

The Directors of the Company whose names appear on page 7 accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure 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 such information.

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**PAYDEN GLOBAL FUNDS PLC**

**an umbrella fund with segregated liability between sub-funds**

(an open-ended investment company with variable capital incorporated with limited liability in Ireland with registered number 309059 and established as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended)

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**PROSPECTUS FOR SWITZERLAND**

**Payden Euro Liquidity Fund**  
**Payden US Dollar Liquidity Fund**  
**Payden Global Short Bond Fund**  
**Payden Global Bond Fund**  
**Payden US Core Bond Fund**  
**Payden USD Low Duration Credit Fund**  
**Payden Global Emerging Markets Bond Fund**  
**Payden Global High Yield Bond Fund**  
**Payden Absolute Return Bond Fund**  
**Payden Global Government Bond Index Fund**  
**Payden Global Inflation-Linked Bond Fund**  
**Payden Sterling Reserve Fund**  
**Payden Global Equity Income Fund**  
**Payden US Equity Income Fund**  
**Payden Global Emerging Markets Bond Fund (Hard Currency) (see Supplement 1)**  
**Payden Global Aggregate Bond Fund (see Supplement 2)**

**Date of Irish Prospectus:** 1 October 2021

**Date of Consolidation:** 01 February 2024

## **IMPORTANT INFORMATION**

**THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS PROSPECTUS YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER FINANCIAL ADVISER.**

*It should be appreciated that the value of the Shares may go up or down and you may not get back the amount you have invested in the Company. Details of certain investment risks for an investor are set out on in Part V of this document entitled “Risk Warnings”.*

*Certain terms used in this Prospectus are defined in the definitions section of this document.*

### **Central Bank Authorisation**

***The Company is an investment company with variable capital, incorporated on 1 July 1999 under the laws of Ireland and authorised by the Central Bank under the Regulations. Such authorisation is not an endorsement or guarantee of the Company by the Central Bank nor is the Central Bank responsible for the contents of this Prospectus. The authorisation of the Company by the Central Bank shall not constitute a warranty as to the performance of the Company and the Central Bank shall not be liable for the performance or default of the Company or of any Fund.***

### **Investment Risks**

***There can be no assurance that each Fund will achieve its investment objective. It should be appreciated that the value of Shares may go down as well as up. An investment in a Fund involves investment risks, including possible loss of the entire amount invested. The capital appreciation and income of a Fund are based on the capital appreciation and income on the investments it holds, less expenses incurred. Therefore, a Fund’s return may be expected to fluctuate in response to changes in such capital appreciation or income. Investors’ attention is drawn to the specific risk factors set out in Part V. In particular, Payden Global Emerging Markets Bond Fund and Payden Global High Yield Bond Fund, Payden Absolute Return Bond Fund may each invest more than 30% of their respective net assets in below Investment Grade bonds. In addition, Payden Global Emerging Markets Bond Fund will concentrate its investments in Emerging Market securities. An investment in such Funds should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.***

### **Irish Stock Exchange Authorisation**

***Neither the admission of the Shares to listing on the Official List and trading on the Main Securities Market of The Irish Stock Exchange PLC nor the approval of the Prospectus as listing particulars pursuant to the listing requirements of the Irish Stock Exchange shall constitute a warranty or representation by The Irish Stock Exchange PLC as to the competence of the service providers to or any other party connected with the Company, the adequacy of information contained in this document or the suitability of the Company for investment purposes. Neither the delivery of this Prospectus nor the offer, issue or sale of Shares shall, under any circumstances, constitute a representation that the information contained in this Prospectus is correct as of any time subsequent to the date of this Prospectus.***

*There is no guarantee that a secondary market will develop in relation to the Shares.*

*As at the date of this Prospectus, Classes of Shares in each of the Funds have been admitted to listing on the Official List and to trading on the Main Securities Market of The Irish Stock Exchange. In addition, application has been made to The Irish Stock Exchange for other Classes of Shares to be admitted to listing on the Official List and to trading on the Main Securities Market of The Irish Stock Exchange which, as of the date of this Prospectus, have not yet launched.*

*The Directors do not expect that an active secondary market will develop in these Shares. The launch and listing of various Classes of a Fund’s Shares may occur at different times and, therefore, at the time of the launch of given Classes the pool of assets to which a given Class relates may have commenced to trade. For further information in this regard the most recent annual report of the Company will be made available to potential investors upon request.*

*Please see the tables set out in Part XI for further information on those Classes which are, as at the date of this prospectus, listed on the Official List and trading on the Main Securities Market of The Irish Stock Exchange. Such Classes are identified by reference to their applicable SEDOL.*

This Prospectus comprises listing particulars including all information required by the Irish Stock Exchange listing requirements for the purpose of the application in respect of the Shares referred to above.

### **Marketing Rules**

*The distribution of this Prospectus and the offering or purchase of Shares may be restricted in certain jurisdictions. No persons receiving a copy of this Prospectus or the accompanying Application Form in any such jurisdiction may treat this Prospectus or such Application Form as constituting an invitation to them to subscribe for Shares, nor should they in any event use such Application Form unless, in the relevant jurisdiction, such an invitation could lawfully be made to them and such Application Form could lawfully be used without compliance with any registration or other legal requirements. Accordingly, this Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. It is the responsibility of any persons in possession of this Prospectus and any persons wishing to apply for Shares, pursuant to this Prospectus or the accompanying Application Form, to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for Shares should inform themselves as to the legal requirements of so applying and any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile.*

*Distribution of this Prospectus is not authorised in any jurisdiction unless accompanied by a copy of the most recently published annual report and audited accounts of the Company and, if published after such report or annual report, a copy of the latest semi-annual report and unaudited accounts. Such reports and this Prospectus together form the Prospectus for the issue of Shares in the Company.*

*The Shares of Funds (other than Payden Global Emerging Markets Bond Fund (, the “EM Bond Funds”)) have not been and will not be registered under the US Securities Act of 1933, (as amended). The Shares of those Funds (other than the EM Bond Funds) may not be purchased by, or for the benefit of, a US Person and will not be directly or indirectly offered or sold in the United States or to, or for the benefit of, any US Person. For this purpose, a US Person has the meaning set forth in the “Definitions” section.*

### **UK recognised scheme**

*The Shares meet the requirements which a collective investment scheme must satisfy if it is to be a recognised scheme under section 264 of the UK Financial Services and Markets Act 2000 as set out in The Financial Services and Markets Act 2000 (Collective Investment Schemes Constituted in Other EEA States) Regulations 2001 (Statutory Instrument 2001/2383) and the rules and guidance found in Chapter 9 of the Collective Investment Schemes sourcebook (COLL) issued by the UK Financial Services Authority. The Shares may be marketed in the UK in accordance with section 238 of the Financial Services and Markets Act 2000.*

*Shares are offered only on the basis of the information contained in this Prospectus. Any further information or representation given or made by any dealer, salesman or other person not contained in this Prospectus or in any reports and accounts of the Company forming part hereof must be regarded as unauthorised and should be disregarded and accordingly should not be relied upon. To reflect changes, this Prospectus may from time to time be updated and intending subscribers should enquire of the Administrator as to the issue of any later Prospectus or as to the issue of any reports and accounts of the Company. Statements made in this Prospectus are based on the law and practice currently in force in Ireland and are subject to changes therein.*

*This Prospectus should be read in its entirety before making any application for Shares.*

*All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Memorandum and Articles of Association of the Company, copies of which are available as mentioned herein.*

### **US Regulatory Notices**

*The Shares of the EM Bond Funds being offered hereby have not been approved or disapproved by the US Securities and Exchange Commission (“SEC”), by the securities regulatory authority of any state or of any other US jurisdiction or the US Commodity Futures Trading Commission (the “CFTC”), nor has the SEC, any such securities regulatory authority or the CFTC passed upon the accuracy or adequacy of this Prospectus, as it may be amended, restated or supplemented from time to time. Any representation to the contrary is a criminal offence.*

*The Shares of the EM Bond Funds have not been and will not be registered under the US Securities Act of 1933, as amended (the “Securities Act”), or the securities laws of any state or the United States, nor is any such registration contemplated. The Shares of the EM Bond Funds are being offered and will be offered and sold in the United States and to US Persons under the exemption provided by Section 4(a)(2) of the Securities Act and Regulation D promulgated thereunder and applicable state securities laws. This Prospectus does not constitute an offer or solicitation in any state or jurisdiction in which such an offer or solicitation is unlawful. This offering can be withdrawn at any time and is specifically made subject to the terms described herein. The offer and sale of the Shares of the EM Bond Funds outside the United States or to non-US Persons will not be registered under the Securities Act in reliance upon the exemption from registration provided by Regulation S promulgated thereunder.*

*Any re-offer, resale or transfer of Shares of the Company and/or any Fund in the United States or to US Persons (as defined below) may constitute a violation of US law under certain circumstances; accordingly, any prospective investor or applicant for a subscription for the Shares and subsequent transferor and transferee involving the Shares, will be required to certify whether it is a US Person in order to promote compliance with applicable US law in respect of the Shares, any Fund and the Company. The Directors may refuse an application for Shares by or for the account or benefit of any US Person or decline to register a transfer of Shares to or for the account or benefit of any US Person and may require the mandatory redemption or transfer of Shares beneficially owned by any US Person. See “How to Buy Shares,” “How to Switch Between Funds or Within a Fund,” and “Mandatory Redemption of Shares” for more details.*

*There is no public market for the Shares and no such market is expected to develop in the future. The Shares offered hereby may be sold, transferred, hypothecated or otherwise disposed of only upon the terms set out in this Prospectus and subject to the Articles.*

*The Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted by the Prospectus and the Articles and otherwise subject to compliance with the Securities Act and other applicable securities laws, whether pursuant to registration thereunder or exemption therefrom.*

*The Company and each EM Bond Fund have not been and will not be registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”), in reliance upon the exemption from such registration under the Investment Company Act for certain issuers based upon the status of each US Person investor as a “qualified purchaser” within the meaning of Section 2(a)(51) of the Investment Company Act and the rules and regulations promulgated thereunder.*

*An investment in the Shares is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other US governmental agency. In addition, the Shares are not eligible for coverage under the Securities Investor Protection Corporation.*

### **US Commodity Exchange Act Notices**

**AS TO COMMODITY POOL OPERATOR REGISTRATION:**

**WHILE THE EM BOND FUNDS MAY TRADE COMMODITY INTERESTS (WHICH FOR CFTC PURPOSES INCLUDE, BUT ARE NOT LIMITED TO, FUTURES CONTRACTS, OPTIONS ON FUTURES CONTRACTS AND SWAPS), THE INVESTMENT MANAGER IS EXEMPT FROM REGISTRATION WITH THE CFTC AS A COMMODITY POOL OPERATOR (“CPO”) WITH RESPECT TO THOSE FUNDS**

PURSUANT TO CFTC REGULATION 4.13(a)(3). THEREFORE, UNLIKE A REGISTERED CPO, THE INVESTMENT MANAGER IS NOT REQUIRED TO DELIVER A CFTC DISCLOSURE DOCUMENT TO PROSPECTIVE SHAREHOLDERS, NOR IS IT REQUIRED TO PROVIDE SHAREHOLDERS WITH CERTIFIED ANNUAL REPORTS THAT SATISFY THE REQUIREMENTS OF CFTC REGULATIONS APPLICABLE TO REGISTERED CPOs.

THE INVESTMENT MANAGER QUALIFIES FOR THE EXEMPTION UNDER CFTC REGULATION 4.13(a)(3) WITH RESPECT TO THE EM BOND FUNDS ON THE BASIS THAT, AMONG OTHER THINGS, (A) EACH SUCH FUND'S COMMODITY INTEREST POSITIONS (WHICH FOR CFTC PURPOSES INCLUDE, BUT ARE NOT LIMITED TO, FUTURES CONTRACTS, OPTIONS ON FUTURES CONTRACTS AND SWAPS), WHETHER OR NOT ENTERED INTO FOR BONA FIDE HEDGING PURPOSES, ARE LIMITED SUCH THAT EITHER: (I) THE AGGREGATE INITIAL MARGIN, PREMIUMS AND REQUIRED MINIMUM SECURITY DEPOSIT FOR RETAIL FOREX TRANSACTIONS REQUIRED TO ESTABLISH SUCH POSITIONS, DETERMINED AT THE TIME THE MOST RECENT POSITION WAS ESTABLISHED, WILL BE LIMITED TO 5% OF THE LIQUIDATION VALUE OF SUCH FUND'S PORTFOLIO, AFTER TAKING INTO ACCOUNT UNREALIZED PROFITS AND UNREALIZED LOSSES ON ANY SUCH POSITIONS IT HAS ENTERED INTO; OR (II) THE AGGREGATE NET NOTIONAL VALUE OF SUCH POSITIONS (CALCULATED AS FURTHER DESCRIBED IN CFTC REGULATION 4.13(a)(3)), DETERMINED AT THE TIME THE MOST RECENT POSITION WAS ESTABLISHED, DOES NOT EXCEED 100% OF THE LIQUIDATION VALUE OF SUCH FUND'S PORTFOLIO, AFTER TAKING INTO ACCOUNT UNREALIZED PROFITS AND UNREALIZED LOSSES ON ANY POSITIONS IT HAS ENTERED INTO; (B) THE SHARES OF SUCH FUND ARE EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT AND ARE OFFERED AND SOLD WITHOUT MARKETING TO THE PUBLIC IN THE UNITED STATES; (C) THE INVESTMENT MANAGER REASONABLY BELIEVES, AT THE TIME A US PERSON INVESTOR MAKES HIS INVESTMENT IN SUCH FUND (OR AT THE TIME THE CPO BEGAN TO RELY ON REGULATION 4.13(a)(3)), THAT SUCH US PERSON INVESTOR IN SUCH FUND IS (I) AN "ACCREDITED INVESTOR," AS DEFINED IN RULE 501(a) OF REGULATION D UNDER THE SECURITIES ACT, (II) A TRUST THAT IS NOT AN ACCREDITED INVESTOR BUT THAT WAS FORMED BY AN ACCREDITED INVESTOR FOR THE BENEFIT OF A FAMILY MEMBER, (III) A "KNOWLEDGEABLE EMPLOYEE," AS DEFINED IN RULE 3c-5 UNDER THE INVESTMENT COMPANY ACT, OR (IV) A "QUALIFIED ELIGIBLE PERSON," AS DEFINED IN CFTC REGULATION 4.7(a)(2)(viii)(A); AND (D) SHARES OF SUCH FUND ARE NOT MARKETED AS OR IN A VEHICLE FOR TRADING IN THE COMMODITY FUTURES OR COMMODITY OPTIONS MARKETS.

AS TO COMMODITY TRADING ADVISOR REGISTRATION:

THE INVESTMENT MANAGER WILL PROVIDE COMMODITY INTEREST TRADING ADVICE TO THE EM BOND FUNDS PURSUANT TO THE EXEMPTION FROM REGISTRATION AS A COMMODITY TRADING ADVISOR ("CTA") IN CFTC REGULATION 4.14(a)(5). DESPITE THE FACT THAT THE SUB-INVESTMENT MANAGER IS REGISTERED AS A CTA, THE SUB-INVESTMENT MANAGER INTENDS TO ACT IN AN UNREGISTERED CTA CAPACITY WITH RESPECT TO THE FUNDS IN RELIANCE UPON CFTC REGULATION 4.14(a)(8).

**Blue Sky Legends**

FOR FLORIDA RESIDENTS ONLY:

IF THE INVESTOR IS NOT A BANK, A TRUST COMPANY, A SAVINGS INSTITUTION, AN INSURANCE COMPANY, A DEALER, AN INVESTMENT COMPANY AS DEFINED IN THE INVESTMENT COMPANY ACT, A PENSION OR PROFIT-SHARING TRUST, OR A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT), THE INVESTOR ACKNOWLEDGES THAT ANY SALE OF SHARES TO THE INVESTOR IS VOIDABLE BY THE INVESTOR EITHER WITHIN THREE DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY THE INVESTOR TO THE RELEVANT FUND, OR AN AGENT OF THE RELEVANT FUND, OR WITHIN THREE DAYS AFTER THE AVAILABILITY OF THAT PRIVILEGE IS COMMUNICATED TO THE INVESTOR, WHICHEVER OCCURS LATER.

***Translations***

*This Prospectus may be translated into another language provided that any such translation shall be a direct translation of the English text. In the event of any inconsistency or ambiguity in relation to the meaning of any word or phrase in translation, the English text shall prevail and all disputes as to the terms thereof shall be governed by, and construed in accordance with, the law of Ireland.*

**PAYDEN GLOBAL FUNDS PLC*****DIRECTORS***

Joan A. Payden	KBA Consulting Management Limited
Peter Blessing	5 George's Dock
Dermot S. L. Butler	IFSC
Robin Creswell	Dublin 1
Erinn King	Ireland
Mike Kirby	
Nigel Jenkins	
Mary Beth Syal	

***MANAGER******REGISTERED OFFICE***

33 Sir John Rogerson's Quay	Deloitte & Touche Chartered Accountants
Dublin 2	Deloitte & Touche House
Ireland	Earlsfort Terrace
	Dublin 2
	Ireland

***AUDITORS******DEPOSITARY***

Brown Brothers Harriman Trustee Services (Ireland) Limited	Payden & Rygel
30 Herbert Street	333 South Grand Avenue
Dublin 2	Los Angeles
Ireland	CA 90071
	USA

***PROMOTER AND SUB-INVESTMENT MANAGER******ADMINISTRATOR AND REGISTRAR***

Brown Brothers Harriman Fund Administration Services (Ireland) Limited	Dillon Eustace
30 Herbert Street	33 Sir John Rogerson's Quay
Dublin 2	Dublin 2
Ireland	Ireland

***IRISH LEGAL ADVISORS******SECRETARY***

Tudor Trust Limited	K&L Gates LLP
33 Sir John Rogerson's Quay	1800 Massachusetts Avenue N.W.
Dublin 2	Washington D.C. 20036-1800
Ireland	USA

***US LEGAL ADVISORS******INVESTMENT MANAGER AND DISTRIBUTOR AND UK FACILITIES AGENT***

Payden & Rygel Global Limited	The Bank of New York (Luxemburg) S.A.
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England	L-2453, Luxembourg

***PAYING AGENT AND FACILITIES AGENT IN LUXEMBOURG***

**REPRESENTATIVE AND PAYING AGENT IN FRANCE**

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1-3 Place Valhubert
75013, Paris
France

**PAYING AGENT AND INFORMATION AGENT IN GERMANY**

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60311 Frankfurt am Main
Germany

**REPRESENTATIVE IN SWITZERLAND**

Carnegie Fund Services S.A..
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CH-1204 Geneva

**PAYING AGENT IN SWITZERLAND**

Banque Cantonale de Genève
17, Quai de l'Île
CH-1204 Geneva

**SPONSORING BROKER TO THE IRISH STOCK EXCHANGE**

Dillon Eustace
33 Sir John Rogerson's Quay
Dublin 2
Ireland



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## DEFINITIONS

In this Prospectus:

<b>“Accumulating Shares”</b>	means Shares of a Class of a Fund whose net income is reinvested in the capital of the relevant Fund;
<b>“Administration Agreement”</b>	means the amended and restated agreement dated 1 October, 2021 between the Company, the Manager and the Administrator;
<b>“Administrator”</b>	means Brown Brothers Harriman Fund Administration Services (Ireland) Limited;
<b>“Application Form”</b>	means the application form for Shares in the Company;
<b>“Articles”</b> or	means the Articles of Association of the Company as amended, supplemented or otherwise modified from time to time;
<b>“Articles of Association”</b>	
<b>“Australian Dollar”</b> or <b>“AUD”</b>	means Australian dollars, the lawful currency of Australia;
<b>“Base Currency”</b>	means the currency of account of a Fund as determined by the Directors at the time of the creation of the Fund as set out in Part XI of the Prospectus;
<b>“Brazilian Real”</b> or <b>“BRL”</b>	means Brazilian real, the lawful currency of Brazil;
<b>“Business Day”</b>	means a day on which banks are open for business in Ireland, the UK and the US or such other days as the Director may determine and notify in advance to Shareholders;
<b>“Canadian Dollar”</b> or <b>“CAD”</b>	means Canadian dollars, the lawful currency of Canada;
<b>“Central Bank”</b>	means the Central Bank of Ireland;
<b>“Central Bank Regulations”</b>	means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time;
<b>“Central Bank Rules”</b>	means the Central Bank Regulations and any other statutory instrument, regulations, rules, conditions, notices, requirements or guidance of the Central Bank issued from time to time applicable to the Fund pursuant to the Regulations;
<b>“CFTC”</b>	means the US Commodity Futures Trading Commission;
<b>“Class”</b> or <b>“class”</b>	means a class of Shares representing interests in a Fund;
<b>“Class Currency”</b>	in relation to any Class of a Fund, the currency in which the Shares are issued;
<b>“Code”</b>	means the US Internal Revenue Code of 1986, as amended;

