

**Supplement**

**for the**

**GLOBAL SUKUK FUND (the Fund)**

**1 July 2019**

**of Principal Islamic Asset Management (Ireland) plc**

This Supplement contains specific information in relation to the **Global Sukuk Fund (the Fund)**, a Fund of **Principal Islamic Asset Management (Ireland) plc (the Company)** an open-ended umbrella type investment company with variable capital and segregated liability between its Funds governed by the laws of Ireland and authorised by the Central Bank of Ireland (the **Central Bank**) as an undertaking for collective investment in transferable securities pursuant to the Regulations.

The Directors of the Company, whose names appear in the Prospectus, accept responsibility for the information contained in 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) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of the 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.

**This Supplement forms part of and should be read in conjunction with the Prospectus for the Company dated 1 July 2019 (the Prospectus).**



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# 1 INVESTMENT OBJECTIVE, POLICIES AND PROFILE OF A TYPICAL INVESTOR

## 1.1 Investment Objective:

The Fund seeks to maximize total return over the medium to long term through a combination of capital growth and income.

## 1.2 Investment Policies:

The Fund seeks to achieve its objective by investing primarily in a diversified portfolio of Shariah-compliant fixed income securities (**Sukuk**) issued by government, government-related entities such as their local authorities and public authorities, corporate or supranational entities located globally.

Sukuk are certificates of equal value which evidence undivided ownership or investment in the underlying assets using Shariah principles. The sakk (singular of Sukuk) is freely traded at par, premium or discount. Commonly the term Sukuk is used for fixed income securities and debt securities which comply with Shariah principals financial instruments. They comprise:

- mortgage-backed, asset-backed securities and collateralized financing obligations which are sukuk whose profit/coupon payments and/or payment at maturity depend primarily on the performance of one or more underlying credit exposures;
- zero-coupon Sukuk and coupon bearing Sukuk
- convertible Sukuk;
- contingent convertible securities that may be written down, written off or converted into an equity security upon the occurrence of a specific event such as when the issuer's capital ratio falls below a predetermined trigger level or at a regulator's discretion depending on the regulator's judgment about an issuer's solvency prospects.
- the Fund may also hold private placements, including those issued pursuant to Rule 144A.

Investments are limited to markets where the regulatory authority is an ordinary or associate member of the International Organization of Securities Commissions (IOSCO) - further details of which are set out in [www.iosco.org](http://www.iosco.org). All of the securities acquired by the Fund (other than permitted unlisted investments) will be listed or traded on the Markets referred to in **Appendix 2** of the Prospectus.

The Fund may also invest in Shariah-compliant UCITS eligible collective investment schemes and Shariah-compliant exchange traded funds (ETFs) the constituents of which include the types of instruments in which the Fund may directly invest.

The Fund expects to invest a minimum of 70% of the Fund's Net Asset Value in Sukuk that may be USD denominated and non-USD denominated, investment grade or below investment grade or non-rated and may be fixed or floating rate. Up to 20% of the Fund's Net Asset Value may be invested in asset backed securities.

The Fund may usually also invest up to 30% of its Net Asset Value in Shariah-compliant bank deposits and money market instruments comprising money market funds, commercial paper and treasury bills, save in the circumstances described below when it may hold up to 100%.

The Fund may hold equity as a result of the conversion from the contingent convertible securities subject to a maximum of 10% of the Fund's Net Asset Value.

The Investment Manager will adopt an active investment strategy. This is based on its review of economic fundamentals such as economic growth rate, inflation rate and unemployment rate in a particular market, credit analysis such as the creditworthiness of the issuer and the identification of

relative value through a comparison of the value or yield of potential investments relative to their peers. This review generates the Investment Manager's expectations of the future that impact on the growth of and income generated by Sukuk and the portfolio is constructed based on those expectations. The Investment Manager's global Sukuk philosophy embraces diversification amongst the markets described above and among the type of securities described above.

