

## **UNITED KINGDOM COUNTRY SUPPLEMENT**

# **Fisher Investments Institutional Funds Plc** (the “UCITS”)

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An Irish collective asset-management vehicle constituted as an umbrella fund with segregated liability between sub-funds with registration number 496650 and authorised by the Central Bank of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended.

### **ADDITIONAL INFORMATION FOR INVESTORS IN THE UNITED KINGDOM**

**This document (the “UK Country Supplement”) should be read in conjunction with the prospectus for the UCITS dated 14 February 2025 as amended from time to time together with any supplement or addendum thereto (collectively the “Prospectus”) and the relevant key investor information documents (the “KIID”). It contains information for prospective investors and shareholders in the United Kingdom (the “UK”).**

Words and expressions defined in the Prospectus, unless otherwise defined, shall bear the same meaning when used herein.

**Dated: 28 April 2025**

The UCITS is domiciled in Ireland and is authorised by the Central Bank of Ireland. The UCITS is managed by Carne Global Fund Managers (Ireland) Limited (the “**Management Company**”) which is domiciled in Ireland and is authorised by the Central Bank of Ireland.

The UCITS and the following Sub-Funds are recognised in the UK under the Overseas Funds Regime (which is a scheme recognised under s271A of the UK Financial Services and Markets Act 2000 (the “**FSMA**”)) but it is not a UK authorised fund.

Sub-Fund(s)	FCA product reference number	Share Class(es)
FIE All-Purpose Fund	720504	Euro Share Class A (unhedged) Euro Share Class X (unhedged) Sterling Class X (hedged)
Fisher Investments Institutional China A-Shares Equity Fund	925771	US Dollar Class Shares US Dollar 2 Class Shares Euro Class Shares (unhedged) Sterling Class Shares (unhedged) Z Class Shares D Class Shares F Class Shares B Class Shares B2 Class Shares (unhedged) B3 Class Shares (unhedged) C Class Shares C2 Class Shares (unhedged) C3 Class Shares (unhedged) U Class Shares U2 Class Shares (unhedged) U3 Class Shares (unhedged)
Fisher Investments Institutional Emerging Markets Equity Selection Fund	709826	A Class Shares A2 Class Shares (unhedged) A3 Class Shares (unhedged) B Class Shares B2 Class Shares (unhedged) B3 Class Shares (unhedged) C Class Shares C2 Class Shares (Unhedged) C3 Class Shares (Unhedged) D Class Shares D2 Class Shares (unhedged) D3 Class Shares (unhedged) Euro Class Shares (unhedged) Sterling Class Shares (unhedged) U Class Shares US Dollar Class Shares Z Class Shares
Fisher Investments Institutional Emerging Markets Equity Fund	709827	A Class Shares A2 Class Shares (unhedged) A3 Class Shares (unhedged) B Class Shares B2 Class Shares (unhedged) B3 Class Shares (unhedged) C Class Shares C2 Class Shares (unhedged) C3 Class Shares (unhedged) D Class Shares D3 Class Shares (unhedged) Euro Class Shares (unhedged) Euro 2 Class Shares (unhedged)