<b>“Companies Acts”</b>	means the Companies Acts 2014, including any regulations issued pursuant thereto, as may be amended and supplemented from time to time;
<b>“Company”</b>	means Payden Global Funds plc, an investment company with variable capital, incorporated in Ireland and operating pursuant to the Companies Acts and the Regulations;
<b>"CRS"</b>	means the Standard for Automatic Exchange of Financial Account Information approved on 15 July 2014 by the Council of the Organisation for Economic Cooperation and Development, also known as the Common Reporting Standard, and any bilateral or multilateral competent authority agreements, intergovernmental agreements and treaties, laws, regulations, official guidance or other instrument facilitating the implementation thereof and any law implementing the Common Reporting Standard;
<b>“Danish Krone” or “DKK”</b>	means Danish krone, the lawful currency of Denmark;
<b>“Dealing Day”</b>	means such Business Day or Business Days as the Directors from time to time may determine (and notify Shareholders in advance), provided that in respect of the Funds, unless otherwise determined, each Business Day shall be a Dealing Day and, provided that in any event there shall be at least one Dealing Day per fortnight;
<b>“Dealing Deadline”</b>	means 12.00 noon Dublin time on the relevant Dealing Day to which the dealing relates;
<b>“Depositary”</b>	means Brown Brothers Harriman Trustee Services (Ireland) Limited or any successor thereto duly appointed with the prior approval of the Central Bank as the depositary of the Company in accordance with the UCITS Requirements;
<b>"Depositary Agreement"</b>	means the amended and restated agreement made between the Company, the Manager and the Depositary dated 1 October, 2021 as may be amended or supplemented from time to time in accordance with the Central Bank Rules, pursuant to which the latter was appointed depositary of the Company;
<b>“Developed Countries”</b>	means any country other than an Emerging Market;
<b>“Directors”</b>	means the directors of the Company for the time being and any duly constituted committee thereof;
<b>“Distributing Shares”</b>	means Shares of a Class of a Fund whose net income is distributed from time to time to Shareholders, at the discretion of the Directors;
<b>“EEA”</b>	means the European Economic Area comprising of the EU Member States, Iceland, Liechtenstein and Norway;
<b>"Eligible Counterparty"</b>	means a counterparty to OTC derivatives with which a Fund may trade and belonging to one of the categories approved by the Central Bank which at the date of this Prospectus comprise the following: <ul style="list-style-type: none"> <li>(i) a Relevant Institution;</li> <li>(ii) an investment firm authorised in accordance with the Markets in Financial Instruments Directive in an EEA Member State; or,</li> </ul>

- (iii) a group company of an entity issued with a bank holding licence from the Federal Reserve of the United States of America where that group company is subject to bank holding company consolidated supervision by that Federal Reserve.

<b>“Emerging Country”</b>	means any country which the World Bank (the International Bank for Reconstruction and Development), the International Finance Corporation or the United Nations defines as having an emerging or developing economy;
<b>“Emerging Markets”</b>	means the capital markets within any Emerging Country;
<b>“EM Bond Funds”</b>	means Payden Global Emerging Markets Bond Fund and Payden Global Emerging Markets Bond Fund (Hard Currency);
<b>“ERISA”</b>	means the US Employee Retirement Income Security Act of 1974, as amended;
<b>“EU”</b>	means the European Union;
<b>“EU Member State”</b>	means a member state of the EU;
<b>“Euro”, “EUR” or “€”</b>	means the euro;
<b>"Exempt Irish Shareholder"</b>	means: <ul style="list-style-type: none"><li>(a) a qualifying management company within the meaning of section 739B(1) TCA;</li><li>(b) an investment undertaking within the meaning of section 739B(1) TCA;</li><li>(c) an investment limited partnership within the meaning of section 739B(1) TCA;</li><li>(d) a pension scheme which is an exempt approved scheme within the meaning of section 774 TCA, or a retirement annuity contract or a trust scheme to which section 784 or 785 TCA applies;</li><li>(e) a company carrying on life business within the meaning of section 706 TCA;</li><li>(f) a special investment scheme within the meaning of section 737 TCA;</li><li>(g) a unit trust to which section 731(5)(a) TCA applies;</li><li>(h) a charity being a person referred to in section 739D(6)(f)(i) TCA;</li><li>(i) a person who is entitled to exemption from income tax and capital gains tax by virtue of section 784A(2) TCA or section 848B TCA and the Shares held are assets of an approved retirement fund or an approved minimum retirement fund;</li><li>(j) a person who is entitled to exemption from income tax and capital gains tax by virtue of section 787I TCA and the Shares held are assets of a personal retirement savings account as defined in section 787A TCA;</li><li>(k) the National Asset Management Agency;</li><li>(l) the Courts Service;</li><li>(m) a credit union within the meaning of section 2 of the Credit Union Act 1997;</li><li>(n) an Irish resident company, within the charge to corporation tax under Section 739G(2) TCA, but only where the Company is a money market fund;</li><li>(o) a company which is within the charge to corporation tax in accordance with section 110(2) TCA in respect of payments made to it by the Company;</li></ul>

- (p) any other person as may be approved by the Directors from time to time provided the holding of Shares by such person does not result in a potential liability to tax arising to the Company in respect of that Shareholder under Part 27, Chapter 1A TCA; and
- (q) the National Treasury Management Agency of Ireland, or a fund investment vehicle within the meaning of Section 739D(6)(kb) TCA;

and where necessary the Company is in possession of a Relevant Declaration in respect of that Shareholder;

<b>"FATCA"</b>	means (a) sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986 or any associated regulations or other official guidance; (b) any intergovernmental agreement, treaty, regulation, guidance or other agreement between the Government of Ireland (or any Irish government body) and the US, or any other jurisdiction (including any government bodies in such jurisdiction), entered into in order to comply with, facilitate, supplement, implement or give effect to the legislation, regulations or guidance described in paragraph (a) above; and (c) any legislation, regulations or guidance in Ireland that give effect to the matters outlined in the preceding paragraphs;
<b>"Fitch"</b>	means Fitch Investors Services, Inc., the Rating Agency;
<b>"FTSE World Government Bond Index"</b>	means the FTSE World Government Bond Index, an index of Investment Grade government bond markets that meet with FTSE's market capitalisation and investability criteria;
<b>"Fund"</b>	means a fund established for each separate portfolio of assets, which is invested in accordance with the investment objectives applicable to such fund;
<b>"Government Securities"</b>	means any transferable securities issued or guaranteed by any government, state, local authority or other political subdivision of a government, including any agency or instrumentality thereof and shall include any transferable securities issued by any supranational body or agency;
<b>"Hong Kong Dollar" or "HKD"</b>	means Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region of the People's Republic of China;
<b>"Icelandic Krona" or "ISK"</b>	means Icelandic krona, the lawful currency of Iceland;
<b>"Initial Offer Period"</b>	means the period determined by the Directors during which Shares are first offered for subscription and in the case of a Fund shall be such date or dates as the Directors may determine having notified the Central Bank. The Central Bank will be notified in advance of any extension of the period if subscriptions have been received and otherwise shall be notified subsequently on an annual basis;
<b>"Initial Offer Price"</b>	means the price at which Shares representing a Class or Fund are initially made available as set out in Part XI of the Prospectus;
<b>"Investment Company Act"</b>	means the US Investment Company Act of 1940, as amended;
<b>"Investment Grade"</b>	means rating awarded to high quality corporate and government securities that are judged likely to meet their payment obligations by Standard &

Poor's or Fitch (i.e. rated at least BBB-), DBRS Morningstar (i.e. rated at least BBB), Kroll Bond Rating Agency (i.e. rated at least BBB) or Moody's (i.e. rated at least Baa3) or if unrated, determined by the Investment Manager to be of comparable quality;

- “Investment Management Agreement”** means the amended and restated investment management and distribution agreement dated 1 October, 2021 between the Company, the Manager and the Investment Manager, as may be amended, supplemented, novated or otherwise modified from time to time;
- “Investment Manager”** means Payden & Rygel Global Limited or such other person or persons from time to time appointed by the Manager as investment manager of the Company and approved by the Central Bank;
- "Investor Money Regulations"** means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations 2015 for Fund Service Providers as may be amended from time to time;
- "Irish Resident"** means any person resident in Ireland or ordinarily resident in Ireland other than an Exempt Irish Shareholder;
- “Irish Stock Exchange”** means The Irish Stock Exchange Plc and any successor thereto;
- “IRS”** means the US Internal Revenue Service;
- “Japanese Yen” or “JPY”** means Japanese yen, the lawful currency of Japan;
- “Korean Won” or “KRW”** means Korean won, the lawful currency of South Korea;
- “Malaysian Ringgit” or “MYR”** means Malaysian ringgit, the lawful currency of Malaysia;
- “Management Agreement”** means the agreement made between the Company and the Manager dated 1 October 2021 as may be amended and/or supplemented from time to time;
- “Manager”** means KBA Consulting Management Limited;
- “Master Limited Partnership”** means a limited partnership that typically derives income and gains from the exploration, development, storage, gathering, mining, production, processing, refining, transportation (including pipelines transporting gas, oil or products thereof) or marketing of any mineral or natural resources. A Fund which invests in Master Limited Partnerships will do so by purchasing units issued to the limited partners of the Master Limited Partnership that are publically traded on Regulated Markets. For further information on Master Limited Partnerships, please refer to Part V of this document entitled “Risk Warnings”;
- “Memorandum of Association”** means the Memorandum of Association of the Company as amended, supplemented or otherwise modified from time to time;
- “Moody’s”** means Moody’s Investors Service, Inc., the Rating Agency;
- “Net Asset Value of a Fund” or “Net Asset Value per Share”** means the amount determined on any Dealing Day in accordance with the principles set out in Part IX as being the Net Asset Value of a Fund or Shares in a Fund, as the case may be;
- “New Zealand Dollar” or**

<b>“NZD”</b>	means New Zealand dollars, the lawful currency of New Zealand;
<b>“Norwegian Krone” or “NOK”</b>	means Norwegian krone, the lawful currency of Norway;
<b>"OECD"</b>	means the Organisation for Economic Co-operation and Development;
<b>"OTC"</b>	means over-the-counter and refers to derivatives negotiated between two counterparties;
<b>"Person Closely Associated"</b>	in relation to a director, means: <ul style="list-style-type: none"> <li>(a) a spouse, or partner considered to be equivalent to a spouse in accordance with national law;</li> <li>(b) a dependent child, in accordance with national law;</li> <li>(c) a relative who has shared the same household for at least one year on the date of the transaction concerned; or</li> <li>(d) a legal person, trust or partnership, the managerial responsibilities of which are discharged by a person discharging managerial responsibilities or by a person referred to in point (a), (b) or (c), which is directly or indirectly controlled by such a person, which is set up for the benefit of such a person, or the economic interests of which are substantially equivalent to those of such a person</li> </ul>
<b>“Philippine Peso” or “PHP”</b>	means Philippine pesos, the lawful currency of the Philippines;
<b>“Rating Agency”</b>	means any “nationally recognised statistical rating organisation” as that term is used by the US Securities and Exchange Commission;
<b>“Regulated Market”</b>	means any stock exchange or regulated market in the European Union or a stock exchange or regulated market which is set forth in Part XII;
<b>“Regulations”</b>	means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended and as such may be further amended, supplemented or replaced from time to time and any rules made by the Central Bank pursuant to them;
<b>"Relevant Declaration"</b>	means the declaration relevant to the Shareholder as set out in Schedule 2B TCA;
<b>“Relevant Institution”</b>	means (i) a credit institution authorised in the EEA; (ii) a credit institution authorised within a signatory state, other than a Member State of the EEA, to the Basle Capital Convergence Agreement of July 1988 (Canada, Japan, Switzerland and the US); or (iii) a credit institution authorised in Australia, Guernsey, the Isle of Man, Jersey or New Zealand or (iv) the Depository;
<b>“Renminbi” or “CNY”</b>	means Renminbi, the lawful currency of the People’s Republic of China;
<b>"Revenue Commissioners"</b>	means the Irish Revenue Commissioners;
<b>“Russian Ruble” or “RUB”</b>	means Russian ruble, the lawful currency of the Russian Federation;
<b>“S&amp;P”</b>	means Standard and Poor’s, the Rating Agency;
<b>“SEC”</b>	means the US Securities and Exchange Commission;
<b>“Securities Act”</b>	means the US Securities Act of 1933, as amended;



<b>"Securities Financing Transactions"</b>	means repurchase agreements, reverse repurchase agreements, securities lending agreements and any other transactions within the scope of SFTR that a Fund is permitted to engage in;
<b>"SFDR"</b>	means Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector;
<b>"SFT Regulations" or "SFTR"</b>	means Regulation 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No. 648/2012, as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time;
<b>"Shares"</b>	means shares representing interests in a Fund, which may be divided into different Classes;
<b>"Shareholder"</b>	means a holder of Shares;
<b>"Singapore Dollar" or "SGD"</b>	means Singapore dollars, the lawful currency of Singapore;
<b>"South African Rand" or "ZAR"</b>	means South African rand, the lawful currency of South Africa;
<b>"Sterling", "GBP" or "£"</b>	means pounds sterling, the lawful currency of the UK;
<b>"Sub-Investment Management Agreement"</b>	means the amended and restated sub-investment management agreement dated 1 October, 2021 between the Investment Manager and the Sub-Investment Manager as amended, supplemented, novated or otherwise modified from time to time;
<b>"Sub-Investment Manager"</b>	means Payden & Rygel or such other person or persons from time to time appointed by the Investment Manager as sub-investment manager of the Company and approved by the Central Bank;
<b>"Subscriptions/Redemptions Account"</b>	means the account in the name of the Company through which subscription monies and redemption proceeds and dividend income (if any) for each Fund are channelled, the details of which are specified in the Application Form;
<b>"Supplement"</b>	means any supplement to this Prospectus;
<b>"Swiss Franc" or "CHF"</b>	means Swiss Francs, the lawful currency of Switzerland;
<b>"Swedish Krona" or "SEK"</b>	means Swedish Krona, the lawful currency of Sweden;
<b>"Taiwan Dollar" or "TWD"</b>	means Taiwan dollars, the lawful currency of the Republic of China;
<b>"TCA"</b>	means the Irish Taxes Consolidation Act 1997, as amended;
<b>"Thai Baht" or "THB"</b>	means the Thai baht, the lawful currency of Thailand;
<b>"UCITS"</b>	means an undertaking for collective investment in transferable securities which is authorised under the Regulations or authorised by a competent authority in another member state of the European Union;
<b>"UCITS Requirements"</b>	means the legislative and regulatory framework for the authorisation and supervision of UCITS, pursuant to the Regulations, in place in Ireland from time to time, whether under the terms of UCITS V or otherwise;

<b>"UCITS V"</b>	means Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as regards depositary functions, remuneration and sanctions as amended from time to time and including any supplementing European Commission delegated regulations in force from time to time;
<b>"UK Reporting Shares"</b>	means Shares of a Class of a Fund for which reporting status for UK tax purposes has been received for the current accounting period;
<b>"United States" or "US"</b>	means the United States of America, its territories, possessions and all areas subject to its jurisdiction (including the States, the District of Columbia and the Commonwealth of Puerto Rico);
<b>"US Benefit Plan Investor"</b>	means (1) an "employee benefit plan" within the meaning of Section 3(3) of ERISA, subject to Title I of ERISA, (2) a "plan" within the meaning of Section 4975(e)(1) of the Code, to which Section 4975 of the Code applies, or (3) an entity whose underlying assets constitute "plan assets" by reason of United States Department of Labor Regulation 29 CFR 2510.3-101, as modified by Section 3(42) of ERISA or otherwise;
<b>"US Person"</b>	means, unless otherwise determined by the directors, (i) a "U.S. person" as defined under Regulation S under the Securities Act; (ii) a person who is not a "Non-United States person" as defined under CFTC Regulation 4.7; (iii) a "United States person" as defined under the US Internal Revenue Code of 1986, as amended; or (iv) a "U.S. person" as defined under the CFTC's "Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations," 78 Fed. Reg. 45291 (26 July 2013);
<b>"US Dollar", "US\$" or "\$"</b>	means the lawful currency of the United States; and
<b>"Valuation Point"</b>	means 5 pm New York time on a Dealing Day.

## **PART I**

### **STRUCTURE**

The Company was incorporated on 1 July 1999 under registration number 309059 and was authorised by the Central Bank on 22 September 1999. The Funds were approved by the Central Bank on the following dates:

<b>Payden Global Short Bond Fund</b>	<b>22 September 1999</b>
<b>Payden Global High Yield Bond Fund</b>	<b>25 June 2001</b>
<b>Payden Global Emerging Markets Bond Fund</b>	<b>25 April 2002</b>
<b>Payden Global Bond Fund</b>	<b>20 November 2003</b>
<b>Payden US Core Bond Fund</b>	<b>20 November 2003</b>
<b>Payden Euro Liquidity Fund</b>	<b>27 March 2007</b>
<b>Payden US Dollar Liquidity Fund</b>	<b>27 March 2007</b>
<b>Payden Global Government Bond Index Fund</b>	<b>19 March 2008</b>
<b>Payden Global Inflation-Linked Bond Fund</b>	<b>22 April 2009</b>
<b>Payden Sterling Reserve Fund</b>	<b>19 April 2010</b>
<b>Payden Absolute Return Bond Fund</b>	<b>3 May 2013</b>
<b>Payden USD Low Duration Credit Fund</b>	<b>9 October 2013</b>
<b>Payden Global Equity Income Fund</b>	<b>8 May 2017</b>
<b>Payden US Equity Income Fund</b>	<b>8 May 2017</b>
<b>Payden Global Emerging Markets Bond Fund (Hard Currency)</b>	<b>28 May 2019</b>
<b>Payden Global Aggregate Bond Fund</b>	<b>19 May 2021</b>

The Company is a UCITS within the meaning of the Regulations. The Company is organised in the form of an umbrella fund with segregated liability between Funds. Each Fund may be comprised of one or more Classes of Shares. A separate pool of assets will not be maintained in respect of a Class. Classes are distinguished principally on the basis of either the distribution policy relating to the relevant Class, on the basis of its Class Currency, on the basis of minimum subscription amounts, and/or whether the Class is hedged or unhedged. The Net Asset Value per Share for one Class will generally differ from the other Classes, reflecting these differing Class Currencies and in some cases due to the Initial Offer Price per Share differing from the Net Asset Value per Share of Classes already in issue. A list of Classes on offer in each Fund, and the relevant characteristics of each Class is set out in Part XI.

The Company may, with the prior approval of the Central Bank, create additional Funds and may create, with prior notification to and clearance with the Central Bank, additional Classes of Shares.

The investment objective and policies of the Funds are set out in Part II.

### **HOW TO BUY SHARES**

Investors buying Shares for the first time should complete an Application Form obtainable from the Administrator or from the Investment Manager. The Application Form and all relevant anti-money laundering documentation should be forwarded to the Administrator by facsimile. Once verification of the documentation and the applicant's identity is complete, original documentation should be sent promptly to the Administrator. Subsequent applications may be made by facsimile. By prior arrangement with the Administrator, subsequent applications may be made using agreed electronic means.

Shares of the EM Bond Funds (but not any other Fund) may be sold to and may be purchased by, or for the benefit of, a US Person pursuant to the exemption provided by Section 4(a)(2) of the Securities Act and Regulation D promulgated thereunder and applicable state securities laws. An offer or sale of Shares of any Fund in the United States or to US Persons may constitute a violation of US law under certain circumstances; accordingly, any prospective investor or applicant for a subscription for the Shares and subsequent transferor and transferee involving the Shares, will be required to certify whether it is a US Person and whether the Shares are being acquired either directly or indirectly on behalf of, or for the benefit of, any US Person, in order to promote compliance with applicable US law in respect of the Shares, any Fund and the Company.