The Investment Manager may take a defensive position when it anticipates that the markets or the economies of the countries where the Fund invests are experiencing excessive volatility or prolonged general decline or other adverse conditions. In such situation, the Fund may hold up to 100% in Shariah-compliant bank deposits and money market instruments comprising money market funds, commercial paper and treasury bills and the Investment Manager would be expected to realign the Fund with its investment policies when market conditions improved. **In this situation Shareholders should note the difference between the nature of a deposit and the nature of an investment in the Fund and that the value of the principal invested in the Fund may fluctuate.**

**As investment in the Fund carries significant risk it may not be appropriate for all investors and should not constitute a substantial portion of an investor's overall investment strategy.**

### 1.3 Profile of a typical investor:

The Fund is suitable for investors with a medium to long term investment horizon who want to maximize total return over the medium to long term through a combination of capital growth and income.

## 2 INVESTMENT RESTRICTIONS AND SHARIAH INVESTMENT GUIDELINES

2.1 The general investment restrictions set out under the heading **Investment Restrictions** in the Prospectus shall apply to the Fund.

2.2 The following additional restrictions will apply:

- (a) The Fund's investments in transferable Shariah-compliant securities and money market instruments issued by any single issuer must not exceed 20% of the Fund's Net Asset Value;
- (b) The Fund's investments in transferable Shariah-compliant securities (including Sukuk) must not exceed 10% of the securities issued by any single issuer;
- (c) The Fund's investment in Shariah-compliant money market instruments must not exceed 10% of the instruments issued by any single issuer;  
**Note:** *This limit may be disregarded if the Shariah-compliant money market instrument does not have pre-determined issued size.*
- (d) The value of the Fund's OTC Shariah-compliant derivative transaction with any single counterparty must not exceed 5% of the Fund's Net Asset Value and the Fund's exposure from derivatives position should not exceed the Fund's Net Asset Value at all times;
- (e) The Fund's investments in Shariah-compliant collective investment scheme must not exceed 25% of the overall number of issued units/shares in any one Shariah-compliant collective investment scheme.
- (f) In the case of cross-investment in a sister sub-fund of the Company the following additional

restrictions apply:

- (i) The investment shall not be made in a sub-fund which itself holds units in any other sub-fund within the Company;
- (ii) the rate of the annual investment management fee which investors in the Fund are charged in respect of that portion of the Fund's assets invested in the shares of the other sub-funds of the Company (the **Receiving Funds**) (whether such fee is paid directly at the Fund level, indirectly at the level of the Receiving Funds or a combination of both) shall not exceed the rate of the maximum annual investment management fee which investors in the Fund may be charged in respect of the balance of the Fund's assets, such that there shall be no double charging of the annual investment management fee to the Fund as a result of its investments in the Receiving Fund.

2.3 The general investment restrictions set out under the heading **Shariah Investment Guidelines** in the Prospectus shall apply to the Fund. However the following will apply instead of Clause 18.2 in the Prospectus, except in respect of equities derived from convertible fixed income and contingent convertible securities, in which case Clause 18.2 will apply:

**"Shariah-compliant"** securities which are subsequently considered **"non Shariah-compliant"**

Where the Fund invests in securities (save for money market instruments and deposits) earlier classified as Shariah-compliant but considered to have become non-compliant (by the Shariah adviser appointed by the issuer of that security) then guidance from the Shariah Adviser should be obtained.

Where the Fund invests money market instruments or deposits earlier classified as Shariah-compliant that are subsequently determined, regarded or deemed to be Shariah non-compliant as a result of a new or previously unknown fatwa/ruling and/or upon advice by the Shariah Adviser, the Investment Manager would be required to sell such money market instruments or withdraw such deposits, as soon as practicable after having obtained notice, knowledge or advice of the status of the money market instruments or deposits. Any profit received from such money market instruments or such deposits prior to the occurrence of the aforesaid event shall be retained by the Fund. Any profit received subsequent to the occurrence of the aforesaid event shall be channelled to charitable bodies, as endorsed by the Shariah Adviser.

The following constitute the Shariah Investment Guidelines in respect of the Fund:

- (a) Sukuk which are Shariah-compliant listed under the list of Shariah-compliant securities included in the Dow Jones Sukuk Price Return Index.
- (b) Sukuk which are not listed on the list of Shariah-compliant securities approved by the Dow Jones Sukuk Price Return Index must be approved by the Shariah Adviser upon review of the Shariah pronouncements or approvals and relevant documents, of the said Sukuk.
- (c) Shariah-compliant UCITS eligible collective investment schemes which are endorsed by other Shariah advisers or committee must be approved by the Shariah Adviser upon review of the relevant documents e.g. principal terms and conditions and Shariah pronouncements or approvals.
- (d) Money market instruments that are endorsed by other Shariah advisers or committee must be approved by the Shariah Adviser upon review of the relevant documents e.g. principal terms

and conditions and Shariah pronouncement or approvals.