		Sterling Class Shares (unhedged) Sterling 2 Class Shares (unhedged) U Class Shares U2 Class Shares (unhedged) US Dollar Class Shares US Dollar 2 Class Shares Z Class Shares
Fisher Investments Institutional Emerging Markets Hard Currency Government Bond Fund	925773	B Class Shares B2 Class Shares (unhedged) B3 Class Shares (unhedged) C Class Shares C2 Class Shares (unhedged) C3 Class Shares (unhedged) D Class Shares D2 Class Shares (unhedged) D3 Class Shares (unhedged) Euro Class Shares (unhedged) F Class Shares Sterling Class Shares (unhedged) U Class Shares U2 Class Shares (unhedged) U3 Class Shares (unhedged) US Dollar Class Shares Z Class Shares
Fisher Investments Institutional European Equity Fund	751490	A Class Shares (unhedged) A2 Class Shares A3 Class Shares (unhedged) B Class Shares (unhedged) B2 Class Shares B3 Class Shares (unhedged) Euro Class Shares Sterling Class Shares (unhedged) US Dollar Class Shares (unhedged) Z Class Shares (unhedged)
Fisher Investments Institutional Global Developed Concentrated Equity Fund	751493	A Class Shares A2 Class Shares (unhedged) A3 Class Shares (unhedged) B Class Shares B2 Class Shares (unhedged) B3 Class Shares (unhedged) Euro Class Shares (unhedged) Sterling Class Shares (unhedged) US Dollar Class Shares Z Class Shares
Fisher Investments Institutional Global Developed Equity Selection Fund	794730	A Class Shares A2 Class Shares (unhedged) A3 Class Shares (unhedged) B Class Shares B2 Class Shares (unhedged) B3 Class Shares (unhedged) Euro Class Shares (unhedged) Euro Class Shares (hedged) Sterling Class Shares (unhedged) US Dollar Class Shares Z Class Shares UK DC Class Shares (unhedged) D3 Class Shares (unhedged)
Fisher Investments Institutional Global Developed Equity Fund	751491	A Class Shares A2 Class Shares (unhedged)

		A3 Class Shares (unhedged) B Class Shares B2 Class Shares (unhedged) B3 Class Shares (unhedged) D Class Shares Euro Class Shares (unhedged) Sterling Class Shares (unhedged) US Dollar Class Shares Z Class Shares (unhedged)
Fisher Investments Institutional Global Equity Selection Fund	751492	A Class Shares A2 Class Shares (unhedged) A3 Class Shares (unhedged) B Class Shares B2 Class Shares (unhedged) B3 Class Shares (unhedged) D Class Shares Euro Class Shares (unhedged) Sterling Class Shares (unhedged) US Dollar Class Shares Z Class Shares
Fisher Investments Institutional Global Equity High Yield Fund	751494	A Class Shares A2 Class Shares (unhedged) A3 Class Shares (unhedged) B Class Shares B2 Class Shares (unhedged) B3 Class Shares (unhedged) D Class Shares Euro Class Shares (unhedged) Sterling Class Shares (unhedged) US Dollar Class Shares Z Class Shares
Fisher Investments Institutional Global Small Cap Equity Selection Fund	949039	US Dollar Class Shares US Dollar 2 Class Shares Euro Class Shares (unhedged) Sterling Class Shares (unhedged) F Class Shares C Class Shares C2 Class Shares (unhedged) C3 Class Shares (unhedged) U Class Shares U2 Class Shares (unhedged) U3 Class Shares (unhedged)
Fisher Investments Institutional Global Small Cap Equity Fund	720506	A Class Shares A2 Class Shares (unhedged) A3 Class Shares (unhedged) B Class Shares B2 Class Shares (unhedged) B3 Class Shares (unhedged) D2 Class Shares (unhedged) Euro Class Shares (unhedged) Sterling Class Shares (unhedged) Sterling 2 Class Shares (unhedged) Sterling 3 Class Shares (unhedged) US Dollar Class Shares Z Class Shares
Fisher Investments Institutional Global Sustainable Equity Impact Fund	925776	B Class Shares B2 Class Shares (unhedged) B3 Class Shares (unhedged) C Class Shares