The Directors intend to refuse an application for Shares of a Fund (other than the EM Bond Funds) by or for the account or benefit of any US Person. Shareholders of a Fund (other than the EM Bond Funds) are required to notify the Administrator immediately in the event that they become US Persons or in the event the person for whom the Shares are beneficially held becomes a US Person. In addition, the Directors intend to refuse an application for Shares of any Fund by or for the account or benefit of any US Benefit Plan Investor.

Payment may be made by electronic transfer to the Subscriptions/Redemptions Account. Any application forms accompanied by all relevant anti-money laundering documentation that have been received by the Administrator prior to the Dealing Deadline, will be dealt with on that Dealing Day. Any application forms accompanied by all relevant anti-money laundering documentation received by the Administrator after the Dealing Deadline will be dealt with on the following Dealing Day. Subscriptions shall be on a delayed settlement basis of Dealing Day plus three Business days. Settlement will normally be by telegraphic transfer to be received by the relevant time. The Company has the right to cancel any purchase contract which is not settled in full. The applicant remains liable for any loss incurred by the Company in the case of non-settlement. Upon receipt into the Subscriptions/Redemptions Account, subscription monies will become the property of the relevant Fund and accordingly, an investor will be treated as a general creditor of the relevant Fund during the period between receipt of subscription monies into the Subscriptions/Redemptions Account and the issue of Shares.

Details of the applicable offer period in relation to additional Funds or Classes will be contained in the offer document issued at the time of creation of such Funds or Classes. Such periods may be altered by the Directors at their discretion and any alteration will be notified to the Central Bank.

The minimum initial investment and minimum additional investment in a Fund will be determined by the Directors at the time of the creation of a Fund. The Directors may increase or reduce these amounts if, in their absolute discretion, they consider that the circumstances so warrant.

Payment for Shares shall be made in the currency of the relevant Class. The Directors may, in their absolute discretion, accept subscriptions in currencies other than the currency of the relevant Class. In the event that a subscription is accepted in a currency other than the currency of the relevant Class, the applicant will pay from the subscription monies any foreign exchange costs associated with converting the subscription monies into the currency of the relevant Class in which the applicant is investing at prevailing exchange rates.

The Directors may, in their absolute discretion, issue Shares against the vesting of investments in the Depository for the account of the Company which are investments that the Company may acquire in accordance with a Fund's investment objectives and policies and the Company may hold, sell, dispose of or otherwise convert such securities into cash. Shares will not be issued until the investments have been vested or arrangements are made to vest the investments with the Depository or its sub-custodian to the Depository's satisfaction and the number of Shares to be issued will not exceed the amount that would be issued if the cash equivalent of the investments had been invested and the Depository is satisfied that the terms of such exchange shall not be such as are likely to result in any material prejudice to the existing Shareholders. Any prospective investor wishing to subscribe for Shares by a transfer of *in specie* of assets will be required to comply with any administrative and other arrangements for the transfer specified by the Company, the Manager, the Depository or the Administrator. Any *in specie* transfer will be at the specific investor's risk and costs of such a transfer will be borne by the specific investor. The value of the investments to be vested shall be calculated in accordance with the valuation methods described under "Valuation of Assets and Temporary Suspension of Determination of Net Asset Value" in Part IX.

Applications for Shares may be made for specified amounts in value or for a specified number of Shares. The Company may issue fractional Shares rounded up to four decimal places. Subscription monies representing smaller portions of Shares will not be returned to the applicant but will be retained as part of the assets of the Company.

The Application Form contains certain terms and conditions regarding the application procedure for Shares in the Company and certain indemnities in favour of the Company, the Manager, the Investment Manager,

the Administrator, the Depositary and the other Shareholders for any loss suffered by them as a result of such applicant or applicants acquiring or holding Shares in the Company.

Shares may not be issued during any period when the calculation of the Net Asset Value of the relevant Fund is suspended in the manner described in Part IX. Applicants for Shares will be notified of such suspension and, unless withdrawn, their applications will be considered as at the next Dealing Day following the ending of such suspension.

The number of Shares will be rounded to the nearest one thousandth of a Share.

Written confirmations will normally be issued within five Business Days of the allocation of Shares. Share certificates will not be issued.

### **PRICING**

There is a single price for buying and selling each Class of Shares, being the Net Asset Value per Share of the relevant Class which is subject to adjustment as described in the section titled "Swing Pricing" in Part IX of the Prospectus. Any Class which has not been issued at the date of this Prospectus will be issued at the Initial Offer Price. The Initial Offer Price of Shares of each of the Funds is set out in Part XI.

### **USE OF A SUBSCRIPTIONS/REDEMPTIONS ACCOUNT**

The Company operates a single, omnibus Subscriptions/Redemptions Account for all of the Funds in accordance with the Central Bank's requirements. Accordingly, in the case where an investor pays in early subscription monies to the Subscriptions/Redemptions Account, those monies are deemed assets of Company and shall not have the protection of the Investor Money Regulations. It should be noted however that the Depositary will monitor the Subscriptions/Redemptions Account in performing its cash monitoring obligations and ensuring effective and proper monitoring of the Company's cash flows in accordance with its obligations as prescribed under UCITS V. There nonetheless remains a risk for investors who remit their subscription monies early to the extent that monies are held by the Company in the Subscriptions/Redemptions Account for the account of a Fund at a point where such Fund (or another Fund of the Company) becomes insolvent. In respect of any claim by an investor in relation to monies held in the Subscriptions/Redemptions Account or in the event of redemptions held for any time in the Subscriptions/Redemptions Account (see "How to Sell Shares"), the investor shall rank as an unsecured creditor of the Company.

### **ANTI MONEY LAUNDERING PROCEDURES**

Measures aimed at the prevention of money laundering may require detailed verification of the applicant's identity. The Company, and each of the Administrator, the Manager and Investment Manager acting on behalf of the Company, reserve the right to request such information as is necessary to verify the identity of an applicant. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Company (or the Administrator, the Manager or Investment Manager acting on its behalf) may refuse to accept the application and an investor's money will be returned without interest. Additionally, redemption proceeds will not be paid to Shareholders without verification being in place. Amendments to a Shareholder's registration details and payment instructions will only be effected on receipt of original documentation.

### **DATA PROTECTION**

Prospective investors should note that by completing the Application Form they are providing personal information to the Company, which may constitute personal data within the meaning of data protection legislation in Ireland. Data may be disclosed to third parties including regulatory bodies, tax authorities (including in accordance with CRS), delegates, advisers and service providers of the Company and their or the Company's duly authorised delegates and any of their respective related, associated or affiliated companies wherever located (including outside the EEA) for the purposes specified. By signing the

Application Form, investors consent to the obtaining, holding, use, disclosure and processing of data for any one or more of the purposes set out in the Application Form.

Investors have a right of access to their personal data kept by the Company and the right to amend and rectify any inaccuracies in their personal data held by the Company by making a request to the Company in writing.

### **HOW TO SELL SHARES**

Instructions to sell Shares should be addressed to the Company and may be made by facsimile or in writing or by prior arrangement with the Administrator, electronically. Redemption requests may be made by facsimile only where the original redemption instructions are in the possession of the Administrator and will be made to the Shareholder's account of record. If there is any change in the payment details contained in the original redemption instructions then the Shareholder must furnish the Administrator with an original redemption request prior to the release of the funds.

Instructions received by the Company prior to the Dealing Deadline will be dealt with on that Dealing Day. Instructions received after the Dealing Deadline will be dealt with on the following Dealing Day.

The minimum value of a holding remaining in any one Fund will be determined by the Directors at the time of the creation of a Fund. The Directors may increase or reduce this minimum amount if, in their absolute discretion, they consider that the circumstances so warrant.

Written confirmations will normally be issued within five Business Days of the relevant Dealing Day.

Settlement will normally be made by electronic transfer three Business Days from the relevant Dealing Day. Payment will be made in the currency of the relevant Class. On request by a Shareholder and at the absolute discretion of the Directors, redemption proceeds may be paid in a currency other than the currency of the relevant Class. Any foreign exchange costs associated with the redemption will be carried out at prevailing exchange rates and the cost will be borne by the relevant Shareholder. A redemption request will not be capable of withdrawal after submission to the Company, unless such withdrawal is approved by the Company acting in its absolute discretion.

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

Shares may not be redeemed during any period when the calculation of the Net Asset Value of any particular Fund is suspended in the manner described in Part IX. Shareholders requesting redemptions will be notified of such suspension and, unless withdrawn, redemption requests will be considered as at the next Dealing Day following the end of such suspension.

Further conditions relating to the redemption of Shares, including compulsory redemptions and limits on the amount of Shares which the Company is obliged to redeem on any Dealing Day, are set out on in Part IX.

### **HOW TO SWITCH BETWEEN FUNDS OR WITHIN A FUND**

It is intended that investors generally will be able to switch between Funds or within a Fund. Shares of the EM Bond Funds (but not any other Fund) may be sold to and may be purchased by, or for the benefit of, a US Person pursuant to the exemption provided by Section 4(a)(2) of the Securities Act and Regulation D promulgated thereunder and applicable state securities laws. However, any re-offer, resale or transfer of Shares of any Fund (including, without limitation, the EM Bond Funds) in the United States or to US Persons

may constitute a violation of US law under certain circumstances. The Directors intend to decline to register a transfer of Shares of any Fund (including, without limitation, the EM Bond Funds) to or for the account or benefit of any US Person unless the Directors otherwise determine in their sole and absolute discretion. In addition, the Directors intend to decline to register a transfer of Shares of any Fund to or for the account or benefit of any US Benefit Plan Investor.

Shareholders may switch some or all of their Shares in one Fund to Shares in another Fund. Shareholders may also switch some or all of their Shares in one Class of a Fund to Shares in another Class of that Fund. Instructions to switch Shares must be sent to the Company by facsimile or in writing and must be given by all joint shareholders or by prior arrangement with the Administrator, may be made electronically. Instructions should include full registration details together with the number of Shares or the amount in the currency of the relevant Class to be switched between named Funds. Any foreign exchange costs and charges that are incurred on switching will be carried out at prevailing exchange rates and the cost will be borne by the relevant Shareholder. In addition, the relevant Shareholder will also bear the gain or loss associated with any foreign exchange conversion of switching monies. Switching instructions received prior to the Dealing Deadline will be dealt with on that Dealing Day. Instructions received after the Dealing Deadline will be dealt with on the following Dealing Day.

Any Shareholder switching all or part of their holding of Shares between Funds or within a Fund must meet the particular requirements of each Fund in respect of minimum initial subscriptions and minimum holdings.

The number of Shares will be rounded up or down to the nearest one thousandth of a Share.

#### **WITHHOLDINGS AND DEDUCTIONS**

The Company will be required to account for tax on the value of the Shares redeemed or transferred at the applicable rate unless it has received from the transferor a declaration in the prescribed form confirming that the Shareholder is not an Irish Resident in respect of whom it is necessary to deduct tax. The Company reserves the right to redeem such number of Shares held by a transferor as may be necessary to discharge the tax liability arising therefrom. The Company reserves the right to refuse to register a transfer of Shares until it receives a declaration as to the transferee's residency or status in the form prescribed by the Revenue Commissioners of Ireland.

#### **EXCESSIVE TRADING**

Investment in the Funds is intended for long-term purposes only. The Company will endeavour to take reasonable steps to seek to prevent short-term trading in the Funds. Excessive short-term trading into and out of a Fund can disrupt portfolio investment strategies and may increase expenses and adversely affect investment returns for all shareholders, including long-term shareholders who do not generate these costs. The Company reserves the right to reject any request to buy Shares (including any conversion request) by any investor or group of investors for any reason without prior notice, if it believes that the trading activity would be disruptive to a Fund. For example, the Company may refuse a request to buy Shares if the Investment Manager believes it would be unable to invest the money effectively in accordance with the Fund's investment policies or the Fund would otherwise be adversely affected due to the size of the transaction, frequency of trading or other factors.

The trading history of accounts under common ownership or control may be considered in enforcing these policies. Transactions placed through the same financial intermediary on an omnibus basis may be deemed a part of a group for purposes of this policy and may be rejected in whole or in part by a Fund.

Transactions accepted by a financial intermediary in violation of the Funds' excessive trading policy are not deemed accepted by a Fund and may be cancelled or revoked by the Fund on the next Business Day following receipt.

It may not always be possible to identify or reasonably detect excessive trading that may be facilitated by financial intermediaries or made difficult to identify by the use of omnibus accounts by those intermediaries.

## **DIVIDEND POLICY**

The Company may issue Distributing Shares and Accumulating Shares in each of the Funds. Please see the final column of each of tables set out in Part XI for further information on which Classes pay dividend (and the frequency of such payments) and those which reinvest net income. Distributing Shares are identifiable by reference to the frequency of distributions (i.e. monthly, quarterly and annually) in the relevant column. The Directors may at their discretion alter the frequency with which a dividend is paid. Accumulating Shares are identifiable by reference to the inclusion of the word “none” in the relevant column. Full details of a change in dividend policy will be disclosed in an updated Prospectus and Shareholders will be notified in advance of the change.

In the event that a dividend is to be paid, Shareholders in the Fund may, at their discretion, receive cash if they elect to do so.

Where a dividend is payable in respect of a Class, the dividend will be paid to Shareholders on the register at the close of business on the record date. The record date is the Business Day before the ex-dividend date. The ex-dividend date for all Classes is the second to last Business Day of the relevant month, quarter or twelve month period, as appropriate. The Net Asset Value per Share calculated on/or after the ex-dividend date in respect of Distributing Shares will be net of the dividends payable (if any) in respect of that ex-dividend date.

The dividend will be paid to Shareholders within thirty days of the relevant ex-dividend date. The amount due shall be paid by telegraphic transfer to the account of record of the Shareholder or another account nominated by the Shareholder, in which case the original instruction to pay to an account other than the account of record must have been received prior to the dividend being paid. Any foreign exchange costs associated with the payment of the dividend will be carried out at prevailing exchange rates and the cost will be borne by the relevant Shareholder. If Shareholders do not elect to receive cash prior to the dividend being paid, Shareholders will automatically receive additional Shares in the Fund calculated on the basis of the then prevailing Net Asset Value per Share of the relevant Class. Dividends, where payable, are paid out of net investment income and/or the net amount of all realised and unrealised capital gains (less realised and unrealised losses). The Articles also provide that distributions may be paid out of the capital of a Fund subject to the discretion of the Directors, where provided in the Prospectus and in accordance with Central Bank requirements. In the event that it is proposed to permit the payment of distributions out of the capital of a particular Fund, the Shareholders in the relevant Fund will be notified in advance and a revised Prospectus will be filed with the Central Bank.

The Company reserves the right to pay dividends or make other distributions in the future in respect of any of the other Funds. In the event that the Company decides to pay any dividend on behalf of a Fund, such dividend will be paid in accordance with the rules of The Irish Stock Exchange and in accordance with the Articles.

The Company will be obliged and is entitled to deduct an amount in respect of Irish tax from any dividend payable to a Shareholder who is, or is deemed to be, or is acting on behalf of, an Irish Resident and pay such sum to the Revenue Commissioners in Ireland.

Shareholders should note that any dividend income being paid out by a Fund and held in the Subscriptions/Redemptions Account shall remain an asset of the relevant Fund until such time as the income is released to the investor and that during this time the investor will rank as a general unsecured creditor of the Fund.

## **UK REPORTING STATUS**

Under the reporting fund regime in the UK, UK investors will be subject to tax on any sums distributed by a Fund in respect of their holding in UK Reporting Shares together with a deemed distribution of any excess of reported income over the sums distributed. The Company will make available details of reported income for UK Reporting Shares.



As at the date of this Prospectus, the Company has obtained reporting status for the current accounting period for UK Reporting Shares listed in the table below. While it is intended the Company will apply for reporting status in respect of UK Reporting Shares for future accounting periods there can be no assurance that reporting status will be granted. Shareholders resident in the UK for tax purposes (“UK Shareholders”) should be aware that failure to obtain reporting status for future accounting periods during which Shares are held, will result in any gain made on the disposal of their Shares being treated as income rather than capital for the purposes of UK taxation. Furthermore, the Company may, at its discretion, apply for reporting status for additional Classes for the current or future accounting periods.

If prospective UK Shareholders are in doubt as to the UK taxation implications of their investing in Shares they should seek their own specific professional taxation advice. All references to UK taxation relate to current law and practice as understood by Directors at the time, which is subject to change.

<b>UK REPORTING SHARES</b>	
<b>Name of Sub-Fund</b>	<b>Name of Share Class</b>
Payden Global Bond Fund	Sterling Class (Accumulating)
Payden USD Low Duration Credit Fund	US Dollar Class (Accumulating) US Dollar Class (Distributing)
Payden Global Emerging Markets Bond Fund	Sterling Class (Accumulating) Sterling Class (Distributing) US Dollar (Distributing)
Payden Absolute Return Bond Fund	Sterling Class (Accumulating) Sterling Class (Distributing) Sterling Class (Accumulating) (SI) Sterling Class (Distributing) (SI)
Payden Global Government Bond Index Fund	Sterling Class (Distributing)
Payden Global Inflation-Linked Bond Fund	Sterling Class (Distributing) Sterling Class Unhedged (Distributing)
Payden Sterling Reserve Fund	Sterling Class (Distributing) Sterling Class (Accumulating)

### **MANDATORY REDEMPTION OF SHARES**

If a redemption causes a Shareholder’s holding in the Company to fall below the minimum subscription or investment amount set out above or such lesser amount as the Directors may determine, the Company, in consultation with the Manager, may redeem the whole of that Shareholder’s holding. Before doing so, the Company shall notify the Shareholder in writing and allow the Shareholder thirty days to purchase additional Shares to meet the minimum requirement. The Company reserves the right to vary this mandatory redemption amount.

Shares of the EM Bond Funds (but not any other Fund) may be sold to and may be purchased by, or for the benefit of, a US Person pursuant to the exemption provided by Section 4(a)(2) of the Securities Act and Regulation D promulgated thereunder and applicable state securities laws. Shares of a Fund (other than the EM Bond Funds) will not be sold to and may not be purchased by, or for the benefit of, any US Person. Investors buying such Shares will be obliged to declare to the Company on the Application Form that they are not US Persons and that such Shares are not being acquired either directly or indirectly on behalf of, or for the benefit of, any US Person. Shareholders of a Fund (other than the EM Bond Funds) are required to notify the Administrator immediately in the event that they become US Persons or in the event the person

for whom the Shares are beneficially held becomes a US Person. On the occurrence of such an event, a Shareholder of a Fund (other than the EM Bond Funds) will be required to dispose of their Shares to non-US Persons on the next Dealing Day thereafter. The Company reserves the right to redeem or require the transfer of any or all Shares which are or become owned, directly or indirectly, by a US Person. In the event that the Company, a Fund or the Shareholders as a whole incur any liability to taxation or suffer pecuniary or material administrative disadvantage as a result of a false declaration being made on the Application Form or failure to do by a Shareholder to notify the Administrator immediately on becoming a US Person then the relevant Shareholder will be liable for such loss.

Furthermore, the Company reserves the right to redeem or require the transfer of any Shares which are or become owned, directly or indirectly by any person if the holding of the Shares by such person is unlawful or, in the opinion of the Directors, the holding might result in the Company, a Fund or the Shareholders as a whole incurring any liability to taxation or suffering pecuniary or material administrative disadvantage which the Company, a Fund or the Shareholders as a whole might not otherwise suffer or incur. Without limiting the generality of the previous sentence, the Company intends to require the redemption or transfer of Shares in any Fund held by or for the benefit of any Shareholder who is a US Benefit Plan Investor.

## REPORTS TO SHAREHOLDERS

The financial year of the Company ends on 31 December each year.

The annual report of the Company incorporating audited financial statements will be filed with the Central Bank and The Irish Stock Exchange within four months after the end of the financial year. The semi-annual report will be filed with the Central Bank within two months of 30 June being the date up to which the report will be prepared.

The annual reports will be sent to Shareholders following publication and at least one month prior to the annual general meeting of Shareholders. The annual and semi-annual reports will be sent on request to any Shareholder or prospective investor.

## TAXATION

The information given is not exhaustive and does not constitute legal or tax advice. Prospective investors should consult their own professional advisers as to the implications of their subscribing for, purchasing, holding, switching or disposing of Shares under the laws of the jurisdictions in which they may be subject to tax.

The following is a brief summary of certain aspects of Irish and US taxation law and practice relevant to the transactions contemplated in this Prospectus. It is based on the law and practice and official interpretation currently in effect, all of which are subject to change.