- (e) Bank deposits shall be placed in Shariah-compliant accounts issued by licensed Islamic financial institutions or non-interest bearing accounts. The Fund is prohibited from investing in interest bearing deposits and recognising any interest income.
- (f) FDI that are endorsed by other Shariah Advisers or committees must be approved by the Shariah Adviser upon review of the relevant documents e.g. principal terms and conditions and Shariah pronouncements or approvals.
- (g) Equities derived from convertible fixed income/contingent convertible securities are classified as Shariah-compliant if they are listed in the list of Shariah-compliant securities issued by Dow Jones Islamic Market World Index. For any equities which are not listed under Dow Jones Islamic Market World Index, it will need to follow the following guidelines set by the Shariah Adviser of the Fund:
  - (i) alcohol;
  - (ii) tobacco;
  - (iii) pork-related products;
  - (iv) conventional financial services;
  - (v) weapon and defence; and
  - (vi) entertainment (hotels, casinos/gambling, cinema, pornography, music, etc.)
- (h) Investments is not allowed in companies which are directly active in and/or derive more than 5% of their revenue (cumulatively) from the manufacture and/or sale and/or distribution of the following good and services:
  - (i) Investments in companies with the following criteria are not allowed:
    - (i) total debt divided by trailing 24 month average market capitalisation is equal or more than 33%, where “total debt” equals short-term debt plus current portion of long term debt plus long-term debt.
    - (ii) the sum of cash and interest-bearing securities divided by trailing 24 month average market capitalisation is equal to or more than 33%.
    - (iii) accounts receivables divided by total assets are equal to or more than 33%, where “account receivables” means current receivables plus longer-term receivables.

### **3 FINANCIAL DERIVATIVE INSTRUMENTS (FDI)**

The Fund may enter into Islamic forward foreign exchange contracts and Islamic profit rate swaps for

efficient portfolio management purposes in accordance with the investment restrictions, conditions and limits laid down by the Central Bank.

The following is a description of the types of FDI which may be used by the Fund:

### 3.1 **Islamic Forward Foreign Exchange Contracts**

The Base Currency of the Fund is USD and exposure to currencies other than USD may, at the Investment Manager's discretion, be fully or partially hedged back to USD through the use of Shariah-compliant currency forwards. These are non-standardized, negotiated, over the counter contract between two parties to buy or sell currency at a specified future time at a price agreed upon today.

They reduce the Fund's exposure to changes in the value of the currency it will deliver and increases its exposure to changes in the value of the currency it will receive for the duration of the contract. Such forwards may also be non-deliverable and structured so as to be cash settled, usually on a thinly traded currency or non-convertible currency.

The Fund may enter into these contracts to hedge against exchange risk or to shift exposure to currency fluctuations from one currency to another.

### 3.2 **Islamic Profit rate swaps (IPRS)**

An IPRS is individually negotiated and traded over the counter. It involves the exchange by the Fund with another party of their respective commitments to receive certain cash flows for a specified period of time. One stream of future cash flows is exchanged for another, based on a specified principal amount. It is generally an exchange by the Fund of fixed rate cash flows for floating rate cash flows. The Fund therefore obtains floating rate interest exposure.

These are used to manage interest rate risk. Swap agreements are subject to liquidity risk, meaning that the Fund may be unable to sell a swap contract to a third party at a favourable price. The Fund bears the risk of loss of the amount expected to be received under a swap agreement in the event of the default or bankruptcy of a counterparty.

The Company employs a risk-management process in respect of the Fund which enables it to accurately measure, monitor and manage the various risks associated with FDIs. The Fund may only utilise the FDIs listed in the risk management process as cleared by the Central Bank. The Investment Manager uses a risk management technique known as the commitment approach to calculate the Fund's global exposure to ensure that the Fund's use of FDI is within the limits specified by the Central Bank. On request, supplementary information will be provided to Shareholders relating to the risk management methods employed including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investment.