		C2 Class Shares (unhedged) C3 Class Shares (unhedged) D Class Shares Euro Class Shares (unhedged) F Class Shares Sterling Class Shares (unhedged) U Class Shares U2 Class Shares (unhedged) U3 Class Shares (unhedged) US Dollar Class Shares US Dollar 2 Class Shares UK DC Class Shares (unhedged) Z Class Shares
Fisher Investments Institutional Quantitative Global Equity Selection Fund	925775	Euro Class Shares (unhedged) Sterling Class Shares (unhedged) U3 Class Shares (unhedged) U2 Class Shares (unhedged) U Class Shares C3 Class Shares (unhedged) C2 Class Shares (unhedged) C Class Shares B3 Class Shares (unhedged) B2 Class Shares (unhedged) B Class Shares F Class Shares D Class Shares Z Class Shares US Dollar Class Shares
Fisher Investments Institutional US All Cap Equity Selection Fund	925777	B Class Shares C Class Shares Euro 2 Class Shares (unhedged) US Dollar 2 Class Shares US Dollar Class Shares Sterling Class Shares (unhedged) Euro Class Shares (unhedged)
Fisher Investments Institutional US Equity Selection Fund	827659	B Class Shares C Class Shares US Dollar 2 Class Shares US Dollar Class Shares Sterling Class Shares (unhedged) Euro Class Shares (unhedged) UK DC Class Shares (unhedged)
Fisher Investments Institutional US High Yield Bond Fund	925778	B Class Shares B2 Class Shares (unhedged) B3 Class Shares (unhedged) C Class Shares C2 Class Shares (unhedged) C3 Class Shares (unhedged) D Class Shares Euro Class Shares (unhedged) F Class Shares Sterling Class Shares (unhedged) U Class Shares U2 Class Shares (unhedged) U3 Class Shares (unhedged) US Dollar Class Shares Z Class Shares
Fisher Investments Institutional US Small and Mid-Cap Core Equity Fund	794731	A Class Shares A2 Class Shares (unhedged)

		A3 Class Shares (unhedged) B Class Shares B2 Class Shares (unhedged) B3 Class Shares (unhedged) Euro Class Shares (unhedged) Sterling Class Shares (unhedged) US Dollar Class Shares D Class Shares D2 Class Shares (unhedged) D3 Class Shares (unhedged) Z Class Shares
Fisher Investments Institutional US Small Cap Core Equity Selection Fund	720507	A Class Shares A2 Class Shares (unhedged) A3 Class Shares (unhedged) B Class Shares B2 Class Shares (unhedged) B3 Class Shares (unhedged) Euro Class Shares (unhedged) Sterling Class Shares (unhedged) U Class Shares U2 Class Shares (unhedged) US Dollar Class Shares Z Class Shares
Fisher Investments Institutional Global ex-US Equity Selection Fund	1021293	Euro Class Shares US Dollar Class Shares (unhedged) Sterling Class Shares (unhedged)

The Share Classes of Sub-Funds listed above have been notified and may be promoted to the UK public by persons authorised to carry on investment business in the UK and will not be subject to restrictions contained in Section 238 of FSMA, as amended. Where the Management Company intends to communicate a financial promotion relating to the UCITS, the financial promotion will need to be approved unless the financial promotion benefits from an exemption in the FSMA (Financial Promotion) Order 2005 (“**FPO**”). The Prospectus (which includes this UK Country Supplement) can be made available to UK domiciled shareholders in reliance on Article 29 FPO (Communications required or authorised by enactments) as it is a document required by local Irish law which is not prescribed under the FSMA.

UK investors will not have the right, provided under Section 15 (Cancellation) of the Conduct of Business Sourcebook published by the UK’s Financial Conduct Authority (“**FCA**”) as part of its Handbook of Rules and Guidance (the “**FCA Rules**”), to cancel any investment agreement entered into with the UCITS.

UK investors should be aware that if they invest in this UCITS, they may not be able to refer a complaint against the Management Company or the Depositary to the UK’s Financial Ombudsman Service. Any claims for losses relating to the Management Company or the Depositary will not be covered by the Financial Services Compensation Scheme, in the event that either person should become unable to meet its liabilities to investors.

A UK investor will be able to make a complaint to the UCITS and the Management Company, and investors will have a right to access the alternative dispute resolution scheme in Ireland. A UK investor will not have a right to access a compensation scheme in Ireland in the event that either the Management Company or the Depositary should become unable to meet its liabilities to investors.

Information on how shareholder complaints are dealt with and how shareholders exercise their rights arising from their investment is available from the Management Company.

Any individual who is in any doubt about the investment to which the Prospectus relates should consult

an authorised person specialising in advising on investments of this kind, such as a financial adviser.

This product is based overseas and is not subject to UK sustainable investment labelling and disclosure requirements.