Dividends, interest and capital gains (if any) which the Company receives with respect to its investments (other than securities of Irish issuers) may be subject to taxes, including withholding taxes, in the countries in which the issuers of investments are located. It is anticipated that the Company may not be able to benefit from reduced rates of withholding tax in double taxation agreements between Ireland and such countries. If this position changes in the future and the application of a lower rate results in a repayment to the Company the Net Asset Value will not be re-stated and the benefit will be allocated to the existing Shareholders rateably at the time of the repayment.

The Directors have been advised that on the basis that the Company is resident in Ireland for taxation purposes the taxation position of the Company and the Shareholders is as set out below.

**The following is a general summary of the main Irish and certain US tax considerations applicable to the Company and certain investors in the Company who are the beneficial owners of Shares in the Company. It does not purport to deal with all of the tax consequences applicable to the Company or to all categories of investors, some of whom may be subject to special rules. Accordingly, its applicability will depend on the particular circumstances of each Shareholder. It does not constitute**

**tax advice and Shareholders and potential investors are advised to consult their professional advisors concerning possible taxation or other consequences of purchasing, holding, selling, converting or otherwise disposing of the Shares under the laws of their country of incorporation, establishment, citizenship, residence or domicile, and in the light of their particular circumstances.**

The following statements on taxation are based on advice received by the Directors regarding the law and practice in force in Ireland at the date of this document. Legislative, administrative or judicial changes may modify the tax consequences described below and 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 is made will endure indefinitely.

### **Taxation of the Company**

The Directors have been advised that the Company is an investment undertaking within the meaning of section 739B TCA and therefore is not chargeable to Irish tax on its relevant income or relevant gains so long as the Company is resident for tax purposes in Ireland. The Company will be resident for tax purposes in Ireland if it is centrally managed and controlled in Ireland. It is intended that the Directors of the Company will conduct the affairs of the Company in a manner that will allow for this.

The income and capital gains received by the Company from securities issued in countries other than Ireland or assets located in countries other than Ireland may be subject to taxes including withholding tax in the countries where such income and gains arise. The Company may not be able to benefit from reduced rates of withholding tax by virtue of the double taxation treaties in operation between Ireland and other countries. The Directors will have sole discretion as to whether the Company will apply for such benefits and may decide not to apply for such benefits if they determine that it may be administratively burdensome, cost prohibitive or otherwise impractical.

In the event that the Company receives any repayment of withholding tax suffered, the Net Asset Value of the Company will not be restated and the benefit of any repayment will be allocated to the then existing Shareholders rateably at the time of repayment.

Notwithstanding the above, a charge to tax may arise for the Company in respect of Shareholders on the happening of a "**Chargeable Event**" in the Company.

A Chargeable Event includes:

- (i) any payment to a Shareholder by the Company in respect of their Shares;
- (ii) any transfer, cancellation, redemption or repurchase of Shares; and
- (iii) any deemed disposal by a Shareholder of their Shares at the end of a "relevant period" (a "**Deemed Disposal**").

A "**relevant period**" is a period of 8 years beginning with the acquisition of Shares by a Shareholder and each subsequent period of 8 years beginning immediately after the preceding relevant period.

A Chargeable Event does not include:

- (i) any transaction in relation to Shares held in a recognised clearing system;
- (ii) any exchange by a Shareholder effected by way of a bargain made at arms length by the Company, of Shares in the Company for other Shares in the Company;
- (iii) certain transfers of Shares between spouses or civil partners and former spouses or former civil partners;

- (iv) an exchange of Shares arising on a qualifying amalgamation or reconstruction of the Company with another Irish investment undertaking; or
- (v) the cancellation of Shares in the Company arising from an exchange in relation to a scheme of amalgamation (as defined in section 739HA TCA).

On the happening of a Chargeable Event, the Company shall be entitled to deduct the appropriate amount of tax on any payment made to a Shareholder in respect of the Chargeable Event. On the occurrence of a Chargeable Event where no payment is made by the Company to the Shareholder, the Company may appropriate or cancel the required number of Shares to meet the tax liability.

Where the Chargeable Event is a Deemed Disposal and the value of Shares held by Irish Resident Shareholders in the Company is less than 10% of the total value of Shares in the Company (or a sub-fund) and the Company has made an election to the Revenue Commissioners to report annually certain details for each Irish Resident Shareholder, the Company will not be required to deduct the appropriate tax and the Irish Resident Shareholder (and not the Company) must pay the tax on the Deemed Disposal on a self-assessment basis. Credit is available against appropriate tax relating to the Chargeable Event for appropriate tax paid by the Company or the Shareholder on any previous Deemed Disposal. On the eventual disposal by the Shareholder of the Shares, a refund of any unutilised credit will be payable.

### **Taxation of Shareholders**

#### *Non-Irish Resident Shareholders*

Non-Irish Resident Shareholders will not be chargeable to Irish tax on the happening of a Chargeable Event provided that either:

- (i) the Company is in possession of a completed Relevant Declaration to the effect that the Shareholder is not an Irish Resident, or
- (ii) the Company is in possession of written notice of approval from the Revenue Commissioners to the effect that the requirement to provide a Relevant Declaration is deemed to have been complied with in respect of that Shareholder and the written notice of approval has not been withdrawn by the Revenue Commissioners.

If the Company is not in possession of a Relevant Declaration or the Company is in possession of information which would reasonably suggest that the Relevant Declaration is not or is no longer materially correct, the Company must deduct tax on the happening of a Chargeable Event in relation to such Shareholder. The tax deducted will generally not be refunded.

Intermediaries acting on behalf of non-Irish Resident Shareholders can claim the same exemption on behalf of the Shareholders for whom they are acting. The intermediary must complete a Relevant Declaration that it is acting on behalf of a non-Irish Resident Shareholder.

A non-Irish Resident corporate Shareholder which holds Shares directly or indirectly by or for a trading branch or agency of the Shareholder in Ireland, will be liable for Irish corporation tax on income from the Shares or gains made on the disposal of the Shares.

#### *Exempt Irish Shareholders*

The Company is not required to deduct tax in respect of an Exempt Irish Shareholder so long as the Company is in possession of a completed Relevant Declaration from those persons and the Company has no reason to believe that the Relevant Declaration is materially incorrect. The Exempt Irish Shareholder must notify the Company if it ceases to be an Exempt Irish Shareholder. Exempt Irish Shareholders in respect of whom the Company is not in possession of a Relevant Declaration will be treated by the Company as if they are not Exempt Irish Shareholders.

While the Company is not required to deduct tax in respect of Exempt Irish Shareholders, those Shareholders may themselves be liable to Irish tax on their income, profits and gains in relation to any sale, transfer, repurchase, redemption or cancellation of Shares or dividends or distributions or other payments in respect of their Shares depending on their circumstances. It is the obligation of the Exempt Irish Shareholder to account for such tax to the Revenue Commissioners.

#### *Irish-Resident Shareholders*

Irish Resident Shareholders (who are not Exempt Irish Shareholders) will be liable to tax on the happening of a Chargeable Event. Tax at the rate of 41% will be deducted by the Company on payments made to the Shareholder in relation to the Shares or on the sale, transfer, Deemed Disposal (subject to the 10% threshold outlined above), cancellation, redemption or repurchase of Shares or the making of any other payment in respect of the Shares.

An Irish Resident Shareholder who is not a company and is not an Exempt Irish Shareholder will not be liable to any further income or capital gains tax in respect of any sale, transfer, Deemed Disposal, cancellation, redemption or repurchase, of Shares or the making of any other payment in respect of their Shares.

Where the Irish Resident Shareholder is a company which is not an Exempt Irish Shareholder, and the payment is not taxable as trading income under Schedule D Case I, the amount received will be treated as the net amount of an annual payment chargeable to tax under Schedule D Case IV from the gross amount of which income tax has been deducted. The rate of tax applicable to a Chargeable Event in respect of any Irish tax resident corporate investor in this instance is 25% provided the corporate investor has made a declaration to the Company including its Irish tax reference number.

Where the Irish Resident Shareholder is a company which is not an Exempt Irish Shareholder, and the payment is taxable as trading income under Schedule D Case I, the following provisions apply:

- (i) the amount received by the Shareholder is increased by any amount of tax deducted by the Company and will be treated as income of the Shareholder for the chargeable period in which the payment is made;
- (ii) where the payment is made on the sale, transfer, Deemed Disposal, cancellation, redemption or repurchase of Shares, such income will be reduced by the amount of consideration in money or money's worth given by the Shareholder for the acquisition of those Shares; and
- (iii) the amount of tax deducted by the Company will be set off against the Irish corporation tax assessable on the Shareholder in respect of the chargeable period in which the payment is made.

#### *Personal Portfolio Investment Undertaking*

An investment undertaking will be considered to be a personal portfolio investment undertaking ("PPIU") in relation to a specific Irish Resident Shareholder where that Irish Resident Shareholder can influence the selection of some or all of the property of the undertaking. The undertaking will only be a PPIU in respect of those Irish Resident Shareholders who can influence the selection. A gain arising on a chargeable event in relation to a PPIU will be taxed at the rate of 60%. An undertaking will not be considered to be a PPIU where certain conditions are complied with as set out in section 739BA TCA.

#### *Currency Gains*

Where a currency gain is made by an Irish Resident Shareholder on the disposal of Shares, that Shareholder may be liable to capital gains tax in respect of any chargeable gain made on the disposal.

#### *Stamp Duty*

On the basis that the Company qualifies as an investment undertaking within the meaning of section 739B TCA, no Irish stamp duty will be payable on the subscription, transfer or repurchase of Shares. The stamp duty implications for subscriptions for Shares or transfer or repurchase of Shares *in specie* should be considered on a case by case basis.

#### *Capital Acquisitions Tax*

No Irish gift tax or inheritance tax (capital acquisitions tax) liability will arise on a gift or inheritance of Shares provided that:

- (i) at the date of the disposition the transferor of the Shares is neither domiciled nor ordinarily resident in Ireland, and, at the date of the gift or inheritance the transferee of the Shares is neither domiciled nor ordinarily resident in Ireland; and
- (ii) the Shares are comprised in the gift or inheritance at the date of the gift or inheritance and at the valuation date.

#### **Automatic Exchange of Information**

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

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

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

#### *FATCA Implementation in Ireland*

On 21 December 2012, the governments of Ireland and the U.S. entered into an intergovernmental agreement to implement FATCA (the "IGA").

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

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

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

### *OECD Common Reporting Standard*

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

CRS is a global OECD tax information exchange initiative which is aimed at encouraging a coordinated approach to disclosure of income earned by individuals and organisations.

Ireland and a number of other jurisdictions have entered or will enter into multilateral arrangements modelled on the Common Reporting Standard for Automatic Exchange of Financial Account Information published by the OECD. The Company is required to provide certain information to the Revenue Commissioners about investors resident or established in jurisdictions which are party to CRS arrangements.

The Company, or a person appointed by the Company, will request and obtain certain information in relation to the tax residence of its shareholders or "account holders" for CRS purposes and (where applicable) will request information in relation to the beneficial owners of any such account holders. The Company, or a person appointed by the Company, will report the information required to the Revenue Commissioners by 30 June in the year following the year of assessment for which a return is due. The Revenue Commissioners will share the appropriate information with the relevant tax authorities in participating jurisdictions. Ireland introduced CRS Regulations in December 2015 and implementation of CRS among early adopting countries occurred with effect from 1 January 2016.

### *Certain Irish Tax Definitions*

#### *Residence – Company (which includes any body corporate, including an ICAV)*

A company which has its central management and control in Ireland is resident in Ireland irrespective of where it is incorporated. A company which does not have its central management and control in Ireland but which is incorporated in Ireland is resident in Ireland except where the company is regarded as not resident in Ireland under a double taxation treaty between Ireland and another country. In certain limited circumstances, companies incorporated in Ireland but managed and controlled outside of a double taxation treaty territory may not be regarded as resident in Ireland. Specific rules may apply to companies incorporated prior to 1 January 2015.

#### *Residence – Individual*

The Irish tax year operates on a calendar year basis.

An individual will be regarded as being resident in Ireland for a tax year if that individual:

- (i) spends 183 days or more in Ireland in that tax year; or
- (ii) has a combined presence of 280 days in Ireland, taking into account the number of days spent in Ireland in that tax year together with the number of days spent in Ireland in the preceding tax year.

Presence in a tax year by an individual of not more than 30 days in Ireland, will not be reckoned for the purpose of applying the two year test. Presence in Ireland for a day means the personal presence of an individual at any point in time during the particular day in question.

#### *Ordinary Residence – Individual*

The term "ordinary residence" as distinct from "residence", relates to a person's normal pattern of life and denotes residence in a place with some degree of continuity.

An individual who has been resident in Ireland for three consecutive tax years becomes ordinarily resident with effect from the commencement of the fourth tax year.

An individual who has been ordinarily resident in Ireland ceases to be ordinarily resident at the end of the third consecutive tax year in which that individual is not resident in Ireland. Thus, an individual who is resident and ordinarily resident in Ireland in 2012 will remain ordinarily resident in Ireland until the end of the tax year 2015.

### *Intermediary*

means a person who:-

- (i) carries on a business which consists of, or includes, the receipt of payments from an investment undertaking on behalf of other persons; or
- (ii) holds shares in an investment undertaking on behalf of other persons.

### **US Tax Considerations**

Neither the Company nor any EM Bond Fund has sought a ruling from the IRS or any other US federal, state or local agency with respect to any of the tax issues affecting the Company or such Fund, nor has the Company or such a Fund obtained an opinion of counsel with respect to any tax issues.

The following is a summary of certain potential US federal tax consequences which may be relevant to prospective Shareholders in the EM Bond Funds. The discussion contained herein is not a full description of the complex tax rules involved and is based upon existing laws, judicial decisions and administrative regulations, rulings and practices, all of which are subject to change, retroactively as well as prospectively. A decision to invest in the EM Bond Funds should be based upon an evaluation of the merits of the trading program and not upon any anticipated US tax benefits.

**EACH PROSPECTIVE SHAREHOLDER SHOULD CONSULT ITS PROFESSIONAL TAX ADVISOR WITH RESPECT TO THE TAX ASPECTS OF AN INVESTMENT IN THE EM BOND FUNDS. TAX CONSEQUENCES MAY VARY DEPENDING UPON THE PARTICULAR STATUS OF A PROSPECTIVE SHAREHOLDER.**

#### *US Tax Treatment of the EM Bond Funds*

Each EM Bond Fund expects, and the remainder of this discussion assumes, that each EM Bond Fund will be treated as a separate corporation for US federal tax purposes. Unless an EM Bond Fund engages in a trade or business within the United States, none of the income it earns (except as noted below) or gains it realizes will be subject to US federal income tax. No EM Bond Fund intends to engage (directly or indirectly) in a trade or business, or enter into any relationship that would be deemed to be a trade or business, within the United States. Each EM Bond Fund's trading in stocks, securities or commodities for its own account will not constitute engaging in a US trade or business. As a result, each EM Bond Fund anticipates, although there can be no assurance, that its net income and gains will not be subject to US federal income tax. If an EM Bond Fund were considered to be engaged in a US trade or business, its income that was treated as effectively connected with that US trade or business would be subject to US federal income tax and a branch profits tax, which would reduce the EM Bond Fund's, and thus the Shareholders', total return.

Payments to an EM Bond Fund from US sources of dividends (and certain dividend-equivalent payments), and interest (other than certain exempted interest), and other fixed and determinable annual or periodical income will be subject to 30% US federal withholding tax. That tax will reduce the EM Bond Fund's total return and thus the total return of its Shareholders. Interest exempted from this withholding tax includes interest on an obligation with an original maturity of 183 days or less and "portfolio interest," defined as interest paid on any US debt obligation issued in registered form unless, generally, the EM Bond Fund actually or constructively owns 10% or more of the total combined voting power of the issuer's stock or fails to provide certain documentation regarding its non-US status.



### *Non- US Shareholders*

A non- US Shareholder will not be subject to US federal income tax on dividends, if any, an EM Bond Fund pays on its Shares or on gains the Shareholder recognizes on the sale, exchange or redemption of its Shares. Special rules may apply to a non- US Shareholder that (1) has an office or other fixed place of business in the United States to which such a dividend or gain is attributable, (2) is a former citizen or resident of the United States, a controlled foreign corporation, a foreign insurance company that holds Shares in connection with its US business, a passive foreign investment company, or a corporation that accumulates earnings to avoid US federal income tax or (3) in the case of an individual, is present in the United States for 183 days or more in the year of such sale, exchange or redemption and certain other requirements are met.

A non- US Shareholder may be subject to income or other taxes, reporting requirements and other obligations as a result of investing in an EM Bond Fund. Accordingly, Non- US Shareholders, in particular, are urged to consult their US and local tax advisers before investing in an EM Bond Fund.

### *Tax-Exempt US Shareholders*

A tax-exempt US Shareholder will not be subject to US federal income tax on dividends, if any, an EM Bond Fund pays on its Shares or gains such Shareholder recognizes on the sale, exchange, or redemption of its Shares, unless those dividends or gains constitute unrelated business taxable income (“UBTI”). Because each EM Bond Fund will be classified for federal tax purposes as an association (taxable as a corporation) rather than as a partnership, those dividends and gains should not constitute UBTI to a tax-exempt US Shareholder unless such Shareholder incurred debt to acquire its Shares, thus making the Shares “debt-financed property.”

### *Taxable US Shareholders: PFIC Taxation*

Each EM Bond Fund expects to be classified as a passive foreign investment company (“PFIC”) for US federal income tax purposes. Under the PFIC rules, taxable US Shareholders are subject to US federal income taxation with respect to their direct or indirect investment in an EM Bond Fund under one of three methods. Under the “interest charge” method, a taxable US Shareholder is generally liable for tax (at ordinary income rates) plus an interest charge reflecting the deferral of tax liability (which is not deductible by an individual) when it pledges or sells its Shares at a gain or receives a distribution from such EM Bond Fund. Furthermore, the estate of such a deceased individual Shareholder will be denied a tax-free “step-up” in the tax basis to fair market value for PFIC shares held by that deceased individual that were subject to the “interest charge” method.

Alternatively, a taxable US Shareholder can make an election under the PFIC rules to treat an EM Bond Fund as a qualified electing fund (“QEF”) with respect to its Shares. A Shareholder that has made the QEF election, which may only be revoked with the consent of the IRS, is generally taxed currently on its proportionate share of the ordinary earnings and net long-term capital gains of such Fund, whether or not the earnings or gains are distributed. If an EM Bond Fund realizes a net loss in a particular year, under the QEF rules, that loss will not pass through to electing taxable US Shareholders nor will it be netted against the income of any other PFIC with respect to which a QEF election has been made. Moreover, the loss also cannot be carried forward to reduce inclusions of income with respect to such Fund in subsequent years. Instead, a taxable US Shareholder would only realize the loss in calculating its gain or loss when it disposes of its interest in the EM Bond Fund. A taxable US Shareholder should also note that under the QEF rules, it may be taxed on income related to unrealized appreciation in an EM Bond Fund’s assets attributable to periods prior to the investor’s investment in the PFIC if such amounts are recognized by the PFIC after the investor acquires Shares. Moreover, any net short-term capital gains of an EM Bond Fund will not pass through as capital gains, but will be taxed as ordinary income. In order for a shareholder to be eligible to make a QEF election, the PFIC would have to agree to provide certain tax information to such shareholder on an annual basis. Although the Company plans to provide this information with respect to each EM Bond Fund, if the Company was not able to provide this information in the future, a taxable US Shareholder would not be able to maintain its QEF election.

Finally, if an EM Bond Fund's shares are considered "marketable," a taxable US Shareholder would be able to elect to mark its Shares to market at the end of every year. Any such mark-to-market gain or loss would be considered ordinary. Ordinary mark-to-market losses would only be allowed to the extent of prior mark-to-market gains. However, as a result of the definition of "marketable" adopted in regulations, the EM Bond Funds do not anticipate that the Shares would be eligible for the mark-to-market election.

If a taxable US Shareholder holds at least 10% of the Shares in an EM Bond Fund (by vote) and the Fund is a controlled foreign corporation ("CFC") – meaning that more than 50% of the Fund's shares, by value, are owned by US persons with at least such a 10% holding – other rules could apply that could cause a taxable US Shareholder to (i) recognize taxable income prior to his or her receipt of distributable proceeds or (ii) recognize ordinary taxable income that would otherwise have been treated as long-term or short-term capital gain.