The Fund's global exposure and leverage (as prescribed by the Central Bank) relating to FDI will not exceed 100% of the Fund's Net Asset Value. Simple leverage is calculated as being global exposure divided by the Fund's Net Asset Value.



## 4 RISK FACTORS

The general risk factors under the heading **Risk Factors** in the Prospectus apply to the Fund. In particular the Risk Factors in the Prospectus relating to emerging markets apply to the Fund, comprising political, settlement, liquidity, currency and custodial risks and risks associated with accounting standards in emerging markets.

The following additional Risk Factors apply:

### **Risks associated with FDI:**

**Market Risk:** This is a general risk that the value of a particular FDI may change in a way which may be detrimental to the Fund's interests and the use of derivative techniques may not always be an effective means of, and sometimes could be counter-productive to, the Fund's investment objective.

**Control and Monitoring:** FDI are highly specialised and require specific techniques and risk analysis. In particular, the use and complexity of FDI require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that an FDI may add to the Fund and the ability to forecast the relative price, profit rate or currency rate movements correctly.

**Liquidity Risk:** Liquidity risk exists when a particular FDI is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid (as is the case with many privately negotiated derivatives), it may not be possible to initiate a transaction to liquidate a position at an advantageous price, to assess or value a position or to assess the exposure to risk. An adverse price movement in an FDI position may also require a cash payment to counterparties that might in turn require, if there is insufficient cash available in the Fund, the sale of investments under disadvantageous conditions.

**Counterparty and Settlement Risk:** The Fund may enter into derivative transactions in over-the-counter markets, which will expose the Fund to the credit of its counterparties and their ability to satisfy the terms of such contracts. The Fund may be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of the bankruptcy or insolvency of a counterparty, the Fund could experience delays in liquidating the position as well as significant losses, including declines in value during the period in which the Fund seeks to enforce its rights, the inability to realise any gains during such period and fees and expenses incurred in enforcing its rights. The fact that the derivatives may be entered into over-the-counter, rather than on a regulated market may increase the potential for loss by the Fund.

**Legal Risk:** There is a possibility that the agreements governing the derivative techniques may be terminated due, for instance, to supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. There is also a risk if such agreements are not legally enforceable or if the derivative transactions are not documented correctly.

**Other Risks:** Other risks in using FDI include the risk of differing valuations of derivative instruments arising out of different permitted valuation methods and the inability of FDI to correlate perfectly with underlying currencies and rates. Many FDI, in particular over-the-counter derivative instruments, are complex and often valued subjectively and the valuation can only be provided by a limited number of market professionals which often are acting as counterparties to the transaction to be valued. Inaccurate valuations can result in an increased cash payment to counterparties or a loss of value to the Fund. Derivative instruments do not always perfectly or even highly correlate or track the value of the securities, rates or indices they are designed to track.

### **Risks associated with high yield instruments:**

**Yield and Market Risk:** Investments in fixed income securities entail certain risks including adverse income fluctuation associated with general economic conditions affecting the fixed income securities

market, as well as adverse interest rate changes and volatility of yields. When interest rates decline, the market value of the Fund's fixed income securities can be expected to rise. Conversely, when interest rates rise, the market value of the Fund's fixed income securities can be expected to decline.

**Default Risk:** Investments in fixed income securities, specifically those which are rated below investment grade, are subject to the risk that the issuer could default on its obligations and the Fund could sustain losses on such investments. The Fund will seek to limit such risks by in-depth credit research and careful securities selection but there can be no assurance that the Fund will not acquire securities with respect to which the issuer subsequently defaults.

**Liquidity Risk:** Investments in fixed income securities, specifically those which are rated below investment grade can be much less liquid than the market for investment grade Sukuk, frequently with significantly more volatile prices and larger spreads between bid and asked price in trading. At times the market will be very illiquid. The Fund may have to sell holdings at unfavourable prices in order to raise proceeds to pay for redemptions of Shares. Illiquid securities may be difficult to resell at approximately the price they are valued in the ordinary course of business in seven days or less. When investments cannot be sold readily at the desired time or price, the Fund may have to accept a lower price or may not be able to sell the security at all, or may have to forego other investment opportunities, all of which may have an impact on the Fund.