### **Facilities Agent in the United Kingdom**

In accordance with the terms of a facilities agreement, the Management Company has appointed Fisher Investments Europe Limited (the “**UK Facilities Agent**”) who is responsible for providing facilities services to the UCITS and maintenance of the facilities required of a recognised scheme pursuant to the FCA Rules.

The UK Facilities Agent maintains facilities at Level 18, One Canada Square, Canary Wharf, London, E14 5AX, United Kingdom.

At these facilities, any person may:

1. inspect (free of charge), during normal business hours on weekdays (Saturdays, Sundays and English public holidays excepted), a copy of the following documents:
  - 1.1. the instrument of incorporation of the UCITS and any instruments amending these;
  - 1.2. the latest Prospectus including any addenda or supplements thereto;
  - 1.3. the latest KIID;
  - 1.4. the latest annual and half-yearly reports; and
  - 1.5. any other documents required from time to time by COLL to be made available;
2. obtain a copy of:
  - 2.1. in English, any of the above documents (free of charge in the case of documents 1.2-1.4; and
  - 2.2. free of charge, details or copies of any notices which have been given or sent to shareholders;
3. obtain information (in English) relating to the prices of shares;
4. arrange for the redemption of shares (and obtain payment for such shares); any redemption request received shall be sent to the Administrator for processing; and
5. make a complaint about the operation of the UCITS, which the UK Facilities Agent will transmit to the Management Company.

UK investors may also contact the UK Facilities Agent for details on request of how to make a complaint, and what rights if any are available to them under an alternative dispute resolution scheme or a compensation scheme.

Complaints about the UK Facilities Agent can be made to the Financial Ombudsman Service, Exchange Tower, London E14 9SR. [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

### **UK Taxation<sup>1</sup>**

Warning: The information contained below is provided for UK resident investors only and is based on UK tax legislation and the known current HM Revenue & Customs (“**HMRC**”) interpretation thereof. This can vary according to individual circumstances and is subject to change. It is intended as a guide only and is not a substitute for professional advice. It does not purport to be a complete analysis of all tax considerations relating to the holding of Shares in the Fund. The information given below does not constitute legal or tax advice, and prospective investors should consult their own professional advisers as to the implications of subscribing for, purchasing, holding, switching or disposing of Shares in the Fund under the laws of any jurisdiction in which they may be subject to tax.

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<sup>1</sup> This is not a regulatory requirement, but we would normally see this included

This summary in particular does not address the tax consequences for non-UK resident persons who hold Shares in the Fund in connection with a trade, profession or vocation carried on in the UK (whether through a branch or agency or permanent establishment ("**PE**")). In addition, the summary only addresses the tax consequences for UK investors who hold Shares as an investment and not as trading stock or for any other purpose. It does not deal with the position of certain classes of investors, such as dealers in securities and insurance companies, trusts, authorised investment funds or investment trust companies and persons who have acquired their Shares by reason of their or another's employment; nor does it deal with the position of individuals who are UK resident but non-domiciled.

As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Fund is made will endure indefinitely. The statements are based on current tax legislation, together with HMRC practice, all of which are subject to change at any time - possibly with retrospective effect.

#### Nature of Investment

Investors will acquire Shares in particular Share Classes of the sub-funds contained within the Company (each a "Fund"). Some of these Share Classes may have been registered for UK reporting fund (see below) purposes in the UK or will register for UK reporting fund purposes. The Company is an Irish open-ended investment company with variable capital and segregated liability between Funds. The Company is itself authorised as a UCITS scheme in Ireland by the Central Bank of Ireland and is structured as an umbrella company.

#### Taxation Status of the Funds

The Directors understand that the Funds are not transparent entities for UK tax purposes. The Directors intend to conduct the affairs of each Fund in a manner such that it does not become resident in the UK and does not carry on a trade within the UK through a PE or otherwise for UK tax purposes. Accordingly, the Funds should not be subject to UK income tax or corporation tax other than on certain UK source income. The Directors and the Investment Manager each intend that the respective affairs of the Company and the Investment Manager are conducted so that these requirements are met insofar as this is within their respective control. However, it cannot be guaranteed that the necessary conditions will at all times be satisfied.

