 calendar days, and 61 calendar days in respect of (ii) in order to comply with the South African Financial Sector Conduct Authority and to allow for the Fund to be distributed to South African retail investors. However, at all times borrowings on behalf of the Fund will be in accordance with the requirements of the Central Bank.

### **Risk Factors**

The general risk factors set out in the “Risk Factors” section of the Prospectus apply to the Fund. In addition, the following risk factors apply to the Fund:

#### *Segregated Liability between the Funds*

Liabilities of one Fund will not impact on nor be paid out of the assets of another Fund. While the provisions of the Companies Acts 2014 provide for segregated liability between Funds, these provisions have yet to be tested in foreign courts, in particular, in satisfying local creditors’ claims. Accordingly it is not free from doubt that the assets of any Fund may be exposed to the liabilities of other Funds of the Company. As of the date hereof, the Directors are not aware of any existing or

contingent liability of any Fund of the Company.

#### *Investment Risk*

The price of shares and the income from them may fall as well as rise and investors may not get back the amount they have invested and accordingly an investment should be viewed as long term. In addition to market factors, changes in exchange rates may cause the value of shares to go up or down.

Persons interested in purchasing shares should inform themselves as to (a) the legal requirements within their own countries for the purposes of shares, (b) any foreign exchange restrictions which may be applicable, and (c) the income and other tax consequences of purchase and repurchase of shares.

An investment in the Fund may not be appropriate for all investors.

Investment in certain securities markets involves a greater degree of risk than usually associated with investment in the securities of other major securities markets. Potential investors should consider all risks before investing in the Fund.

#### *Equity Securities Generally*

The prices of equities fluctuate daily dependent on market conditions. Markets can be influenced by a series of factors such as political and economic news, corporate earnings reports, demographic trends, catastrophic events and wider market expectations. It is worth noting that the value of equities can fall as well as rise and investors into equities funds may not get back the amount that was originally invested.

#### *Legal Risk*

Legal risk is the risk of loss due to unexpected application of a law or regulation, or because contracts are not legally enforceable or documented correctly.

#### *Emerging Markets*

Investing in emerging markets involve additional risks and special considerations not typically associated with investing in other more established economies or securities markets. Such risks may include (i) increased risk of nationalisation or expropriation of assets or confiscatory taxation; (ii) greater social, economic and political uncertainty, including war; (iii) higher dependence on exports and the corresponding importance of international trade; (iv) greater volatility, less liquidity and smaller capitalisation of securities markets; (v) greater volatility in currency exchange rates; (vi) greater risk of inflation; (vii) greater controls on foreign investment and limitations on repatriation of invested capital; (viii) increased likelihood of governmental decisions to cease support of economic reform programmes or to impose centrally planned economies; (ix) differences in auditing and financial reporting standards which may result in the unavailability of material information about issuers; (x) less extensive regulation of the securities markets; (xi) longer settlement periods for securities transactions and less reliable clearance and custody arrangements; (xii) less protection through registration of assets and (xiii) less developed corporate laws regarding fiduciary duties of officers and directors and protection of shareholders.

#### *Currency Risk*

The net asset value per share will be computed in the base currency of the Fund, whereas the Fund's investments may be acquired in a wide range of currencies, some of which may be affected by currency movements of a more volatile nature than those of developed countries and some of which may not be freely convertible. It may not be possible or practical to hedge against the consequent currency risk exposure and in certain instances the Investment Manager may consider it desirable not to hedge against such risk. The Investment Manager may enter into cross currency hedging transactions.

#### *Efficient Portfolio Management Risk*

The Company on behalf of the Fund may enter securities lending arrangements for efficient portfolio



management purposes. Investors should be aware that from time to time, the Fund may engage with securities lending agents that are related parties to the Depositary or other service providers of the Company. Such engagement may on occasion cause a conflict of interest with the role of the Depositary or other service provider in respect of the Company. In addition, as with any extensions of credit, there are risks of delay and recovery. Should the borrower of securities fail financially or default in any of its obligations under any securities lending transaction, the collateral provided in connection with such transaction will be called upon. A securities lending transaction will involve the receipt of collateral. However there is a risk that the value of the collateral may fall and the Fund suffer loss as a result.

Please refer to the section entitled "Portfolio Transactions and Conflicts of Interest" in the Prospectus 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 Company's semi-annual and annual reports.

#### *Taxation*

Potential investors attention is drawn to the taxation risk associated with investing in the Fund. See section headed "Taxation" in the Prospectus.