**Interest Rate Risk:** The Fund is subject to interest rate risk. A fixed income security's value will generally increase in value when interest rates fall and decrease in value when interest rates rise. Interest rate risk is the chance that such movements in interest rates will negatively affect a security's value or, in the Fund's case, its Net Asset Value. Fixed income securities with longer-term maturities tend to be more sensitive to interest rate changes than shorter-term securities. As a result, longer-term securities tend to offer higher yields for this added risk. While changes in interest rates may affect the Fund's profit/coupon income, such changes may positively or negatively affect the Net Asset Value of the Fund's Shares on a daily basis.

**Mortgage and Asset-Backed Securities Risk:** The Fund may invest in Shariah-compliant mortgage- and asset-backed securities. Mortgage-backed securities differ from conventional debt securities because principal is paid back over the life of the security rather than at maturity. The Fund may receive unscheduled prepayments of principal before the security's maturity date due to voluntary prepayments, refinancing or foreclosure on the underlying mortgage financing. To the Fund this means a loss of anticipated return, and a portion of its principal investment represented by any premium the Fund may have paid. Mortgage prepayments generally increase when interest rates fall. Mortgage-backed securities also are subject to extension risk. An unexpected rise in interest rates could reduce the rate of prepayments on mortgage-backed securities and extend their life. This could cause the price of the mortgage-backed securities to be more sensitive to interest rate changes. Issuers of asset-backed securities may have limited ability to enforce the security interest in the underlying assets, and credit enhancements provided to support the securities, if any, may be inadequate to protect investors in the event of default. Like mortgage-backed securities, asset-backed securities are subject to pre-payment and extension risks.

**Sukuk Investment Risk:** Price changes in Sukuk are influenced predominantly by interest rate developments in the capital markets, which in turn are influenced by macro-economic factors. Sukuk could suffer when capital market interest rates rise, while they could increase in value when capital market interest rates falls. The price changes also depend on the term or residual time to maturity of the Sukuk. In general, Sukuk with shorter terms have less price risks than Sukuk with longer terms. However, they generally have lower returns and, because of the more frequent due dates of the securities portfolios, involve higher re-investment costs. Sovereign Sukuk ("Sovereign Sukuk") are Sukuk issued or guaranteed by governments or government-related entities. Investment in Sovereign Sukuk issued or guaranteed by governments or their agencies and instrumentalities ("governmental entities") involves a high degree of risk. The governmental entity that controls the repayment of Sovereign Sukuk may not be able or willing to repay the principal and/or return when due in accordance

with the terms of such debt due to specific factors, including, but not limited to (i) their foreign reserves, (ii) the available amount of their foreign exchange as at the date of repayment, (iii) their failure to implement political reforms, and (iv) their policy relating to the International Monetary Fund. Sovereign Sukuk holders may also be affected by additional constraints relating to sovereign issuers which may include: (i) the unilateral rescheduling of such debt by the issuer and (ii) the limited legal recourses available against the issuer (in case of failure of delay in repayment).

**Contingent Convertible Securities (CoCos):**

While CoCos have some of the same risks as convertible bonds (i.e. market risk, default risk and interest rate risk), there are also additional risks that are specific to this category of investment, such as conversion risk in the event of a change in an issuer's capital ratio below a predefined level. Conversion triggers and trigger levels for conversion for CoCos differ depending on the specific terms of issuance. The occurrence of a conversion trigger event is inherently unpredictable and depends on a number of factors, many of which will be outside the issuer's control. Further, in addition to the above and a possible call extension risk, CoCos are also subject to coupon cancellations. Coupon payments are entirely discretionary and may be cancelled by the issuer at any point, with any such cancelled payments being written off which can ultimately lead to a mispricing risk. CoCos may also be subject to regulatory or tax call provisions allowing the issuer to repurchase in the event of changes to the regulatory or tax environment. CoCos tend to have higher price volatility and greater liquidity risk than other securities which do not expose investors to the aforementioned risks.