#### *Reporting Requirements for US Persons*

Certain rules require taxpayers to disclose on their federal income tax returns and, under certain circumstances, separately to the Office of Tax Shelter Analysis of the IRS their participation in "reportable transactions" and require "material advisors" to maintain investor lists with respect thereto. These rules apply to a broad range of transactions, including transactions that would not ordinarily be viewed as tax shelters, and to indirect participation in a reportable transaction (such as through a partnership). Failure to comply with the disclosure requirements for reportable transactions can result in the imposition of penalties. Prospective investors are urged to consult with their own tax advisers with respect to the effect of these rules on an investment in an EM Bond Fund.

US Shareholders may be subject to certain US filing requirements with respect to their investment in an EM Bond Fund. For example, a US person who transfers property (including cash) to a foreign corporation such as an EM Bond Fund in exchange for stock in the corporation is in some cases required to file an information return with the IRS with respect to such transfer. Accordingly, a US Shareholder may be required to file an information return with respect to its investment in an EM Bond Fund. Additional reporting requirements may be imposed on a US Shareholder that acquires Shares with a value equal to at least 10% of the aggregate value of all the Shares. Also, a US Shareholder investing in a PFIC such as one of the EM Bond Funds will need to file IRS Form 8621 each year. Failure to comply with such tax reporting obligations may subject such a Shareholder to penalties.

Additionally, 2010 legislation established new reporting requirements for US taxpayers who have financial assets in foreign jurisdictions or who invest in non-US investment entities such as an EM Bond Fund, as well as new penalties on the underpayment of tax by taxpayers who fail to report income from undisclosed foreign accounts. US taxpayers are required to report such investments on IRS Form 8938, to be filed with their annual federal income tax returns.

Under current regulations, a US Shareholder will not be required to file FinCEN Form 114, a so-called "FBAR Form," each year with respect to its Shares in an EM Bond Fund unless such Shareholder is treated as owning more than 50% of the total value or voting power of the Fund's outstanding equity.

Shareholders should consult their own tax advisers with respect to any applicable filing requirements.

## PART II

### INVESTMENT OBJECTIVES AND POLICIES

The following are the objectives and policies of the Funds. There is no guarantee that a Fund will achieve its objectives and policies. The principal investment objectives and policies for each Fund will, in the absence of unforeseen circumstances, be adhered to for a period of at least three years following the listing of the Shares in such Fund on the Irish Stock Exchange. Any change in the investment objectives and any material change to the investment policies of any Fund will only be made in exceptional circumstances and with the approval of an ordinary resolution of the Shareholders of the relevant Fund and with the prior approval of the Central Bank. In the event of a change to the investment objectives and/or investment policies, Shareholders of the relevant Fund will be given an opportunity to have their Shares redeemed prior to such change taking effect.

#### PAYDEN EURO LIQUIDITY FUND

##### **Objective:**

The Fund will seek to maximise total return, consistent with the preservation of capital, by investing primarily in a portfolio of Investment Grade debt securities, both fixed and floating rate.

##### **Investment Policy and Types of Investments:**

- The Fund currently expects to invest in debt securities which will include, but will not be limited to, issuers from the US, Canada, Australia, New Zealand, Europe (for the avoidance of doubt this includes both EU and non-EU Member States) and Japan.
- Investments will consist of, but will not be limited to;
  - Government Securities;
  - debt obligations issued or guaranteed by supranational organisations (such as The World Bank, the Asian Development Bank, the European Investment Bank and the European Union.);
  - debt obligations issued or guaranteed by quasi government entities;
  - corporate debt securities;
  - mortgage-backed securities;
  - asset-backed securities;
  - *Pfandbriefe* – German asset-backed securities backed by private mortgages or public sector loans;
  - collateralised mortgage obligations (CMOs);
  - collateralised bond obligations (CBOs);
  - financial derivative instruments (as further described below);
  - money-market securities, which include but are not limited to;
    - commercial paper issued by corporate entities;
    - certificates of deposit (CDs);
    - bankers' acceptances;
    - debt obligations of banks and their holding companies;
    - Treasury bills;
    - agency discount notes;
    - short corporate bonds (securities with less than one year to maturity);
    - money market funds.
- The Fund may employ the following investment techniques and instruments which may be exchange-traded or over-the-counter derivatives: futures, forwards, options, swaps (including credit default swaps and total return swaps), caps, floors and credit-linked notes. Such derivative instruments may be used for (i) hedging purposes, (ii) efficient portfolio management, and/or (iii) investment purposes, subject to the Central Bank Rules. The derivatives will assist in achieving the investment objective of the Fund by allowing for the adjustment of risk (including credit, currency and interest rate risk) and by implementing trades in a more efficient and cost effective manner. Futures, options, calls and forwards may allow the Fund to hedge against market risk, modify exposure to the underlying market and/or take investment positions. Swaps (including total return swaps) will offer the Fund independent profit opportunities as

well as the possibility to hedge existing long positions. Caps and floors will be used by the Fund to minimise loss for the buyer in a volatile interest rate environment or to maximise gains for the seller from the premium received in a stable interest rate environment. Credit linked notes may be used to gain access to debt markets that would otherwise be unavailable to the Fund but will not be used by the Fund to achieve economic exposure greater than would otherwise be achieved if executed in the cash market.

- The Fund may use derivative instruments to obtain both long and short exposures for investment and hedging purposes and in circumstances where the Investment Manager determines that the use of derivative instruments is more efficient or cost effective than direct investment. It is intended that the Fund will be managed to operate in normal circumstances within a range of between 90% and 150% long exposure and 0% and 50% short exposure. Having the facility to take short exposures in certain investments gives the Fund the ability to profit when the associated investments fall in value.
- The Investment Manager anticipates using financial derivative instruments, which means that the Fund may have a gross exposure greater than its Net Asset Value. The Fund will regularly monitor its gross exposure. Using the sum of the notionals methodology the level of leverage in the Fund is expected to be between 0% and 25% of the Net Asset Value of the Fund. Under some market conditions it is possible that there may be a higher leverage level of up to 100% of the Net Asset Value of the Fund. It should be noted that these figures are not an indicator of economic leverage within the Fund. A figure for leverage based on the sum of the notionals of the derivatives used (the “sum of the notionals approach”) may appear high as it does not take into account the effect of any netting or hedging arrangements that the Fund has in place even though these netting and hedging arrangements may reduce risk and exposure. A large sum of the notionals figure is essentially indicative of a larger volume of derivatives being held in the portfolio. Accordingly, whether or not a derivative is used to increase economic risk or reduce economic risk, it will increase the sum of notionals figure. It should also be noted that often the economic exposure under a derivative may not be the notional value but a significantly lower mark-to-market or daily margin value.
- The risk of loss arising from this strategy will be monitored daily using the absolute VaR model where VaR shall not exceed 4.47% of the Net Asset Value of the Fund based on a 1 day time horizon, a “one-tailed” 99% confidence interval and a 1 year observation period. These criteria relating to the measurement of global exposure are prescribed in the Central Bank’s Rules. In practice VaR will run at a level below the maximum allowable.
- The Fund may hold cash deposits as ancillary liquid assets and engage in foreign exchange transactions. The Fund is denominated in Euro but will hold assets denominated in other currencies. Hence, the Net Asset Value may fall and rise purely as a result of exchange rate fluctuations. Further details in relation to the use of foreign exchange transactions is set out in Part IV, entitled “Use of Techniques and Derivatives”.
- The Fund may invest up to 10% of its net assets in units or shares of open-ended collective investment schemes within the meaning of Regulation 68 of the Regulations.
- Subject to the provisions of the Companies Acts and Central Bank Rules, the Fund may also cross invest in other Funds of the Company provided that investment may not be made in a Fund of the Company that itself holds shares in other Funds of the Company. No management, investment management, subscription or redemption fees will be payable in respect of any such cross investment and the aggregate that can be invested in collective investment schemes, whether through external or cross investment, will not exceed 10% of the Fund’s net assets.
- Save for exceptions permitted in Part III, entitled “Investment Restrictions”, the Fund may invest only in securities which are traded on a Regulated Market.
- The Fund is suitable for medium to long-term investors seeking capital growth (in the case of Accumulating Shares) and capital growth and income (in the case of Distributing Shares).

#### **Specific Restrictions:**

- Under normal circumstances, the Fund will invest primarily in debt securities that are considered Investment Grade at the time of purchase by at least one of the established Rating Agencies or if unrated, are determined to be of comparable quality by the Investment Manager.
- With the exception of Government Securities, the Fund will invest no more than 10% of its Net Asset Value, in any one issuer.

## PAYDEN US DOLLAR LIQUIDITY FUND

### Objective:

The Fund will seek to maximise total return, consistent with the preservation of capital, by investing primarily in a portfolio of Investment Grade debt securities, both fixed and floating rate.

### Investment Policy and Types of Investments:

- The Fund currently expects to invest in debt securities which will include, but will not be limited to, issuers from the US, Canada, Australia, New Zealand, Europe (for the avoidance of doubt this includes both EU and non-EU Member States) and Japan.
- Investments will consist of, but will not be limited to;
  - Government Securities;
  - debt obligations issued or guaranteed by supranational organisations (such as The World Bank, the Asian Development Bank, the European Investment Bank and the European Union.);
  - debt obligations issued or guaranteed by quasi government entities;
  - corporate debt securities;
  - mortgage-backed securities;
  - asset-backed securities;
  - *Pfandbriefe* – German asset-backed securities backed by private mortgages or public sector loans;
  - collateralised mortgage obligations (CMOs);
  - collateralised bond obligations (CBOs);
  - financial derivative instruments (as further described below);
  - money-market securities, which include but are not limited to;
    - commercial paper issued by corporate entities;
    - certificates of deposit (CDs);
    - bankers' acceptances;
    - debt obligations of banks and their holding companies;
    - Treasury bills;
    - agency discount notes;
    - short corporate bonds (securities with less than one year to maturity);
    - money market funds.
- The Fund may employ the following investment techniques and instruments which may be exchange-traded or over-the-counter derivatives: futures, forwards, options, swaps (including credit default swaps and total return swaps), caps, floors and credit-linked notes. Such derivative instruments may be used for (i) hedging purposes, (ii) efficient portfolio management, and/or (iii) investment purposes, subject to the Central Bank Rules. The derivatives will assist in achieving the investment objective of the Fund by allowing for the adjustment of risk (including credit, currency and interest rate risk) and by implementing trades in a more efficient and cost effective manner. Futures, options, calls and forwards may allow the Fund to hedge against market risk, modify exposure to the underlying market and/or take investment positions. Swaps (including total return swaps) will offer the Fund independent profit opportunities as well as the possibility to hedge existing long positions. Caps and floors will be used by the Fund to minimise loss for the buyer in a volatile interest rate environment or to maximise gains for the seller from the premium received in a stable interest rate environment. Credit linked notes may be used to gain access to debt markets that would otherwise be unavailable to the Fund but will not be used by the Fund to achieve economic exposure greater than would otherwise be achieved if executed in the cash market.
- The Fund may use derivative instruments to obtain both long and short exposures for investment and hedging purposes and in circumstances where the Investment Manager determines that the use of derivative instruments is more efficient or cost effective than direct investment. It is intended that the Fund will be managed to operate in normal circumstances within a range of between 90% and 150% long exposure and 0% and 50% short exposure. Having the facility to take short exposures in certain investments gives the Fund the ability to profit when the associated investments fall in value.
- The Investment Manager anticipates financial derivative instruments, which means that the Fund may have a gross exposure greater than its Net Asset Value. The Fund will regularly monitor its gross exposure. Using the sum of the notionals methodology the level of leverage in the Fund is expected to be between 0% and 25% of the Net Asset Value of the Fund. Under some market conditions it is possible that there may be a higher leverage level of up to 100% of the Net Asset Value of the Fund. It should be

noted that these figures are not an indicator of economic leverage within the Fund. A figure for leverage based on the sum of the notionals of the derivatives used (the “sum of the notionals approach”) may appear high as it does not take into account the effect of any netting or hedging arrangements that the Fund has in place even though these netting and hedging arrangements may reduce risk and exposure. A large sum of the notionals figure is essentially indicative of a larger volume of derivatives being held in the portfolio. Accordingly, whether or not a derivative is used to increase economic risk or reduce economic risk, it will increase the sum of notionals figure. It should also be noted that often the economic exposure under a derivative may not be the notional value but a significantly lower mark-to-market or daily margin value. The risk of loss arising from this strategy will be monitored daily using the absolute VaR model where VaR shall not exceed 4.47% of the Net Asset Value of the Fund based on a 1 day time horizon, a “one-tailed” 99% confidence interval and a 1 year observation period. These criteria relating to the measurement of global exposure are prescribed in the Central Bank Rules. In practice VaR will run at a level below the maximum allowable.

- The Fund may hold cash deposits as ancillary liquid assets and engage in foreign exchange transactions. The Fund is denominated in USD but will hold assets denominated in other currencies. Hence, the Net Asset Value may fall and rise purely as a result of exchange rate fluctuations. Further details in relation to the use of foreign exchange transactions is set out in Part IV, entitled “Use of Techniques and Derivatives”.
- The Fund may invest up to 10% of its net assets in units or shares of open-ended collective investment schemes within the meaning of Regulation 68 of the Regulations.
- Subject to the provisions of the Companies Acts and the Central Bank Rules, the Fund may also cross invest in other Funds of the Company provided that investment may not be made in a Fund of the Company that itself holds shares in other Funds of the Company. No management, investment management, subscription or redemption fees will be payable in respect of any such cross investment and the aggregate that can be invested in collective investment schemes, whether through external or cross investment, will not exceed 10% of the Fund’s net assets.
- Save for exceptions permitted in Part III, entitled “Investment Restrictions”, the Fund may invest only in securities which are traded on a Regulated Market.
- The Fund is suitable for medium to long-term investors seeking capital growth (in the case of Accumulating Shares) and capital growth and income (in the case of Distributing Shares).

**Specific Restrictions:**

- Under normal circumstances, the Fund will invest primarily in debt securities that are considered Investment Grade at the time of purchase by at least one of the established Rating Agencies or if unrated, are determined to be of comparable quality by the Investment Manager.
- With the exception of Government Securities, the Fund will invest no more than 10% of its Net Asset Value, in any one issuer.

## PAYDEN GLOBAL SHORT BOND FUND

### Objective:

The Fund will seek to maximise total return consistent with preservation of capital by investing primarily in a portfolio of global Investment Grade debt securities, both fixed and floating rate.

### Investment Policy and Types of Investments:

- The Fund may invest in securities of any issuer and in any currency.
- No limit will be imposed on the amount which may be invested in any one country, subject to the “Specific Restrictions” outlined below.
- Investments will consist of, but will not be limited to;
  - Government Securities;
  - debt obligations issued or guaranteed by supranational organisations (such as The World Bank, the Asian Development Bank, the European Investment Bank and the European Union.);
  - debt obligations issued or guaranteed by quasi government entities;
  - corporate debt securities;
  - mortgage-backed securities;
  - asset-backed securities;
  - *Pfandbriefe* – German asset-backed securities backed by private mortgages or public sector loans;
  - collateralised mortgage obligations (CMOs);
  - collateralised bond obligations (CBOs);
  - financial derivative instruments (as further described below);
  - money-market securities, which include but are not limited to;
    - commercial paper issued by corporate entities;
    - certificates of deposit (CDs);
    - bankers’ acceptances;
    - debt obligations of banks and their holding companies;
    - Treasury bills;
    - agency discount notes;
    - short corporate bonds (securities with less than one year to maturity);
    - money market funds.
- The Fund may employ the following investment techniques and instruments which may be exchange-traded or over-the-counter derivatives: futures, forwards, options, swaps (including credit default swaps and total return swaps), caps, floors and credit-linked notes. Such derivative instruments may be used for (i) hedging purposes, (ii) efficient portfolio management, and/or (iii) investment purposes, subject to the Central Bank Rules. The derivatives will assist in achieving the investment objective of the Fund by allowing for the adjustment of risk (including credit, currency and interest rate risk) and by implementing trades in a more efficient and cost effective manner. Futures, options, calls and forwards may allow the Fund to hedge against market risk, modify exposure to the underlying market and/or take investment positions. Swaps (including total return swaps) will offer the Fund independent profit opportunities as well as the possibility to hedge existing long positions. Caps and floors will be used by the Fund to minimise loss for the buyer in a volatile interest rate environment or to maximise gains for the seller from the premium received in a stable interest rate environment. Credit linked notes may be used to gain access to debt markets that would otherwise be unavailable to the Fund but will not be used by the Fund to achieve economic exposure greater than would otherwise be achieved if executed in the cash market.
- The Fund may use derivative instruments to obtain both long and short exposures for investment and hedging purposes and in circumstances where the Investment Manager determines that the use of derivative instruments is more efficient or cost effective than direct investment. It is intended that the Fund will be managed to operate in normal circumstances within a range of between 90% and 200% long exposure and 0% and 100% short exposure. Having the facility to take short exposures in certain investments gives the Fund the ability to profit when the associated investments fall in value.
- The Investment Manager anticipates using financial derivative instruments, which means the Fund may have a gross exposure greater than its Net Asset Value. The Fund will regularly monitor its gross exposure. Using the sum of the notionals methodology the level of leverage in the Fund is expected to be 75% of the Net Asset Value of the Fund. Under some market conditions and/or where the Investment Manager considers additional hedging is required it is possible that there may be a higher leverage level

of 200% of the Net Asset Value of the Fund. It should be noted that these figures are not an indicator of economic leverage within the Fund. A figure for leverage based on the sum of the notionals of the derivatives used (the “sum of the notionals approach”) may appear high as it does not take into account the effect of any netting or hedging arrangements that the Fund has in place even though these netting and hedging arrangements may reduce risk and exposure. A large sum of the notionals figure is essentially indicative of a larger volume of derivatives being held in the portfolio. Accordingly, whether or not a derivative is used to increase economic risk or reduce economic risk, it will increase the sum of notionals figure. It should also be noted that often the economic exposure under a derivative may not be the notional value but a significantly lower mark-to-market or daily margin value.

- The risk of loss arising from this strategy will be monitored daily using the absolute VaR model where VaR shall not exceed 4.47% of the Net Asset Value of the Fund based on a 1 day time horizon, a “one-tailed” 99% confidence interval and a 1 year observation period. These criteria relating to the measurement of global exposure are prescribed in the Central Bank Rules. In practice VaR will run at a level below the maximum allowable.
- The Fund may hold cash deposits as ancillary liquid assets and engage in foreign exchange transactions. The Fund is denominated in USD but will hold assets denominated in other currencies. Hence, the Net Asset Value may fall and rise purely as a result of exchange rate fluctuations. Further details in relation to the use of foreign exchange transactions is set out in Part IV, entitled “Use of Techniques and Derivatives”.
- The Fund may invest up to 10% of its net assets in units or shares of open-ended collective investment schemes within the meaning of Regulation 68 of the Regulations.
- Subject to the provisions of the Companies Acts and the Central Bank Rules, the Fund may also cross invest in other Funds of the Company provided that investment may not be made in a Fund of the Company that itself holds shares in other Funds of the Company. No management, investment management, subscription or redemption fees will be payable in respect of any such cross investment and the aggregate that can be invested in collective investment schemes, whether through external or cross investment, will not exceed 10% of the Fund’s net assets.
- Save for exceptions permitted in Part III, entitled “Investment Restrictions”, the Fund may invest only in securities which are traded on a Regulated Market.
- The Fund is suitable for medium to long-term investors seeking capital growth (in the case of Accumulating Shares) and capital growth and income (in the case of Distributing Shares).

**Specific Restrictions:**

- Under normal circumstances, the Fund will invest primarily in debt securities that are considered Investment Grade at the time of purchase by at least one of the established Rating Agencies or if unrated, are determined to be of comparable quality by the Investment Manager.
- The Fund will invest no more than 20% of its Net Asset Value in the securities of issuers in Emerging Markets or in securities rated below Investment Grade (BBB-).



## PAYDEN GLOBAL BOND FUND

### Objective:

The Fund will seek to maximise total return by investing primarily in a portfolio of Investment Grade debt securities, both fixed and floating rate.