#### *Duplication of Costs*

It should be noted that the Fund incurs the costs of its own management and other service providers as set out under the Charges and Expenses section below. In addition, to the extent the Fund invests in open-ended collective investment schemes, it will bear its proportion of the fees paid by such schemes to their investment manager and other service providers. There may also be performance fees payable at the underlying scheme level. The semi-annual and annual reports of the Company shall provide information on the specific open-ended collective investment schemes which the Fund invests in including their regulatory status and the specific fees paid by the Fund to such schemes. The management fees payable in relation to the Underlying Funds will not exceed 2% of the Net Asset Value of the Fund.

#### *Risks associated with investing in Underlying Funds*

The Fund may invest in Underlying Funds which may be invested wholly independently of one another and may at times hold economically offsetting positions. To the extent that such Underlying Funds do, in fact, hold such positions, the Fund, considered as a whole, cannot achieve any gain or loss despite incurring expenses.

Furthermore, while the Directors or their delegate will exercise reasonable care to comply with the investment restrictions applicable to the Fund, the manager of and/or service providers to the Underlying Funds in which the Fund may invest may not be obliged to comply with such investment restrictions in their management / administration of such funds. No assurance can be given that the investment restrictions of the Fund with respect to individual issuers or other exposures will be adhered to by such Underlying Funds or that, when aggregated, exposure by such Underlying Funds to individual issuers or counterparties will not exceed the investment restrictions applicable to the Fund. The Fund or their delegate will continuously monitor the investment restrictions applicable to the Fund to ensure compliance by the Fund. If the investment restrictions applicable to the investments directly made by the Fund are exceeded for reasons beyond the control of the Fund or as a result of the exercise of subscription rights, the Directors shall adopt as a priority objective the remedying of that situation, taking due account of the interests of the Shareholders of the Fund.

#### *Pricing of Underlying Funds*

There may be difficulties in obtaining a reliable price for the net asset value of the Underlying Funds as only estimated and indicative valuations of certain Underlying Funds are available at the Valuation Point for the relevant Dealing Day where a redemption is affected. The Underlying Funds may not have dealing days for redemptions which are the same as the Dealing Days in the Fund. This will lead to pricing risk because the net asset value of the Underlying Funds (on the basis of which the Fund's NAV is calculated) may increase or decrease between the Fund's Dealing Day and the Underlying Funds

dealing day. Accordingly, the value of an Underlying Funds used for the purpose of valuing the Fund, at the Valuation Point for the relevant Dealing Day, may differ from the amount received by the Fund when it redeems its interests in the Underlying Funds.

### **Dividend Policy**

It is not the intention of Directors to declare a dividend and the Directors reserve the right to change the dividend policy of the Fund. Full details of any such change will be disclosed in an updated supplement for the Fund and Shareholders will be notified in advance.

### **Key Information for Buying and Selling**

Class A (USD) Shares, Class B (USD) Shares, Class C (USD) Shares and Class D (USD) Shares in the Fund are available for subscription to investors in certain of the Member States and South Africa. An application to buy any Shares should be made on the Application Form available from the AIFM and be submitted to the Company c/o the Administrator, in writing or sent by facsimile, to be received by the Administrator on or prior to the Dealing Deadline for the relevant Dealing Day. The Class D (USD) Shares are available only to certain categories of investors as determined by the Investment Manager in its absolute discretion.

### **Share Type**

Class A (USD)

Class B (USD)

Class C (USD)

Class D (USD)

### **Base Currency**

US Dollars

### **Business Day**

Any day (except Saturday or Sunday) on which the banks in Dublin are open for business and such other days as the Directors may, with the consent of the Depositary, determine and notify in advance to Shareholders.

### **Dealing Day**

Any Business Day.

### **Valuation Point**

Midnight (South African time) on each Dealing Day.

### **Dealing Deadline**

In respect of a Dealing Day, 4.00 p.m. (Irish time) on the Business Day immediately preceding a Dealing Day.

### **Minimum Shareholding**

Class A (USD)	US\$1,000
Class B (USD)	US\$300,000
Class C (USD)	US\$600,000
Class D (USD)	None

The Directors may, in their absolute discretion permit a higher or lower Minimum Shareholding and

Shareholders shall be notified in advance of any such change.

No Shareholder shall be entitled to realise part only of his holding of Shares of any class in the Fund (subject to the discretion of the Directors) if such realisation would result in his holding of Shares of such class after such realisation being below the Minimum Shareholding.

**Minimum Initial Investment Amount**

Class A (USD)	US\$1,000
Class B (USD)	US\$300,000
Class C (USD)	US\$600,000
Class D (USD)	None

The Directors may, in their absolute discretion permit a higher or lower Minimum Initial Investment Amount.