If a Fund should invest in UK investments, any UK source income arising may be subject to UK withholding tax depending on the nature of those investments and whether the Fund can make a valid claim under the double tax agreement between the UK and the Republic of Ireland to avoid or minimise such withholding tax.

Each Share Class of the Fund will be treated as a separate "offshore fund" for the purposes of the UK offshore funds tax regime in accordance with Part 8 of the Taxation (International and Other Provisions) Act 2010 ("**TIOPA 2010**"). The UK's reporting fund regime, which is contained in the Offshore Funds (Tax) Regulations 2009 ("**Regulations 2009**") (Statutory Instrument 2009/3001), will apply separately to each Share Class of the Fund, provided such Share Class elects to register into the UK reporting fund regime. Under the UK reporting fund regime, for UK taxpayers to secure capital gains tax treatment on the disposal of their investment in Shares in a Share Class of the Fund, that Share Class would need to be registered as a "reporting fund" throughout the entire period in which the UK taxpayer held the investment. If the offshore fund does not have reporting fund status throughout the entire period in which the UK taxpayer held the investment, the UK taxpayer will be subject to income tax treatment on the disposal of their investment in Shares in a Share Class of the Fund.

Those share classes which are registered as UK reporting entities (each a "**Reporting Fund Share Class**" or "**RFSC**") are listed within a public register of approved offshore reporting funds maintained by HMRC. This register is updated on a monthly basis and includes the dates at which all RFSC became reporting funds. A link to the public register can be found at: <https://www.gov.uk/government/publications/offshore-funds-list-of-reporting-funds> In the event that any Share Class of the Fund does not apply to HMRC for UK reporting fund status for the first period of account of that Share Class, it should be noted that UK reporting fund status cannot be obtained

retrospectively for any period and would therefore generally only be available from the period in which the Directors made the appropriate application to HMRC (and future periods).

The Directors will take all steps that are practicable and consistent both with the laws and regulatory requirements of the Republic of Ireland and the UK and with the investment objectives and policies of the Funds, to ensure that, in respect of the each RFSC, UK reporting fund status is obtained and retained in respect of each of its accounting periods. It must be appreciated, however, that no assurance can be given as to whether such approval will, in practice, be granted in the first instance, and retained in respect of any particular accounting period. The exact conditions that must be fulfilled for the Funds to obtain reporting fund status for a Share Class may be affected by changes in HMRC practice or by subsequent changes to the relevant provisions of UK tax legislation.

The comments below under the heading entitled "Taxation of UK resident investors in RFSC" are based on the assumption that applications will be made to HMRC to obtain UK reporting fund status from the beginning of the first period of account for each relevant Share Class, and on the premise that each RFSC will maintain reporting fund status throughout the entire period in which it has UK resident investors. It is important to note that once a Share Class has been granted UK reporting fund status, it will maintain that status so long as it continues to satisfy the conditions to be a reporting fund, and it meets its annual compliance requirements under the reporting fund regime. If reporting fund status is revoked by HMRC for any RFSC, that RFSC will be unable to regain reporting fund status and will thereafter be permanently outside the reporting fund regime. Where, however, reporting fund status is voluntarily surrendered under Regulation 116 of the Regulations 2009, the Fund may make a subsequent application for reporting fund status to apply in the future, should the Directors wish to do so.

The Directors will decide whether or not any future Share Class of a Fund will apply to HMRC for reporting fund status on a Share Class by Share Class basis. In the event that a Share Class of the Fund does not have reporting fund status or loses its reporting fund status in respect of a future accounting period (hereafter referred to as "**Non-Reporting Fund Share Classes**" or "**non-RFSC**") the heading entitled "Taxation of UK resident investors in non-RFSC" includes some comments in relation to the UK tax implications for UK resident investors in such a Share Class of the Fund.