### Investment Objective and Types of Investments:

- The Fund currently expects to invest in debt securities which will include, but will not be limited to, issuers from the US, Canada, Australia, New Zealand, EU Member States, the United Kingdom and Japan.
- Investments will consist of, but will not be limited to;
  - Government Securities;
  - debt obligations issued or guaranteed by supranational organisations (such as The World Bank, the Asian Development Bank, the European Investment Bank and the European Union.);
  - debt obligations issued or guaranteed by quasi government entities;
  - corporate debt securities;
  - mortgage-backed securities;
  - asset-backed securities;
  - *Pfandbriefe* – German asset-backed securities backed by private mortgages or public sector loans;
  - collateralised mortgage obligations (CMOs);
  - collateralised bond obligations (CBOs);
  - financial derivative instruments (as further described below);
  - money-market securities, which include but are not limited to;
    - commercial paper issued by corporate entities;
    - certificates of deposit (CDs);
    - bankers' acceptances;
    - debt obligations of banks and their holding companies;
    - Treasury bills;
    - agency discount notes;
    - short corporate bonds (securities with less than one year to maturity);
    - money market funds.
- The Fund may employ the following investment techniques and instruments which may be exchange-traded or over-the-counter derivatives: futures, forwards, options, swaps, (including total return swaps and credit default swaps), caps, floors and credit-linked notes. Such derivative instruments may be used for (i) hedging purposes, (ii) efficient portfolio management, and/or (iii) investment purposes, subject to the Central Bank Rules. The derivatives will assist in achieving the investment objective of the Fund by allowing for the adjustment of risk (including credit, currency and interest rate risk) and by implementing trades in a more efficient and cost effective manner. Futures, options, calls and forwards may allow the Fund to hedge against market risk, modify exposure to the underlying market and/or take investment positions. Swaps (including total return swaps) will offer the Fund independent profit opportunities as well as the possibility to hedge existing long positions. Caps and floors will be used by the Fund to minimise loss for the buyer in a volatile interest rate environment or to maximise gains for the seller from the premium received in a stable interest rate environment. Credit linked notes may be used to gain access to debt markets that would otherwise be unavailable to the Fund but will not be used by the Fund to achieve economic exposure greater than would otherwise be achieved if executed in the cash market.
- The Fund may use derivative instruments to obtain both long and short exposures for investment and hedging purposes and in circumstances where the Investment Manager determines that the use of derivative instruments is more efficient or cost effective than direct investment. It is intended that the Fund will be managed to operate in normal circumstances within a range of between 90% and 250% long exposure and 0% and 150% short exposure. Having the facility to take short exposures in certain investments gives the Fund the ability to profit when the associated investments fall in value.
- The Investment Manager anticipates using financial derivative instruments, which means the Fund may have a gross exposure greater than its Net Asset Value. The Fund will regularly monitor its gross exposure. Using the sum of the notionals methodology the level of leverage in the Fund is expected to be 125% of the Net Asset Value of the Fund. Under some market conditions and/or where the Investment Manager considers additional hedging is required it is possible that there may be a higher leverage level

of 300% of the Net Asset Value of the Fund. It should be noted that these figures are not an indicator of economic leverage within the Fund. A figure for leverage based on the sum of the notionals of the derivatives used (the “sum of the notionals approach”) may appear high as it does not take into account the effect of any netting or hedging arrangements that the Fund has in place even though these netting and hedging arrangements may reduce risk and exposure. A large sum of the notionals figure is essentially indicative of a larger volume of derivatives being held in the portfolio. Accordingly, whether or not a derivative is used to increase economic risk or reduce economic risk, it will increase the sum of notionals figure. It should also be noted that often the economic exposure under a derivative may not be the notional value but a significantly lower mark-to-market or daily margin value.

- The risk of loss arising from this strategy will be monitored daily using the absolute VaR model where VaR shall not exceed 4.47% of the Net Asset Value of the Fund based on a 1 day time horizon, a “one-tailed” 99% confidence interval and a 1 year observation period. These criteria relating to the measurement of global exposure are prescribed in the Central Bank Rules. In practice VaR will run at a level below the maximum allowable.
- The Fund may hold cash deposits as ancillary liquid assets and engage in foreign exchange transactions. The Fund is denominated in USD but will hold assets denominated in other currencies. Hence, the Net Asset Value may fall and rise purely as a result of exchange rate fluctuations. Further details in relation to the use of foreign exchange transactions is set out in Part IV, entitled “Use of Techniques and Derivatives”.
- The Fund may invest up to 10% of its net assets in units or shares of open-ended collective investment schemes within the meaning of Regulation 68 of the Regulations.
- Subject to the provisions of the Companies Acts and the Central Bank Rules, the Fund may also cross invest in other Funds of the Company provided that investment may not be made in a Fund of the Company that itself holds shares in other Funds of the Company. No management, investment management, subscription or redemption fees will be payable in respect of any such cross investment and the aggregate that can be invested in collective investment schemes, whether through external or cross investment, will not exceed 10% of the Fund’s net assets.
- Save for exceptions permitted in Part III, entitled “Investment Restrictions”, the Fund may invest only in securities which are traded on a Regulated Market.
- The Fund is suitable for medium to long-term investors seeking capital growth (in the case of Accumulating Shares) and capital growth and income (in the case of Distributing Shares).

**Specific Restrictions:**

- Under normal circumstances, the Fund will invest primarily in debt securities that are considered Investment Grade at the time of purchase by at least one of the established Rating Agencies or, if unrated, are determined to be of comparable quality by the Investment Manager.

## PAYDEN US CORE BOND FUND

### Objective:

The Fund will seek to maximise total return by investing in a wide variety of Investment Grade debt securities, both fixed and floating rate, primarily denominated in US Dollars.

### Investment Policy and Types of Investments:

- Investments will include, but will not be limited to, issuers from the US, Canada, Australia, New Zealand, EU Member States, the United Kingdom and Japan.
- The Fund is not limited with respect to the amount of the Fund' assets that can be invested in the securities of issuers in any one of the aforementioned countries.
- The Fund may also invest to a lesser extent in debt securities of issuers based in other countries including Emerging Markets.
- The Fund will invest in debt securities of any maturity, and there is no limit on the Fund's maximum average portfolio maturity.
- The Fund will invest in debt securities that the Investment Manager believes offer attractive yields and are undervalued relative to securities of similar credit quality and interest rate sensitivity.
- The Fund may invest up to 10% of its Net Asset Value in debt securities, both fixed and floating rate, rated below Investment Grade. Investment Grade securities, for the purposes of these restrictions, are considered to be securities which are rated Investment Grade by at least one of the established Rating Agencies, or in the case of unrated securities are considered by the Investment Manager to be of equivalent credit standing.
- Investments will consist of, but will not be limited to;
  - Government Securities;
  - debt obligations issued or guaranteed by supranational organisations (such as The World Bank, the Asian Development Bank, the European Investment Bank and the European Union);
  - debt obligations issued or guaranteed by quasi government entities;
  - corporate debt securities;
  - mortgage-backed securities;
  - asset-backed securities;
  - *Pfandbriefe* – German asset-backed securities backed by private mortgages or public sector loans;
  - collateralised mortgage obligations (CMOs);
  - collateralised bond obligations (CBOs);
  - preferred stock;
  - financial derivative instruments (as further described below);
  - money-market securities, which include but are not limited to;
    - commercial paper issued by corporate entities;
    - certificates of deposit (CDs);
    - bankers' acceptances;
    - debt obligations of banks and their holding companies;
    - Treasury bills;
    - agency discount notes;
    - short corporate bonds (securities with less than one year to maturity);
    - money market funds.
- The Fund may employ the following investment techniques and instruments which may be exchange-traded or over-the-counter derivatives: futures, forwards, options, swaps (including credit default swaps and total return swaps), caps, floors and credit-linked notes. Such derivative instruments may be used for (i) hedging purposes, (ii) efficient portfolio management, and/or (iii) investment purposes, subject to the Central Bank Rules. The derivatives will assist in achieving the investment objective of the Fund by allowing for the adjustment of risk (including credit, currency and interest rate risk) and by implementing trades in a more efficient and cost effective manner. Futures, options, calls and forwards may allow the Fund to hedge against market risk, modify exposure to the underlying market and/or take investment positions. Swaps (including total return swaps) will offer the Fund independent profit opportunities as well as the possibility to hedge existing long positions. Caps and floors will be used by the Fund to minimise loss for the buyer in a volatile interest rate environment or to maximise gains for the seller from the premium received in a stable interest rate environment. Credit linked notes may be used to gain

access to debt markets that would otherwise be unavailable to the Fund but will not be used by the Fund to achieve economic exposure greater than would otherwise be achieved if executed in the cash market.

- The Fund may use derivative instruments to obtain both long and short exposures for investment and hedging purposes and in circumstances where the Investment Manager determines that the use of derivative instruments is more efficient or cost effective than direct investment. It is intended that the Fund will be managed to operate in normal circumstances within a range of between 90% and 200% long exposure and 0% and 100% short exposure. Having the facility to take short exposures in certain investments gives the Fund the ability to profit when the associated investments fall in value.
- The Investment Manager anticipates using financial derivative instruments, which means that the Fund may have a gross exposure greater than its Net Asset Value. The Fund will regularly monitor its gross exposure. Using the sum of the notionals methodology the level of leverage in the Fund is expected to be 75% of the Net Asset Value of the Fund. Under some market conditions and/or where the Investment Manager considers additional hedging is required it is possible that there may be a higher leverage level of 200% of the Net Asset Value of the Fund. It should be noted that these figures are not an indicator of economic leverage within the Fund. A figure for leverage based on the sum of the notionals of the derivatives used (the “sum of the notionals approach”) may appear high as it does not take into account the effect of any netting or hedging arrangements that the Fund has in place even though these netting and hedging arrangements may reduce risk and exposure. A large sum of the notionals figure is essentially indicative of a larger volume of derivatives being held in the portfolio. Accordingly, whether or not a derivative is used to increase economic risk or reduce economic risk, it will increase the sum of notionals figure. It should also be noted that often the economic exposure under a derivative may not be the notional value but a significantly lower mark-to-market or daily margin value.
- The risk of loss arising from this strategy will be monitored daily using the absolute VaR model where VaR shall not exceed 4.47% of the Net Asset Value of the Fund based on a 1 day time horizon, a “one-tailed” 99% confidence interval and a 1 year observation period. These criteria relating to the measurement of global exposure are prescribed in the Central Bank Rules. In practice VaR will run at a level below the maximum allowable.
- The Fund may hold cash deposits as ancillary liquid assets and engage in foreign exchange transactions. The Fund is denominated in USD but will hold assets denominated in other currencies. Hence, the Net Asset Value may fall and rise purely as a result of exchange rate fluctuations. Further details in relation to the use of foreign exchange transactions is set out in Part IV, entitled “Use of Techniques and Derivatives”.
- The Fund may invest up to 10% of its net assets in units or shares of open-ended collective investment schemes within the meaning of Regulation 68 of the Regulations. Subject to the provisions of the Companies Acts and the Central Bank Rules, the Fund may also cross invest in other Funds of the Company provided that investment may not be made in a Fund of the Company that itself holds shares in other Funds of the Company. No management, investment management, subscription or redemption fees will be payable in respect of any such cross investment and the aggregate that can be invested in collective investment schemes, whether through external or cross investment, will not exceed 10% of the Fund’s net assets.
- Save for exceptions permitted in Part III, entitled “Investment Restrictions”, the Fund may invest only in securities which are traded on a Regulated Market.
- The Fund is suitable for medium to long-term investors seeking capital growth (in the case of Accumulating Shares) and capital growth and income (in the case of Distributing Shares).

**Specific Restrictions:**

- Under normal circumstances, the securities in which the Company will invest will be rated Investment Grade at the time of purchase by at least one of the established Rating Agencies or, if unrated, are determined to be of comparable quality by the Investment Manager.
- The Fund may invest a maximum of 10% of its Net Asset Value in debt securities rated below Investment Grade.

## PAYDEN USD LOW DURATION CREDIT FUND

### Objective

- The investment objective of the Fund is to seek to maximize total return by investing primarily in a portfolio of corporate debt securities, both fixed and floating rate, denominated in US Dollars.

### Investment Policy and Types of Investments

- Investments will include, but not be limited to, debt securities of US and non- US issuers. This may include issuers in Emerging Market countries.
- Investments will be primarily denominated in US Dollars, however, investments may be denominated in other currencies, including Emerging Market currencies.
- Under normal market conditions, the Fund will invest at least 75% of its Net Asset Value in corporate debt securities and may invest up to 25% of its Net Asset Value in Government Securities and other debt securities, including but not limited to, debt obligations issued or guaranteed by supranational organisations, government agencies and public sector bodies.
- No more than 20% of the Net Asset Value of the Fund will be invested in corporate debt securities, Government Securities or other debt securities of issuers based in Emerging Markets or issued in Emerging Market currencies. The Fund's investment in Emerging Markets may include investment in Russian Government Securities and debt instruments issued by corporations organised or headquartered in Russia. Investments in securities listed or traded in Russia will only be made in securities that are listed or traded on Level 1 or Level 2 of the the Moscow Exchange MICEX – RTS.
- The debt securities in which the Fund invests will primarily be rated Investment Grade at the time of purchase by at least one of the established Rating Agencies, or if unrated, determined to be of comparable quality by the Investment Manager. For the avoidance of doubt, the Fund may also invest up to 20% of its Net Asset Value in below Investment Grade debt securities.
- The Fund will invest in debt securities of any maturity.
- Under normal market conditions, relative duration of the Fund will be within +/- 2 years of the duration of the Bloomberg Barclays US 1-5 years Corporate Index.
- The Fund intends to invest in a diversified portfolio of debt securities in order to achieve a broad based exposure to a wide variety of issuers. Securities may be purchased for short term-tactical reasons and longer-term strategic purposes. Individual securities are analysed looking at a wide range of factors, these can include both absolute or relative value when assessed against other securities and the fixed income markets more broadly, or based on shorter term valuation metrics. The intention is to add value through the accretion of coupon income, and capital appreciation from short term opportunistic and longer term value oriented holding periods.
- Investments will consist of, but not be limited to:
  - Corporate debt securities;
  - Government Securities;
  - Debt obligations issued or guaranteed by supranational organisations (such as the World Bank, the Asian Development Bank, the European Investment Bank and the European Union);
  - Debt obligations issued or guaranteed by government agencies and comparable public sector entities;
  - Mortgage-backed securities issued by supranational organisations, government agencies and public sector bodies;
  - Debt obligations issued by Real Estate Investment Trusts (“REITs”);
  - Investments of the Fund may take the form of Rule 144A Securities and Regulation S Securities;
  - Financial derivative instruments (as further described below);
  - Money-market securities, which include but are not limited to:
    - commercial paper issued by corporate entities;
    - certificates of deposit (CDs);
    - bankers' acceptances;
    - debt obligations of banks and their holding companies;
    - Treasury bills;
    - agency discount notes;
    - short corporate bonds (securities with less than one year to maturity);
    - money market funds.
- The Fund may invest up to 10% of its Net Asset Value in equities.

- The Fund may employ the following investment techniques and purchase and sell financial derivative instruments that are exchange-traded or over-the-counter derivatives: futures, forwards, options, swaps (including credit default swaps and total return swaps) and credit –linked notes. Such derivative instruments may be used for (i) hedging purposes, (ii) efficient portfolio management and/or (iii) investment purposes, subject to the Central Bank Rules. The derivatives will assist in achieving the investment objective of the Fund by allowing for the adjustment of risk (including credit, currency and interest rate risk) and by implementing trades in a more efficient and cost effective manner. Futures, options and forwards will allow the Fund to hedge against market risk, modify exposure to the underlying market and/or take investment positions. Swaps (including total return swaps) will offer the Fund independent profit opportunities as well as the possibility to hedge existing long positions. Credit linked notes may be used to gain access to debt markets that would otherwise be unavailable to the Fund but will not be used by the Fund to achieve economic exposure greater than would otherwise be achieved if executed in the cash market.
- The Fund may use derivative instruments to obtain both long and short exposures for investment and hedging purposes and in circumstances where the Investment Manager determines that the use of derivative instruments is more efficient or cost effective than direct investment. It is intended that the Fund will be managed to operate in normal circumstances within a range of between 90% and 150% long exposure and 0% and 50% short exposure. Having the facility to take short exposures in certain investments gives the Fund the ability to profit when the associated investments fall in value.
- The Investment Manager anticipates using financial derivative instruments, which means that the Fund may have a gross exposure greater than its Net Asset Value. The Fund will regularly monitor its gross exposure. Using the sum of the notionals methodology the level of leverage in the Fund is expected to be below 25% of the Net Asset Value of the Fund. However, under some market conditions it is possible that there may be a higher leverage level of 100% of the Net Asset Value of the Fund. It should be noted that these figures are not an indicator of economic leverage within the Fund. A figure for leverage based on the sum of the notionals of the derivatives used (the “sum of the notionals approach”) may appear high as it does not take into account the effect of any netting or hedging arrangements that the Fund has in place even though these netting and hedging arrangements may reduce risk and exposure. A large sum of the notionals figure is essentially indicative of a larger volume of derivatives being held in the portfolio. Accordingly, whether or not a derivative is used to increase economic risk or reduce economic risk, it will increase the sum of notionals figure. It should also be noted that often the economic exposure under a derivative may not be the notional value but a significantly lower mark-to-market or daily margin value.
- Under some market conditions it is possible that there may be a higher level of leverage of 40%. The risk of loss arising from this strategy will be monitored daily using the absolute VaR model where VaR shall not exceed 4.47% of the Net Asset Value of the Fund based on a 1 day time horizon, a “one-tailed” 99% confidence interval and a 1 year observation period. These criteria relating to the measurement of global exposure are prescribed in the Central Bank Rules. In practice VaR is expected to run at a level below the maximum allowable.
- The Fund may hold cash deposits as ancillary liquid assets and engage in foreign exchange transactions. The Fund is denominated in USD but may hold assets denominated in other currencies. Hence, the Net Asset Value may fall and rise purely as a result of exchange rate fluctuations. Further details in relation to the use of foreign exchange transactions is set out in Part IV entitled “Use of Techniques and Derivatives”.
- The Fund may invest up to 10% of its net assets in units or shares of open-ended collective investment schemes within the meaning of Regulation 68 of the Regulations. The Fund may not cross invest in other Funds of the Company.
- The Fund is suitable for medium to long-term investors looking for exposure to a diversified portfolio of US corporate debt securities aiming for a total return generated from a combination of capital gains and income.
- Save for exceptions permitted in Part III, entitled “Investment Restrictions”, the Fund may invest only in securities which are traded on a Regulated Market.

## PAYDEN GLOBAL EMERGING MARKETS BOND FUND

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. Shareholders should note that the Net Asset Value of the Fund may be subject to increased volatility as a consequence of the Fund's investment in below Investment Grade debt instruments and securities of issuers located in Emerging Markets.**

### **Objective:**

The Fund will seek to maximise total return by investing in a wide variety of below Investment Grade debt instruments and income-producing securities traded on Regulated Markets. For the avoidance of doubt, the Fund can invest in Investment Grade debt instruments.

### **Investment Policy and Types of Investments:**

- Investments will primarily consist of securities of issuers located in the Emerging Markets of Latin America, Asia and Europe (which for the avoidance of doubt, will include EU and Non-EU Member States) and which are traded out of New York and London.
- Investments will be denominated in US Dollars, Euro and local currencies.
- The Fund may also invest in such securities denominated in local currency units and traded on Regulated Markets.
- Under normal market conditions, the Fund will invest at least 75% of its Net Asset Value in debt instruments and Government Securities of Emerging Markets (or economically linked with such securities), and corporations organised or headquartered in Emerging Markets.
- The Fund may invest up to 25% of its Net Asset Value in other debt instruments and Government Securities, including those of issuers located in countries with developed securities markets.
- The Fund will invest in debt securities of any maturity and there is no limit on the Fund's maximum average portfolio maturity.
- The Fund will invest in debt securities that the Investment Manager believes offer attractive yields and are undervalued relative to securities of similar credit quality and interest rate sensitivity.
- Investments will consist of, but will not be limited to;
  - Government Securities;
  - debt obligations issued or guaranteed by supranational organisations (such as The World Bank, the Asian Development Bank, the European Investment Bank and the European Union.);
  - debt obligations issued or guaranteed by quasi government entities;
  - corporate debt securities;
  - mortgage-backed securities;
  - asset-backed securities;
  - *Pfandbriefe* – German asset-backed securities backed by private mortgages or public sector loans;
  - collateralised mortgage obligations (CMOs);
  - collateralised bond obligations (CBOs);
  - preferred stock;
  - convertible bonds (which may embed derivatives);
  - dividend-paying convertible stock;
  - financial derivative instruments (as further described below);
  - money-market securities, which include but are not limited to;
    - commercial paper issued by corporate entities;
    - certificates of deposit (CDs);
    - bankers' acceptances;
    - debt obligations of banks and their holding companies;
    - Treasury bills;
    - agency discount notes;
    - short corporate bonds (securities with less than one year to maturity);
    - money market funds.