**Minimum Additional Investment Amount**

None

**Preliminary Charge**

No preliminary charge will be charged by the Fund.

**Repurchase Fee**

There is no repurchase fee on Class A (USD) Shares, on Class B (USD) Shares, Class C (USD) Shares or on Class D (USD) Shares.

**Settlement Date**

In the case of applications, close of business on the Business Day preceding the relevant Dealing Day (or up to four Business Days after the relevant Dealing Day as may be permitted by the Directors at their absolute discretion). In the case of repurchases, four Business Days after the relevant Dealing Day or, if later, four Business Days after the receipt of the relevant duly signed repurchase documentation and in any case within 14 calendar days of the Dealing Deadline.

**Charges and Expenses**

**Fees of the AIFM, the Depositary, the Administrator, the Investment Manager, and the Distributors**

The AIFM will be entitled to receive from the Company an annual fee of up to 0.20% of the Net Asset Value of the Class A (USD) Shares, Class B (USD) Shares, Class C (USD) Shares and Class D (USD) Shares. These fees will accrue and be calculated on each Dealing Day and be payable monthly in arrears. The AIFM will be responsible for all its own out of pocket costs and expenses.

The Company will pay the following annual investment management fees on the net assets of the relevant share classes to the Investment Manager:

Class A (USD) Shares 1.10%

Class B (USD) Shares 0.90%

Class C (USD) Shares 0.75%

The Investment Manager is not entitled to any investment management fee in respect of the Class D (USD) Shares out of the Net Asset Value of the Fund, but will agree a separate fee with each shareholder of Class D (USD) Shares to be paid directly to the Investment Manager by such shareholder.

The investment management fee will accrue and be calculated on each Dealing Day and be payable monthly in arrears. The Investment Manager will be responsible for its own out of pocket costs and expenses.

The Investment Manager will pay out of its fees, the fees of the Distributor.

In respect of the administration services provided to the Fund, the Administrator will be entitled to receive out of the assets of the Fund an annual fee which will not exceed 0.03% of the net assets of the Fund and its reasonable costs and expenses incurred by the Administrator in the performance of its duties as Administrator of the Fund. These fees shall accrue and be calculated on each Dealing Day and shall be payable monthly in arrears.

In respect of the registrar and transfer agency services provided to the Fund, the Administrator will be entitled to receive from the Company out of the assets of the Fund an annual fee which will not exceed US\$2,500 plus US\$1,000 for each additional share class greater than four, together with reasonable costs and expenses incurred by the Administrator in the performance of its duties as Registrar and Transfer Agent of the Fund. These fees shall accrue and be calculated on each Dealing Day and shall be payable monthly in arrears. The Administrator shall also be entitled to be reimbursed out of the assets of the Fund all agreed transaction charges (which will be charged at normal commercial rates).

The Depositary will be entitled to receive out of the assets of the Fund an annual trustee fee which will not exceed 0.015% of the net assets of the Fund, together with reasonable costs and expenses incurred by the Depositary in the performance of its duties as Depositary of the Fund. These fees shall accrue and be calculated on each Dealing Day and shall be payable monthly in arrears. The Depositary shall also be entitled to be reimbursed out of the assets of the Fund all agreed safekeeping fees, expenses and transaction charges (which will be charged at normal commercial rates).

The cost of establishing the Fund, obtaining authorisation from any authority, regulatory or other body, listing the Shares on the Euronext Dublin, filing fees and the preparation and printing of this Supplement, marketing costs and the fees of all professionals relating to it, which are estimated not to exceed €25,000 and such costs will be borne by the Fund and amortised over the five years of the Fund's operation (or such shorter period as may be determined by the Directors at their discretion) following the first issue of Shares in the Fund.

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

## **Material Contracts**

### **Investment Management and Distribution Agreement**

The Investment Management and Distribution Agreement dated 5 April 2016 between the AIFM and the Investment Manager (the "**Agreement**") provides that the appointment of the Investment Manager will continue in force unless and until terminated by the AIFM on giving not less than 90 days' written notice to the Investment Manager or by the Investment Manager giving not less than 90 days' written notice to the AIFM. However, in certain circumstances the Agreement may be terminated without a minimum period of notice by either party. The Agreement limits the liability of the Investment Manager to the AIFM to losses arising by reason of the fraud, bad faith, negligence, wilful default or wilful misfeasance by the Investment Manager in the performance or non-performance of its duties. The Agreement also provides that the Investment Manager shall indemnify the AIFM to the extent that any claims, costs, direct damages, direct losses or reasonable expenses are attributable to the fraud, bad faith, negligence, wilful default or wilful misfeasance by the Investment Manager in the performance or non-performance of its duties.