#### Taxation of UK Resident Investors

Although most of the Funds have an investment objective which lean towards equity investments, one or more of the Funds may be categorised as bond funds under the relevant UK legislation. Accordingly, the general comments below are prepared with reference to Funds which are not bond funds, with additional commentary where the treatment differs in the case of bond funds.

Broadly, a Fund is likely to be viewed as a 'bond fund' for an accounting period, if at any time in that accounting period, the market value of its 'qualifying investments' exceed more than 60% of the market value of its total assets. 'Qualifying investments' are broadly defined as interest-bearing, or economically similar, securities, such as: government and corporate debt, cash on deposit (other than cash awaiting investment), certain derivative contracts whose underlying subject matter relates to qualifying investments, or holdings in other funds which at any time in the relevant accounting period are categorised as 'bond funds'.

#### A. Taxation of UK resident investors in RFSC

##### Income and Deemed Distributions – General Principles

Subject to their own circumstances, individual or corporate investors resident for UK tax purposes will be liable to UK income tax or corporation tax in respect of dividends or other distributions of an income nature, including deemed distributions of any excess income over the sums distributed by the Funds ("excess income"). On an annual basis, each Fund will calculate and report the excess income per share for the reporting period for each RFSC to all relevant investors holding Shares on the last day of the Fund's reporting period. The excess income is deemed to arise to the UK investor six months following the end of the relevant reporting period (i.e. 31 March following the year end on the basis that the Fund continues to prepare financial statements to 30 September).

(i) Individual Investors

An individual who is resident for UK tax purposes and receives, or is deemed to receive, a relevant income distribution made by a non-UK resident fund will be subject to dividend income tax on the distribution.

Dividends and other income distributions paid or deemed to be paid to UK resident individual shareholders in respect of Shares in the Funds which are deemed to be 'bond funds' may be taxed as 'interest' as opposed to 'dividends' under Chapter 2 of Part 4 of the Income Tax (Trading and Other Income) Act 2005 ("**ITTOIA 2005**").

If a UK taxpayer receives deemed income distributions from a RFSC, the amount of deemed income distribution will be considered reinvested profits and increase the base cost of the shareholding when calculating the gain on the sale of shares.

(ii) Corporate Investors

Under the Finance Act 2009 ("**FA 2009**") where a dividend or other distribution, or a deemed distribution, is received by a company which is resident in the UK and is a 'small' company as defined in the Annex to Commission Recommendation 2003/361/EC of 6 May 2003 (being a company with less than 50 employees and a turnover of less than €10million), that dividend will normally be exempt from corporation tax provided the payer is a resident of a qualifying territory. For the purposes of this legislation, the Funds are resident of a qualifying territory, being the Republic of Ireland. Where a dividend or other distribution, or deemed distribution, is received by a company which is resident in the UK and is not a small company, that dividend will be exempt from corporation tax if the distribution falls into an exempt class. For the purposes of this legislation, exempt classes include distributions from controlled companies, distributions in respect of non-redeemable ordinary shares and distributions in respect of portfolio holdings where the recipient holds less than 10% of the issued share capital of the payer. In the case where the investment is a bond fund, any receipt would be reclassified as interest under the loan relationship rules (see below).

Except in the case of a company controlling directly or indirectly not less than 10 per cent of the voting power of a Fund, no credit will be available against a Shareholder's UK tax liability in respect of income distributions of the Fund for any taxes suffered or paid by the Fund on its own income. As the Funds have no such tax liabilities in Ireland, such credit is unlikely in any case.

If a UK taxpayer receives a deemed income distribution from a RFSC, the amount of the deemed income distribution will be considered reinvested profits and increase the base cost used to calculate the gain on the sale of shares.

(iii) UK Exempt Investors and Other Investors

Some investors (e.g. approved pension funds) may be exempt from tax. Different rules may also apply in the case of certain non-residents. Again, it is recommended that these investors seek their own professional tax advice.