Please note that although Sukuk are non-interest bearing instruments, their price movements are benchmarked against interest rates. As such, investment in Sukuk will result in the Fund having exposure to the movement of the interest rates. Even though the Fund does not invest in interest bearing instruments, the interest rates referred above is to the general interest rate of the relevant country, which may affect the value of the Sukuk.

**AN INVESTMENT IN THE SHARES OF THE FUND IS SPECULATIVE AND INVOLVES A DEGREE OF RISK. ACCORDINGLY, PROSPECTIVE INVESTORS SHOULD CONSIDER THE RISK FACTORS. THESE RISK FACTORS MAY NOT BE A COMPLETE LIST OF ALL RISK FACTORS ASSOCIATED WITH AN INVESTMENT IN THE FUND.**

**BEFORE DETERMINING TO INVEST IN THE FUND, PROSPECTIVE INVESTORS SHOULD EVALUATE WHETHER THEY ACCEPT THE RISKS WHICH THEY WILL ASSUME BY BUYING SHARES OF THE FUND. THE LIST OF RISK FACTORS DOES NOT PURPORT TO BE A COMPLETE EXPLANATION OF THE RISKS INVOLVED IN THIS OFFERING.**

**PROSPECTIVE INVESTORS SHOULD READ THE ENTIRE PROSPECTUS AND THIS SUPPLEMENT AND FULLY EVALUATE ALL OTHER INFORMATION THAT THEY DEEM TO BE NECESSARY BEFORE DETERMINING TO INVEST IN THE FUND.**

## 5 INVESTMENT MANAGER

The Company has appointed Principal Islamic Asset Management Sdn Bhd as investment manager to the Company. Principal Islamic Asset Management Sdn Bhd offers Islamic investment solutions to global institutional investors and investment management services to collective investment funds and managed more than USD 2 billion as at 31 March 2019. The company commenced its operations in November 2008 and the current shareholders are the Principal Financial Group (60%) and CIMB Group (40%). Principal Islamic Asset Management Sdn Bhd is regulated in Malaysia by the Securities Commission Malaysia.

## 6 DIVIDEND POLICY

The general distribution policy set out under the heading **Dividend Policy** of the Prospectus applies to the Fund save that the Directors will be entitled to pay dividends only out of net income and/or realised gains net of realised losses of the Fund. Dividends will not be paid out of capital.

Dividends on the Income Shares listed below will be declared as follows:

- 1) For the USD and SGD Income Shares, dividends will be declared quarterly every June, September, December and March;
- 2) For the Euro and GBP Income Shares, dividends will be declared annually at the end of the Fund's financial year.

Dividends on all Income Shares will be paid within 30 days of the respective dividend declaration date specified above.

Such dividends may be paid in cash in which case they will be paid by telegraphic transfer to the nominated account of the Shareholder at its risk and expense.

It is not the intention of the Directors to declare a dividend in respect of the Accumulation Shares listed below. Any distributable amounts attributable to such Accumulation Shares will remain in the Fund's assets and be reflected in the Net Asset Value of the Accumulation Shares.

## 7 KEY INFORMATION FOR BUYING AND SELLING

### Available Share Classes

Shares in the Fund will be available in different classes as follows:

USD A Class Accumulation Shares  
USD A Class Income Shares  
Euro A Class Accumulation Shares  
Euro A Class Income Shares  
SGD A Class Accumulation Shares  
SGD A Class Income Shares (together the **A Class Shares**)

USD B Class Accumulation Shares  
USD B Class Income Shares (together the **B Class Shares**)

USD I Class Accumulation Shares  
USD I Class Income Shares  
Euro I Class Accumulation Shares  
Euro I Class Income Shares  
GBP I Class Accumulation Shares  
GBP I Class Income Shares  
SGD I Class Accumulation Shares  
SGD I Class Income Shares (together the **I Class Shares**)

GBP R Class Accumulation Shares  
GBP R Class Income Shares (together the **R Class Shares**)

### Initial Offer Period

From 9:00 a.m. (Irish time) on the Business Day after the date of this Supplement to 5:30 p.m. (Irish time) on 20 December 2019 or such earlier or later date as the Directors may determine and notify periodically to the Central Bank. The Initial Offer Period for the USD I Class Accumulation, USD I Class Income and USD A Class Accumulation Shares has closed.