- The Fund may employ the following investment techniques and instruments which may be exchange-traded or over-the-counter derivatives: futures, forwards, options, swaps (including credit default swaps and total return swaps), caps, floors and credit-linked notes. Such derivative instruments may be used for (i) hedging purposes, (ii) efficient portfolio management, and/or (iii) investment purposes, subject to the Central Bank Rules. The derivatives will assist in achieving the investment objective of the Fund by allowing for the adjustment of risk (including credit, currency and interest rate risk) and by implementing trades in a more efficient and cost effective manner. Futures, options, calls and forwards may allow the Fund to hedge against market risk, modify exposure to the underlying market and/or take investment positions. Swaps (including total return swaps) will offer the Fund independent profit opportunities as well as the possibility to hedge existing long positions. Caps and floors will be used by the Fund to minimise loss for the buyer in a volatile interest rate environment or to maximise gains for the seller from the premium received in a stable interest rate environment. Credit linked notes may be used to gain access to debt markets that would otherwise be unavailable to the Fund but will not be used by the Fund to achieve economic exposure greater than would otherwise be achieved if executed in the cash market.
- The Fund may use derivative instruments to obtain both long and short exposures for investment and hedging purposes and in circumstances where the Investment Manager determines that the use of derivative instruments is more efficient or cost effective than direct investment. It is intended that the Fund will be managed to operate in normal circumstances within a range of between 90% and 175% long exposure and 0% and 75% short exposure. Having the facility to take short exposures in certain investments gives the Fund the ability to profit when the associated investments fall in value.
- In accordance with CFTC Regulation 4.13(a)(3), the Fund's commodity interest positions (which for CFTC purposes include, but are not limited to, futures contracts, options on futures contracts and swaps), whether or not entered into for bona fide hedging purposes, will be limited such that either: (a) the aggregate initial margin, premiums and required minimum security deposit for retail forex transactions required to establish such positions will be limited to 5% of the liquidation value of the Fund's portfolio, after taking into account unrealized profits and unrealized losses on any such positions it has entered into; or (b) the aggregate net notional value (as described below) of such positions, determined at the time the most recent position was established, does not exceed 100% of the liquidation value of the Fund's portfolio, after taking into account unrealized profits and unrealized losses on any positions it has entered into. For futures contracts positions, notional value is calculated by multiplying the number of contracts by the size of the contract, in contract units (taking into account any multiplier specified in the contract), by the current market price per unit. For commodity options, notional value is calculated by multiplying the number of contracts by the size of the contract, adjusted by its delta, in contract units (taking into account any multiplier specified in the contract), by the strike price per unit. For a retail forex transaction, notional value is calculated as the value in US Dollars of such transaction, at the time the transaction was established, excluding for this purpose the value in US Dollars of the offsetting long and short transactions, if any. For cleared and uncleared swaps, the notional value is generally the notional amount. In determining aggregate net notional value, the Fund may net futures contracts and options on futures with the same underlying commodity across designated contract markets and foreign boards of trade and may net swaps cleared on the same derivatives clearing organization. *For the avoidance of doubt, in accordance with the requirements of the Central Bank, such commodity interest positions will not provide the Fund with exposure to commodities as understood by the Central Bank.*
- The Investment Manager anticipates using financial derivative instruments, which means that the Fund may have a gross exposure greater than its Net Asset Value. The Fund will regularly monitor its gross exposure. Using the sum of the notionals methodology the level of leverage in the Fund is expected to be 50% of the Net Asset Value of the Fund. Under some market conditions it is possible that there may be a higher leverage level of 150% of the Net Asset Value of the Fund. It should be noted that these figures are not an indicator of economic leverage within the Fund. A figure for leverage based on the sum of the notionals of the derivatives used (the "sum of the notionals approach") may appear high as it does not take into account the effect of any netting or hedging arrangements that the Fund has in place even though these netting and hedging arrangements may reduce risk and exposure. A large sum of the notionals figure is essentially indicative of a larger volume of derivatives being held in the portfolio. Accordingly, whether or not a derivative is used to increase economic risk or reduce economic risk, it will increase the sum of notionals figure. It should also be noted that often the economic exposure under a derivative may not be the notional value but a significantly lower mark-to-market or daily margin value.



- The risk of loss arising from this strategy will be monitored daily using the absolute VaR model where VaR shall not exceed 4.47% of the Net Asset Value of the Fund based on a 1 day time horizon, a “one-tailed” 99% confidence interval and a 1 year observation period. These criteria relating to the measurement of global exposure are prescribed in the Central Bank Rules. In practice VaR will run at a level below the maximum allowable.
- The Fund may hold cash deposits as ancillary liquid assets and engage in foreign exchange transactions. The Fund is denominated in USD but will hold assets denominated in other currencies. Hence, the Net Asset Value may fall and rise purely as a result of exchange rate fluctuations. Further details in relation to the use of foreign exchange transactions is set out in Part IV, entitled “Use of Techniques and Derivatives”.
- The Fund may invest up to 10% of its net assets in units or shares of open-ended collective investment schemes within the meaning of Regulation 68 of the Regulations.
- Subject to the provisions of the Companies Acts and the Central Bank Rules, the Fund may also cross invest in other Funds of the Company provided that investment may not be made in a Fund of the Company that itself holds shares in other Funds of the Company. No management, investment management, subscription or redemption fees will be payable in respect of any such cross investment and the aggregate that can be invested in collective investment schemes, whether through external or cross investment, will not exceed 10% of the Fund’s net assets.
- The Fund is suitable for medium to long-term investors seeking capital growth (in the case of Accumulating Shares) and capital growth and income (in the case of Distributing Shares).

## PAYDEN GLOBAL HIGH YIELD BOND FUND

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. Shareholders should note that the Net Asset Value of the Fund may be subject to increased volatility as a consequence of the Fund's investment in below Investment Grade debt instruments.**

### **Objective:**

The Fund will seek to maximise total return by investing primarily in high yield, below Investment Grade debt securities listed or traded on a Regulated Market in an OECD member state and denominated in a currency of an OECD member state.

### **Investment Objective and Types of Investments:**

- Investments will primarily consist of securities issued by corporations located in OECD member states.
- The Fund may also invest in Government Securities, supranationals and agencies of European countries (which for the avoidance of doubt, will include EU and Non-EU Member States) and the United States.
- The core (70%-90%) of the Net Asset Value of the Fund will consist of high yield debt securities in the BB and B rating categories.
- Investments outside this core may include, but are not limited to, (the numbers in brackets represent typical ranges of the Net Asset Value of the Fund);
  - CCC and lower rated debt securities (0%-10%)
  - preferred stocks (0%-5%)
  - convertible bonds (which may embed derivatives) and convertible preferred stock (0%-5% combined)
- The Fund may also invest in rights (which are issued by a company to allow shareholders to subscribe for additional securities issued by that company) and financial derivative instruments.
- The Fund may employ the following investment techniques and instruments which may be exchange-traded or over-the-counter derivatives: futures, forwards, options, swaps (including credit default swaps and total return swaps), caps, floors and credit-linked notes. Such derivative instruments may be used for (i) hedging purposes, (ii) efficient portfolio management, and/or (iii) investment purposes, subject to the Central Bank Rules. The derivatives will assist in achieving the investment objective of the Fund by allowing for the adjustment of risk (including credit, currency and interest rate risk) and by implementing trades in a more efficient and cost effective manner. Futures, options, calls and forwards may allow the Fund to hedge against market risk, modify exposure to the underlying market and/or take investment positions. Swaps (including total return swaps) will offer the Fund independent profit opportunities as well as the possibility to hedge existing long positions. Caps and floors will be used by the Fund to minimise loss for the buyer in a volatile interest rate environment or to maximise gains for the seller from the premium received in a stable interest rate environment. Credit linked notes may be used to gain access to debt markets that would otherwise be unavailable to the Fund but will not be used by the Fund to achieve economic exposure greater than would otherwise be achieved if executed in the cash market.
- The Fund may use derivative instruments to obtain both long and short exposures for investment and hedging purposes and in circumstances where the Investment Manager determines that the use of derivative instruments is more efficient or cost effective than direct investment. It is intended that the Fund will be managed to operate in normal circumstances within a range of between 90% and 125% long exposure and 0% and 25% short exposure. Having the facility to take short exposures in certain investments gives the Fund the ability to profit when the associated investments fall in value.
- The Investment Manager anticipates using financial derivative instruments, which means that the Fund may have a gross exposure greater than its Net Asset Value. The Fund will regularly monitor its gross exposure. Using the sum of the notionals methodology the level of leverage in the Fund is expected to be between 0% and 10% of the Net Asset Value of the Fund. Under some market conditions it is possible that there may be a higher leverage level of up to 50% of the Net Asset Value of the Fund. It should be noted that these figures are not an indicator of economic leverage within the Fund. A figure for leverage based on the sum of the notionals of the derivatives used (the "sum of the notionals approach") may appear high as it does not take into account the effect of any netting or hedging arrangements that the Fund has in place even though these netting and hedging arrangements may reduce risk and exposure. A large sum of the notionals figure is essentially indicative of a larger volume of derivatives being held in

the portfolio. Accordingly, whether or not a derivative is used to increase economic risk or reduce economic risk, it will increase the sum of notionals figure. It should also be noted that often the economic exposure under a derivative may not be the notional value but a significantly lower mark-to-market or daily margin value.

- The risk of loss arising from this strategy will be monitored daily using the absolute VaR model where VaR shall not exceed 4.47% of the Net Asset Value of the Fund based on a 1 day time horizon, a “one-tailed” 99% confidence interval and a 1 year observation period. These criteria relating to the measurement of global exposure are prescribed in the Central Bank Rules. In practice VaR will run at a level below the maximum allowable.
- The Fund may hold cash deposits as ancillary liquid assets and engage in foreign exchange transactions. The Fund is denominated in USD but will hold assets denominated in other currencies. Hence, the Net Asset Value may fall and rise purely as a result of exchange rate fluctuations. Further details in relation to the use of foreign exchange transactions is set out in Part IV, entitled “Use of Techniques and Derivatives”.
- The Fund may invest up to 10% of its net assets in units or shares of open-ended collective investment schemes within the meaning of Regulation 68 of the Regulations.
- Subject to the provisions of the Companies Acts and the Central Bank Rules, the Fund may also cross invest in other Funds of the Company provided that investment may not be made in a Fund of the Company that itself holds shares in other Funds of the Company. No management, investment management, subscription or redemption fees will be payable in respect of any such cross investment and the aggregate that can be invested in collective investment schemes, whether through external or cross investment, will not exceed 10% of the Fund’s net assets.
- The Fund is suitable for medium to long-term investors seeking capital growth (in the case of Accumulating Shares) and capital growth and income (in the case of Distributing Shares).

**Specific Restrictions:**

- It is the intention of the Fund to adhere to the investment limits referred to above as much as possible. However, subject to the limits set out in the Prospectus, market circumstances may lead to substantial temporary deviations from this policy.
- The Fund will invest a minimum of 75% of its Net Asset Value in securities rated below Investment Grade (BBB-).
- The acquisition of equities resulting from the exercise of conversion rights is permissible but the total value of such equities shall not exceed more than 10% of the Net Asset Value of the Fund at any time.

## PAYDEN ABSOLUTE RETURN BOND FUND

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.** Shareholders should note that the Net Asset Value of the Fund may be subject to increased volatility as a consequence of the Fund's investment in below Investment Grade debt instruments and securities of issuers located in Emerging Markets.

### **Objective:**

The Fund aims to achieve a return of 300 basis points above 1 month LIBOR (or the equivalent for each currency share class) over a 3-year period, while seeking preservation of capital.

### **Investment Policy and Types of Investments:**

- In order to achieve its objective the Fund will invest predominantly in a wide variety of fixed and floating rate Investment Grade and below Investment Grade debt instruments and income-producing securities traded on Regulated Markets worldwide.
- While the Fund may invest in debt instruments and Government Securities of issuers located in any geographic region, the Fund may invest a substantial portion of its Net Asset Value in debt instruments and Government Securities of issuers organised or headquartered in Emerging Markets. The Fund's investment in Emerging Markets may include investment of up to 5% in Russian Government Securities and debt instruments issued by corporations organised or headquartered in Russia. Investments in securities listed or traded in Russia will only be made in securities that are listed or traded on Level 1 or Level 2 of the the Moscow Exchange MICEX – RTS. Investments will be denominated in US Dollars, Sterling, Euro and local currencies.
- The Fund will invest in debt securities that the Investment Manager believes offer attractive risk-adjusted value.
- Investments will generally consist of, but will not be limited to;
  - Government Securities;
  - debt obligations issued or guaranteed by supranational organisations (such as The World Bank, the Asian Development Bank, the European Investment Bank and the European Union);
  - debt obligations issued or guaranteed by quasi government entities;
  - corporate debt securities (including Rule 144A Securities and Regulation S Securities);
  - mortgage-backed securities;
  - asset-backed securities;
  - *Pfandbriefe* – German asset-backed securities backed by private mortgages or public sector loans;
  - loan participation notes;
  - financial derivative instruments (as further described below);
  - money-market securities, which include but are not limited to;
    - commercial paper issued by corporate entities;
    - certificates of deposit (CDs);
    - bankers' acceptances;
    - debt obligations of banks and their holding companies;
    - Treasury bills;
    - agency discount notes;
    - short corporate bonds (securities with less than one year to maturity);
    - money market funds.
- The Fund may invest up to 15% of its Net Asset Value in equities in and equity related instruments such as but not limited to: ordinary shares; preference shares; convertible bonds (which may embed derivatives); closed-ended REITs and Master Limited Partnerships. Investments in equities and equity related instruments may be listed or traded on Regulated Market worldwide.
- The Fund may employ the following investment techniques and instruments which may be exchange-traded or over-the-counter derivatives: futures, forwards (including "to-be-announced" securities), options, swaps (including total return swaps and credit default swaps) caps, floors and credit-linked notes. Such derivative instruments may be used for (i) hedging purposes, (ii) efficient portfolio

management, and/or (iii) investment purposes, subject to the Central Bank Rules. The derivatives will assist in achieving the investment objective of the Fund by allowing for the adjustment of risk (including credit, currency and interest rate risk) and by implementing trades in a more efficient and cost effective manner. Futures, options, calls and forwards may allow the Fund to hedge against market risk, modify exposure to the underlying market and/or take investment positions. Swaps (including total return swaps) will offer the Fund independent profit opportunities as well as the possibility to hedge existing long positions. Caps and floors will be used by the Fund to minimise loss for the buyer in a volatile interest rate environment or to maximise gains for the seller from the premium received in a stable interest rate environment. Credit linked notes may be used to gain access to debt markets that would otherwise be unavailable to the Fund but will not be used by the Fund to achieve economic exposure greater than would otherwise be achieved if executed in the cash market.

- The Fund may use derivative instruments to obtain both long and short exposures for investment and hedging purposes and in circumstances where the Investment Manager determines that the use of derivative instruments is more efficient or cost effective than direct investment. It is intended that the Fund will be managed to operate in normal circumstances within a range of between 90% and 300% long exposure and 0% and 200% short exposure. Having the facility to take short exposures in certain investments gives the Fund the ability to profit when the associated investments fall in value.
- The Investment Manager anticipates using financial derivative instruments, which means that the Fund may have a gross exposure greater than its Net Asset Value. The Fund will regularly monitor its gross exposure. Using the sum of the notionals methodology the level of leverage in the Fund is expected to be 200% of the Net Asset Value of the Fund. Under some market conditions and/or where the Investment Manager considers additional hedging is required it is possible that there may be a higher leverage level of 400% of the Net Asset Value of the Fund. It should be noted that these figures are not an indicator of economic leverage within the Fund. A figure for leverage based on the sum of the notionals of the derivatives used (the “sum of the notionals approach”) may appear high as it does not take into account the effect of any netting or hedging arrangements that the Fund has in place even though these netting and hedging arrangements may reduce risk and exposure. A large sum of the notionals figure is essentially indicative of a larger volume of derivatives being held in the portfolio. Accordingly, whether or not a derivative is used to increase economic risk or reduce economic risk, it will increase the sum of notionals figure. It should also be noted that often the economic exposure under a derivative may not be the notional value but a significantly lower mark-to-market or daily margin value.
- The risk of loss arising from this strategy will be monitored daily using the absolute VaR model where VaR shall not exceed 4.47% of the Net Asset Value of the Fund based on a 1 day time horizon, a “one-tailed” 99% confidence interval and a 1 year observation period. These criteria relating to the measurement of global exposure are prescribed in the Central Bank Rules. In practice VaR will run at a level below the maximum allowable.
- The Fund may hold cash deposits as ancillary liquid assets and engage in foreign exchange transactions. The Fund is denominated in USD but will hold assets denominated in other currencies. Hence, the Net Asset Value may fall and rise purely as a result of exchange rate fluctuations. Further details in relation to the use of foreign exchange transactions is set out in Part IV, entitled “Use of Techniques and Derivatives”.
- The Fund may invest up to 10% of its net assets in units or shares of open-ended collective investment schemes within the meaning of Regulation 68 of the Regulations. The collective investment schemes in which the Fund invests will have similar investment objectives and policies to the Fund and may include exchange-traded funds.
- Subject to the provisions of the Companies Acts and the Central Bank Rules, the Fund may also cross invest in other Funds of the Company provided that investment may not be made in a Fund of the Company that itself holds shares in other Funds of the Company. No management, investment management, subscription or redemption fees will be payable in respect of any such cross investment and the aggregate that can be invested in collective investment schemes, whether through external or cross investment, will not exceed 10% of the Fund’s net assets.
- The Fund is suitable for medium to long-term investors seeking capital growth (in the case of Accumulating Shares) and capital growth and income (in the case of Distributing Shares).

## PAYDEN GLOBAL GOVERNMENT BOND INDEX FUND

### Objective:

The investment objective of the Fund is to track the total return of global developed market government bonds as reflected by the FTSE World Government Bond Index, gross of fees, by investing in a representative sample of bonds.

### Investment Policy and Types of Investments:

- The Fund currently expects to invest primarily in global developed market government debt securities.
- Investments will consist of, but will not be limited to;
  - Government securities;
  - money-market securities, which include but are not limited to;
  - money market funds.
- The Fund may employ the following investment techniques and instruments which may be exchange-traded or over-the-counter derivatives: futures, forwards, options, swaps (including credit default swaps and total return swaps), caps, floors and credit-linked notes. Such derivative instruments may be used for (i) hedging purposes, (ii) efficient portfolio management, and/or (iii) investment purposes, subject to the Central Bank Rules. The derivatives will assist in achieving the investment objective of the Fund by allowing for the adjustment of risk (including credit, currency and interest rate risk) and by implementing trades in a more efficient and cost effective manner. Futures, options, calls and forwards may allow the Fund to hedge against market risk, modify exposure to the underlying market and/or take investment positions. Swaps (including total return swaps) will offer the Fund independent profit opportunities as well as the possibility to hedge existing long positions. Caps and floors will be used by the Fund to minimise loss for the buyer in a volatile interest rate environment or to maximise gains for the seller from the premium received in a stable interest rate environment. Credit linked notes may be used to gain access to debt markets that would otherwise be unavailable to the Fund but will not be used by the Fund to achieve economic exposure greater than would otherwise be achieved if executed in the cash market.
- The Fund may use derivative instruments to obtain both long and short exposures for investment and hedging purposes and in circumstances where the Investment Manager determines that the use of derivative instruments is more efficient or cost effective than direct investment. It is intended that the Fund will be managed to operate in normal circumstances within a range of between 90% and 150% long exposure and 0% and 50% short exposure. Having the facility to take short exposures in certain investments gives the Fund the ability to profit when the associated investments fall in value.
- The Investment Manager anticipates using financial derivative instruments, which means that the Fund may have a gross exposure greater than its Net Asset Value. The Fund will regularly monitor its gross exposure. Using the sum of the notionals methodology the level of leverage in the Fund is expected to be 75% of the Net Asset Value of the Fund. Under some market conditions and/or where the Investment Manager considers additional hedging is required it is possible that there may be a higher leverage level of 200% of the Net Asset Value of the Fund. It should be noted that these figures are not an indicator of economic leverage within the Fund. A figure for leverage based on the sum of the notionals of the derivatives used (the “sum of the notionals approach”) may appear high as it does not take into account the effect of any netting or hedging arrangements that the Fund has in place even though these netting and hedging arrangements may reduce risk and exposure. A large sum of the notionals figure is essentially indicative of a larger volume of derivatives being held in the portfolio. Accordingly, whether or not a derivative is used to increase economic risk or reduce economic risk, it will increase the sum of notionals figure. It should also be noted that often the economic exposure under a derivative may not be the notional value but a significantly lower mark-to-market or daily margin value.
- The risk of loss arising from this strategy will be monitored daily using the absolute VaR model where VaR shall not exceed 4.47% of the Net Asset Value of the Fund based on a 1 day time horizon, a “one-tailed” 99% confidence interval and a 1 year observation period. These criteria relating to the measurement of global exposure are prescribed in the Central Bank Rules. In practice VaR will run at a level below the maximum allowable.
- The Fund may hold cash deposits as ancillary liquid assets and engage in foreign exchange transactions. The Fund is denominated in USD but will hold assets denominated in other currencies. Hence, the Net Asset Value may fall and rise purely as a result of exchange rate fluctuations. Further details in relation

to the use of foreign exchange transactions is set out in Part IV, entitled “Use of Techniques and Derivatives”.