Capital Gains – General Principles

Where a share class in an offshore fund is a reporting fund for each accounting period during which a UK tax resident has held its interest in that share class, any gain accruing upon sale or other disposal of the interest, will be calculated and subject to UK tax as a capital gain, with relief for any accumulated or reinvested profits which have already been charged to UK tax.

If an offshore fund is a non-reporting fund and then becomes a reporting fund, the investor may be able to make an election under Section 48 of the Regulations 2009 for a deemed disposal at the date of conversion of the fund from a non-reporting fund to a reporting fund and to be treated as:

- (a) disposing of the interest in the non-reporting fund at its market value on the disposal date, and
- (b) acquiring a holding in the reporting fund on the next day, which typically falls on the beginning of the fund's first period of account as a reporting fund.

Any offshore income gain is treated as arising on the deemed disposal and the deemed reacquisition is treated as acquired for the same value as the deemed disposal. The election must be filed in the tax return for the period in which the deemed disposal occurs.

If a loss arises in respect of the deemed disposal, no election under Regulation 48 is possible but the holding is treated as always having been in a reporting fund.

(iv) UK individual investors in RFSC

Individual shareholders who are resident in the UK will be liable to tax on disposals in certain circumstances. Any capital gains arising may be offset by capital losses and the annual exempt amount of the taxpayer.

(v) UK corporate investors in RFSC

UK corporate investors are charged to corporation tax on chargeable gains at their marginal rate of corporation tax. Any capital gains arising to corporate investors may be reduced by capital losses and any indexation allowance for Shares held prior to 1 January 2018 where applicable, which is an inflationary adjustment to base cost accruing between the purchase and disposal dates.

UK resident corporate shareholders within the charge to UK corporation tax should note that under the loan relationships regime, if at any time in an accounting period they hold an interest in a 'bond fund' the shares referable to the Funds will be treated for corporation tax purposes as being rights under a creditor relationship, with the result that all returns on the Shares in the Funds in respect of each corporate investor's accounting period (including income, gains, profits and deficits) will be taxed or relieved as an income receipt or expense on a 'mark to market' basis. Accordingly, a UK corporate investor in the Funds may, depending on its own circumstances, incur a charge to UK corporation tax on an unrealised increase in the value of its holdings of Shares (and, likewise, obtain relief against UK corporation tax for an unrealised reduction in the value of its holding of Shares) on an annual basis. Note that the loan relationships code overrides the UK's offshore funds legislation, in cases where a UK corporate investor holds interests in a bond fund, such that whether or not a Share Class is an RFSC, and the quantum of any amounts reported by such Share Class, are not relevant to determining the investor's tax treatment.

B. Taxation of UK Resident Investors in Non-RFSC

(i) Income received from non-RFSC

Subject to their own tax positions, dividends and other distributions received by UK tax residents will be subject to UK tax, regardless of whether the distributions are reinvested. These distributions are treated as foreign dividends, subject to any reclassification as interest, as described above in the section entitled "Taxation of UK resident investors".

(ii) Capital Gains

Part 2 of the Regulations 2009 provides that if an investor who is resident in the UK for tax purposes holds an interest in a share class of an overseas fund that constitutes an offshore fund and that interest does not qualify as a "reporting fund" throughout the entire period during which the investor holds that interest, any gain accruing to the investor upon the sale, redemption or other disposal or part disposal of that interest (including, in certain circumstances, a conversion of shares within the fund) will be taxed at the time of such sale, redemption or disposal as income ("offshore income gain") and not as a capital gain, subject to treatment as a bond fund for corporate investors, where appropriate. Where such gains are taxed as income, no relief will be available for any capital gains tax exemptions or reliefs.

Where a loss arises on disposal, such losses will be capital losses and are not available for offset against any offshore income gains or other income arising to the investor.

C. UK Anti-Avoidance Legislation

The UK tax legislation contains a wide range of anti-avoidance legislation which could, depending on the specific circumstances of an investor, apply to Shareholdings in the Funds. The comments below are neither intended to be an exhaustive list of such anti-avoidance legislation, nor a comprehensive

summary of any of the provisions referred to. Investors who are concerned about the potential application of these provisions, or any other UK anti-avoidance provisions, should seek detailed tax advice based on their own circumstances. However, as a high-level guide, the attention of prospective investors resident in the UK for tax purposes is particularly drawn to the following anti-avoidance provisions.