### Initial Issue Price

USD 10.00 per Share (or its equivalent in another currency).

### Dealing Deadline

10:00 a.m. (Irish time) on the relevant Dealing Day or such other time, provided it is on or before the relevant Valuation Point, as the Directors may determine and notify Shareholders in advance. The Directors may agree to accept specific applications after the Dealing Deadline, but before the relevant Valuation Point, at their discretion in exceptional circumstances.

### Dealing Day

Any Business Day and/or such other day as the Directors may, with the consent of the Administrator, determine and notify in advance to Shareholders provided that there is at least one Dealing Day per fortnight.

### Business Day

A day on which banks in Ireland are open for normal business or such other days as the Directors may determine and notify to Shareholders in advance.

**Minimum Holding**

A Class Shares: USD 1,000 or other currency equivalent

B Class Shares: USD 1,000 or other currency equivalent

I Class Shares: USD 1,000,000 or other currency equivalent

R Class Shares: USD 1,000 or other currency equivalent

**Minimum Initial Subscription**

A Class Shares: USD 1,000 or other currency equivalent

B Class Shares: USD 1,000 or other currency equivalent

I Class Shares: USD 1,000,000 or other currency equivalent

R Class Shares: USD 1,000 or other currency equivalent

The Directors may at their discretion waive the limits for minimum holdings and/or subscriptions.

**Minimum Redemption Amount**

None

**Settlement Date**

In the case of subscription(s), cleared funds must be received on or before 3 Business Days after the relevant Dealing Day. In the case of redemption(s), payments of redemption proceeds will generally be settled on the third Business Day following the relevant Dealing Day (T+3), but in any event within ten Business Days from the relevant Dealing Day (T+10). Payment will only be made to an account in the name of the registered Shareholder. No payments to third parties will be made.

**Base Currency**

US Dollars (USD)

**Valuation Point**

10:00 a.m. (Irish time) on the relevant Dealing Day unless otherwise specified by the Directors and notified in advance to Shareholders.

**Initial Charge**

Up to 1.00% of the amount of the investment in the A Class Shares. No initial charge is payable in respect of the I Class Shares or the R Class Shares.

In respect of the B Class Shares, the Directors will apply an initial charge on a contingent deferred basis (i.e. apply a contingent deferred sale charge) upon a Shareholders redemption / exchange within 24 months of their subscription of Shares.

The amount of the contingent deferred sales charge levy payable for B Class Shares will depend on the length of time between the date the Shares were purchased and their redemption / exchange at the rates set out in the table below:

Share Classes	
---------------	--

	Number of months from the relevant initial subscription date		
	12 months or less	Over 12 months and less than 24 months	24 months and over
B Class Shares to be redeemed / exchanged	3.00% of the NAV at the time of purchase	1.50% of the NAV at the time of purchase	0%

### **In-specie dealing**

Subscription for and redemption of Shares may not be made by means of an in-specie subscription or distributions of investments in lieu of cash.

## 8 FEES AND EXPENSES

The Investment Manager is entitled to an investment management fee as set out in the table below.

<u>Share Class</u>	<u>Investment Management Fee (% of Net Asset Value per annum)</u>
A Class	1.00%
B Class	1.00%
I Class	0.70%
R Class	0.70%

This fee will accrue and be calculated on each Valuation Day and be payable monthly in arrears. The Investment Manager will also be entitled to be reimbursed out of the assets of the Fund for all its own reasonable out of pocket costs and expenses.

The initial expenses including the fees and expenses in relation to the approval of the Fund are not expected to exceed 40,000 USD and will be borne by the Fund and amortised over a period of five years.

Any other fees and expenses payable out of the assets of the Fund are set out in the Prospectus under the heading **Fees and Expenses**.

## 9 LISTING

Application has been made to Euronext Dublin for the Shares of the Fund issued and available for issue, to be admitted to listing on the Official List and trading on the Global Exchange Market of Euronext Dublin.

## 10 MISCELLANEOUS

As at the date of this Supplement there is one other Fund of the Company in existence, namely the Islamic ASEAN Equity Fund.

## 11 APPOINTMENT OF SHARIAH ADVISER(S)

The Company has the sole right to appoint the Shariah Adviser(s) for the Fund without approval from Shareholders.