(i) Section 3 of the Taxation of Chargeable Gains Act ("**Section 3**")

The attention of UK Shareholders (whether individual or corporate) who are resident in the UK for UK tax purposes is drawn to the provisions of Section 3. If a company/fund is a non-UK resident company, the provisions of Section 3 may apply. When any gain which constitutes a chargeable gain for those purposes, accrues to a company/fund to which Section 3 applies, the "participants" in that company/fund are subject to UK capital gains tax (or in the case of corporate Shareholders, corporation tax on chargeable gains) on an apportioned part of the capital gain accruing to the company/fund. The term "participant" includes a shareholder.

The part of any gain apportioned to the Shareholder will be equal to the proportion of the gain that corresponds on a just and reasonable basis to that person's proportionate interest in the company/fund as a "participant". Where the proportion attributed under Section 3 to that person, and to any persons connected to that person for UK tax purposes, does not exceed one-quarter of the interests in the company/fund then no liability should arise under Section 3. In addition, a further exemption applies which excludes gains from genuine overseas business activity from the charge.

(ii) Chapter 2 of Part 13 of the Income Tax Act 2007 ("**ITA 2007**") (transfer of assets abroad)

The attention of Individuals resident in the UK for tax purposes is drawn to the provisions of Chapter 2 of Part 13 of ITA 2007 (transfer of assets abroad). These provisions are aimed at preventing the avoidance of income tax by individuals through the transfer of assets resulting in income becoming payable to persons (including companies) resident outside the UK. Under these provisions the individual may be rendered liable to income tax in respect of the undistributed income or profits of the Fund on an annual basis, where the income has not already been distributed to the individual under a separate provision

These provisions in respect of the transfer of assets abroad will not apply to investors if they can demonstrate that it would not be reasonable to conclude that avoiding a liability to UK tax was the purpose or one of the main purposes of his investment in the Company or Funds. The anti-avoidance provisions will also not apply if it can be demonstrated that all relevant transactions were genuine commercial overseas business activities, carried out for the purposes of a trade or business and on arm's length terms. A further exemption applies for transactions that do not involve commercial activities but are nevertheless genuine transactions that are protected by the single European market.

(iii) Transaction in Securities

The attention of Shareholders is drawn to anti-avoidance legislation in Chapter 1, Part 13 of ITA 2007 and Part 15 of CTA 2010 that could apply if Shareholders are seeking to obtain tax advantages in certain prescribed conditions.

(iv) CFC Legislation

Companies resident in the UK for tax purposes should note that the "controlled foreign companies" ("**CFC**") legislation contained in Part 9A of TIOPA 2010 could apply to any UK resident company which holds, alone, or together with certain other connected or associated persons, shares which confer a right to at least a 25 per cent direct or indirect interest in the profits of a non-resident company or fund which is controlled (as "control" is defined in Section 371RC of TIOPA 2010) by persons (whether companies, individuals or others) who are resident in the UK. This legislation provides for certain exceptions including an exception for a company which has an interest in an offshore fund in certain circumstances. It is recommended that UK resident companies holding a right to 25 per cent or more of the profits of the Funds (directly or indirectly) should seek their own specific professional tax advice. These provisions are not directed towards the taxation of capital gains.

#### D. UK Stamp Duty

The following comments are intended as a guide to the general UK stamp duty position and may not relate to persons such as market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services to whom special rules apply.

Transfers of shares which are executed in the UK or where there is any connection with the UK, such as the purchaser being UK resident, are technically liable to UK stamp duty on transfer. However, this liability may effectively be avoided by ensuring that any transfer document is executed and retained outside the UK. No UK stamp duty should be payable if this is done. No Stamp Duty Reserve Tax ("**SDRT**") is payable on any agreement to transfer the Shares because they are not "chargeable securities" for UK SDRT purposes.