- The Fund may invest up to 10% of its net assets in units or shares of open-ended collective investment schemes within the meaning of Regulation 68 of the Regulations.
- Subject to the provisions of the Companies Acts and the Central Bank Rules, the Fund may also cross invest in other Funds of the Company provided that investment may not be made in a Fund of the Company that itself holds shares in other Funds of the Company. No management, investment management, subscription or redemption fees will be payable in respect of any such cross investment and the aggregate that can be invested in collective investment schemes, whether through external or cross investment, will not exceed 10% of the Fund’s net assets.
- Save for exceptions permitted in Part III, entitled “Investment Restrictions”, the Fund may invest only in securities which are traded on a Regulated Market.
- The Fund is suitable for medium to long-term investors seeking capital growth (in the case of Accumulating Shares) and capital growth and income (in the case of Distributing Shares).

**Specific Restrictions:**

- Under normal circumstances, the Fund will invest primarily in debt securities issued by global developed market governments that are considered Investment Grade at the time of purchase by at least one of the established Rating Agencies or if unrated, are determined to be of comparable quality by the Investment Manager.
- With the exception of Government Securities, the Fund will invest no more than 10% of its Net Asset Value, in any one issuer.

## PAYDEN GLOBAL INFLATION-LINKED BOND FUND

### Objective:

The investment objective of the Fund is to protect investors from a possible rise in inflation by investing in a globally diversified range of Investment Grade global inflation-linked bonds, issued by governments and government agencies in Developed Countries.

### Investment Policy and Types of Investments:

- The Fund will invest in debt securities issued by the governments and government agencies of the US, Canada, Australia, New Zealand, EU Member States, the United Kingdom and Japan.
- Investments will consist of, but will not be limited to;
  - Government inflation-linked and fixed rate securities;
  - Inflation-linked and fixed rate securities issued by quasi-government, government-owned or government-guaranteed entities;
  - debt obligations issued or guaranteed by supranational organisations (such as The World Bank, the Asian Development Bank, the European Investment Bank and the European Union);
  - financial derivative instruments limited to government bond and interest rate futures contracts, interest rate swaps and inflation swaps, and forward foreign exchange contracts for currency hedging purposes;
- The Fund may employ the following investment techniques and instruments which may be exchange-traded or over-the-counter derivatives: futures, forwards, options, swaps (including credit default swaps and total return swaps), caps, floors and credit-linked notes. Such derivative instruments may be used for (i) hedging purposes, (ii) efficient portfolio management, and/or (iii) investment purposes, subject to the Central Bank Rules. The derivatives will assist in achieving the investment objective of the Fund by allowing for the adjustment of risk (including credit, currency and interest rate risk) and by implementing trades in a more efficient and cost effective manner. Futures, options, calls and forwards may allow the Fund to hedge against market risk, modify exposure to the underlying market and/or take investment positions. Swaps (including total return swaps) will offer the Fund independent profit opportunities as well as the possibility to hedge existing long positions. Caps and floors will be used by the Fund to minimise loss for the buyer in a volatile interest rate environment or to maximise gains for the seller from the premium received in a stable interest rate environment. Credit linked notes may be used to gain access to debt markets that would otherwise be unavailable to the Fund but will not be used by the Fund to achieve economic exposure greater than would otherwise be achieved if executed in the cash market.
- The Fund may use derivative instruments to obtain both long and short exposures for investment and hedging purposes and in circumstances where the Investment Manager determines that the use of derivative instruments is more efficient or cost effective than direct investment. It is intended that the Fund will be managed to operate in normal circumstances within a range of between 90% and 175% long exposure and 0% and 75% short exposure. Having the facility to take short exposures in certain investments gives the Fund the ability to profit when the associated investments fall in value.
- The Investment Manager anticipates using financial derivative instruments, which means that the Fund may have a gross exposure greater than its Net Asset Value. The Fund will regularly monitor its gross exposure. Using the sum of the notionals methodology the level of leverage in the Fund is expected to be 50% of the Net Asset Value of the Fund. Under some market conditions it is possible that there may be a higher leverage level of 150% of the Net Asset Value of the Fund. It should be noted that these figures are not an indicator of economic leverage within the Fund. A figure for leverage based on the sum of the notionals of the derivatives used (the “sum of the notionals approach”) may appear high as it does not take into account the effect of any netting or hedging arrangements that the Fund has in place even though these netting and hedging arrangements may reduce risk and exposure. A large sum of the notionals figure is essentially indicative of a larger volume of derivatives being held in the portfolio. Accordingly, whether or not a derivative is used to increase economic risk or reduce economic risk, it will increase the sum of notionals figure. It should also be noted that often the economic exposure under a derivative may not be the notional value but a significantly lower mark-to-market or daily margin value.



- The risk of loss arising from this strategy will be monitored daily using the absolute VaR model where VaR shall not exceed 4.47% of the Net Asset Value of the Fund based on a 1 day time horizon, a “one-tailed” 99% confidence interval and a 1 year observation period. These criteria relating to the measurement of global exposure are prescribed in the Central Bank Rules. In practice VaR will run at a level below the maximum allowable.
- The Fund may hold cash deposits as ancillary liquid assets and engage in foreign exchange transactions. The Fund is denominated in USD but will hold assets denominated in other currencies. Hence, the Net Asset Value may fall and rise purely as a result of exchange rate fluctuations. Further details in relation to the use of foreign exchange transactions is set out in Part IV, entitled “Use of Techniques and Derivatives”.
- The Fund may invest up to 10% of its net assets in units or shares of open-ended collective investment schemes within the meaning of Regulation 68 of the Regulations principally for cash sweep purposes.
- Subject to the provisions of the Companies Acts and the Central Bank Rules, the Fund may also cross invest in other Funds of the Company provided that investment may not be made in a Fund of the Company that itself holds shares in other Funds of the Company. No management, investment management, subscription or redemption fees will be payable in respect of any such cross investment and the aggregate that can be invested in collective investment schemes, whether through external or cross investment, will not exceed 10% of the Fund’s net assets.
- Save for exceptions permitted in Part III, entitled “Investment Restrictions”, the Fund may invest only in securities which are traded on a Regulated Market.
- The Fund is suitable for medium to long-term investors seeking capital growth (in the case of Accumulating Shares) and capital growth and income (in the case of Distributing Shares).

**Specific Restrictions:**

- Mortgage-backed and asset-backed securities are explicitly prohibited.
- Securities issued by non-public sector issuers are explicitly prohibited.
- Under normal circumstances, the Fund will invest primarily in debt securities that are considered Investment Grade at the time of purchase by at least one of the established Rating Agencies or if unrated, are determined to be of comparable quality by the Investment Manager. If any debt securities held by the Fund are down-graded below Investment Grade, the Investment Manager will adopt as a priority objective for its sales transactions the sale of such instruments.

## PAYDEN STERLING RESERVE FUND

### Objective:

The Fund will seek to provide capital security, liquidity and a yield in excess of that offered by money market funds and bank deposits by investing in a diversified range of sterling-denominated, Investment Grade, fixed and floating rate securities. The intention is to invest the Fund in a way that is consistent with the maintenance of a AA Af rating from Fitch or equivalent from another major Rating Agency.

### Investment Policy and Types of Investments:

- The Fund will invest only in sterling-denominated, Investment grade debt securities.
- Investments will consist of, but will not be limited to the following;
  - Government Securities;
  - debt obligations issued or guaranteed by supranational organisations (such as The World Bank, the Asian Development Bank, the European Investment Bank and the European Union.);
  - debt obligations issued or guaranteed by quasi government entities;
  - corporate debt securities;
  - asset-backed securities;
  - mortgage-backed securities;
  - money-market securities, which include but are not limited to;
    - commercial paper issued by corporate entities;
    - certificates of deposit (CDs);
    - bankers' acceptances;
    - debt obligations of banks and their holding companies;
    - Treasury bills;
    - agency discount notes;
    - short corporate bonds (securities with less than one year to maturity);
    - money market funds.
- The Fund may employ the following investment techniques and instruments which may be exchange-traded or over-the-counter derivatives: futures, options, interest rate swaps and inflation swaps. Such derivative instruments may be used for (i) hedging purposes, (ii) efficient portfolio management, and/or (iii) investment purposes, subject to the Central Bank Rules. These derivatives will assist in achieving the investment objective of the Fund by allowing for the adjustment of risk (including interest rate and inflation risk) and by implementing trades in a more efficient and cost effective manner. Futures, options, calls and forwards may allow the Fund to hedge against market risk, modify exposure to the underlying market and/or take investment positions. Swaps will offer the Fund independent profit opportunities as well as the possibility to hedge existing long positions.
- The Fund may use derivative instruments to obtain both long and short exposures for investment and hedging purposes and in circumstances where the Investment Manager determines that the use of derivative instruments is more efficient or cost effective than direct investment. It is intended that the Fund will be managed to operate in normal circumstances within a range of between 90% and 110% long exposure and 0% and 10% short exposure. Having the facility to take short exposures in certain investments gives the Fund the ability to profit when the associated investments fall in value.
- While the Fund is permitted to employ investment techniques and instruments as set out in the preceding paragraph, the Investment Manager does not anticipate using financial derivative instruments in this Fund under normal circumstances. The Fund expects to operate without leverage most of the time and will usually have a gross exposure of zero. There may be certain instances for limited periods of time, when financial derivative instruments are used, mainly for hedging and efficient portfolio management. At these times the Fund will regularly monitor its leverage. Using the sum of the notionals methodology the level of leverage in the Fund is expected to be 0% of the Net Asset Value of the Fund. Under some market conditions it is possible that there may be a higher leverage level of 10% of the Net Asset Value of the Fund. It should be noted that these figures are not an indicator of economic leverage within the Fund. A figure for leverage based on the sum of the notionals of the derivatives used (the "sum of the notionals approach") may appear high as it does not take into account the effect of any netting or hedging arrangements that the Fund has in place even though these netting and hedging arrangements may reduce exposure. A large sum of the notionals figure is essentially indicative of a larger volume of derivatives being held in the portfolio. Accordingly, whether or not a derivative is used to increase economic risk or

reduce economic risk, it will increase the sum of notionals figure. It should also be noted that often the economic exposure under a derivative may not be the notional value but a significantly lower mark-to-market or daily margin value.

- The risk of loss arising from this strategy will be monitored daily using the absolute VaR model where VaR shall not exceed 4.47% of the Net Asset Value of the Fund based on a 1 day time horizon, a “one-tailed” 99% confidence interval and a 1 year observation period. These criteria relating to the measurement of global exposure are prescribed in the Central Bank Rules. In practice VaR will run at a level below the maximum allowable.
- The Fund may hold cash deposits as ancillary liquid assets.
- The Fund may invest up to 10% of its net assets in units or shares of open-ended sterling-denominated collective investment schemes within the meaning of Regulation 68 of the Regulations.
- Subject to the provisions of the Companies Acts and the Central Bank Rules, the Fund may also cross invest in other Funds of the Company provided that investment may not be made in a Fund of the Company that itself holds shares in other Funds of the Company. No management, investment management, subscription or redemption fees will be payable in respect of any such cross investment and the aggregate that can be invested in collective investment schemes, whether through external or cross investment, will not exceed 10% of the Fund’s net assets.
- Save for exceptions permitted in Part III, entitled “Investment Restrictions”, the Fund may invest only in securities which are traded on a Regulated Market.
- The Fund is suitable for medium to long-term investors seeking capital growth (in the case of Accumulating Shares) and capital growth and income (in the case of Distributing Shares).

#### **Specific Restrictions:**

- At the time of purchase all investments will be considered Investment Grade by at least one of the established Rating Agencies or, if unrated, will be deemed to be of comparable quality by the Investment Manager. The following minimum credit quality restrictions will apply at purchase: (i) the minimum credit quality of any security with a maturity greater than 12 months is A- (Fitch or S&P) or A3 (Moody’s) or equivalent and (ii) the minimum credit quality of any security with a maturity of 12 months or less is F1 (Fitch), A1 (S&P) or P1 (Moody’s) or equivalent.
- With the exception of Government Securities, the Fund will invest no more than 10% of its Net Asset Value, in any one issuer.
- Subordinated debt is prohibited.
- Maximum of 50% of the Fund will be invested in corporate securities with maturities over 12 months. Corporate securities with government guarantees are excluded from this limitation.
- Maximum average effective maturity of the Fund is 2.5 years. Maximum average effective duration of the Fund is 2.0 years.
- Maximum effective maturity of any individual security is 5.25 years. The effective maturity of individual securities shall be the weighted average life for amortizing securities and securities that use a weighted average life industry convention and shall be the stated final maturity for all other securities.

**The Fund may invest a significant amount of its Net Asset Value in deposits with credit institutions and/or money market instruments. The attention of investors is drawn to the difference between the nature of a deposit and the nature of an investment in the Fund because the principal invested in the Fund is capable of fluctuation as the Net Asset Value of the Fund fluctuates.**

## **PAYDEN GLOBAL EQUITY INCOME FUND**

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

### **Objective:**

The investment objective of the Fund is to achieve income and long-term capital growth by investing primarily in equity securities and on a global basis.

### **Investment Policy and Types of Investments:**

The Fund seeks to achieve its objective by investing primarily in large capitalisation value equities, i.e. equities with above-average dividend yields and large market capitalisations, and other income-producing equity securities, including preferred equities, real estate investment trusts ("REITs") and master limited partnerships ("MLPs").

The Investment Manager screens the global equity markets to identify and target large capitalisation companies with above-average dividend yields. The Investment Manager seeks to identify and target portfolio characteristics that it believes will produce superior risk-adjusted returns relative to the broad market. Such characteristics may include: dividend yield and dividend growth, systematic risk relative to the broad market and earnings growth. The Investment Manager uses proprietary in-depth fundamental research to analyse companies from both equity and bond perspectives to identify companies capable of maintaining and increasing their dividends. In carrying out its research of companies, the Investment Manager considers company and industry outlooks, quality of company management, relative value and dividend and shareholder policy. In determining the Fund's asset allocation among the instruments described above, the Investment Manager's research-driven investment strategy will have regard to long-term capital market assumptions and its short-to-medium term views on the relative attractiveness of the asset in focus as compared to the other asset classes in which the Investment Manager may invest. The Investment Manager seeks to build the portfolio to achieve the characteristics mentioned above based on what characteristics each asset class can provide. For example, if the focus is yield, an increased proportion of the portfolio will be comprised of income-producing equity securities.

While the Fund invests in equity securities and derivatives on a global basis, it is not proposed to concentrate investments in any one country or sector, with the Investment Manager maintaining diversification across sectors, security types and regions. The Fund may invest up to 20% of its Net Asset Value in equity securities of issuers located in Emerging Markets. The Fund may invest in local market securities directly, or, through American Depositary Receipts and Global Depositary Receipts.

The Investment Manager intends to pursue the Fund's investment objective by investing in the instruments listed below:

- Common and preferred equities;
- Equity related securities including American Depositary Receipts ("ADR") and Global Depositary Receipts ("GDR"). A depositary receipt (i.e. ADR or GDR) is a negotiable certificate held in a bank of one country representing an ownership interest in a specific number of shares in a corporation of another country which is traded independently from the underlying shares on an exchange or otherwise; and
- Income-producing equity securities such as REITs and MLPs.

As outlined above, the investment strategy is primarily a long-only equity strategy. There may, however, be occasions where, for tactical and efficient strategy, the following instruments may be used where the Fund is not fully invested in equities and equity-related securities. The below listed instruments will not form a primary focus of the Fund:

- Money Market instruments, including certificates of deposit and bankers' acceptances, for ancillary liquidity purposes;
- The Fund may invest up to 10% of its net assets in the unit or shares of open ended collective investment schemes within the meaning of Regulation 68 of the Regulations including exchange traded funds ("ETFs") which 10% limit includes money market funds.

- Subject to the provisions of the Companies Acts and the Central Bank Rules, the Fund may also cross invest in other Funds of the Company provided that investment may not be made in a Fund of the Company that itself holds shares in other Funds of the Company. No management, investment management, subscription or redemption fees will be payable in respect of any such cross investment and the aggregate that may be invested in collective investment schemes, whether through external or cross investment will not exceed 10% of the Fund's net assets. Please see "Cross-Investment" for further details.
- The Fund may employ the following investment techniques and instruments which may be exchange-traded or over-the-counter derivatives: futures (equity index futures that meet UCITS eligibility requirements), forwards (currency forwards) and options (options on equity index futures and individual equity securities that meet UCITS eligibility requirements). Such derivative instruments on indices may be used for efficient portfolio management with forwards being used for hedging purposes, efficient portfolio management, and/or investment purposes, subject to the Central Bank Rules. The derivatives will assist in achieving the investment objective of the Fund by allowing for the adjustment of risk (including equity, currency and interest rate risk) and by implementing trades in a more efficient and cost effective manner. Futures, options and forwards may allow the Fund to hedge against market risk, gain exposure to equities and equity-related securities, modify exposure to the underlying market and/or take investment positions.
- While the Fund will be managed generally on a long-only basis, the Fund may use the above mentioned derivative instruments to obtain both long and short exposures for investment and hedging purposes and in circumstances where the Investment Manager determines that the use of derivative instruments is more efficient or cost effective than direct investment. Short positions will generally only be applied to equity index futures and ETFs to hedge long positions and reduce long exposure. It is intended that the Fund will be managed to operate in normal circumstances within a range of between 90% and 300% long exposure and 0% and 200% short exposure. Having the facility to take short exposures in certain investments gives the Fund the ability to profit when the associated investments fall in value. In certain environments, by maintaining a blend of both long and short positions, the Fund also seeks to reduce its exposure to directional market movements.
- The Investment Manager anticipates using financial derivative instruments, which means that the Fund may have a gross exposure greater than its Net Asset Value. The Fund will regularly monitor its gross exposure. Using the sum of the notionals methodology the level of leverage in the Fund is expected to be 200% of the Net Asset Value of the Fund. Under some market conditions and/or where the Investment Manager considers additional hedging is required it is possible that there may be a higher leverage level of 400% of the Net Asset Value of the Fund. It should be noted that these figures are not an indicator of economic leverage within the Fund. A figure for leverage based on the sum of the notionals of the derivatives used (the "sum of the notionals approach") may appear high as it does not take into account the effect of any netting or hedging arrangements that the Fund has in place even though these netting and hedging arrangements may reduce risk and exposure. A large sum of the notionals figure is essentially indicative of a larger volume of derivatives being held in the portfolio. Accordingly, whether or not a derivative is used to increase economic risk or reduce economic risk, it will increase the sum of notionals figure. It should also be noted that often the economic exposure under a derivative may not be the notional value but a significantly lower mark-to-market or daily margin value.
- The Fund will use the relative VaR approach to measure the maximum potential loss due to market risk at a given confidence level over a specified time period under prevailing market conditions. The risk of loss of the Fund will be monitored daily to ensure that the VaR of the Fund shall not exceed twice that of the VaR of the reference portfolio based on a 1 day time horizon, a "one-tailed" 99% confidence interval and an observation period of at least 1 year. The reference portfolio is the MSCI World Index. These criteria relating to the measurement of global exposure are prescribed in the Central Bank Rules. In practice VaR will run at a level below the maximum allowable.
- The Fund may hold cash deposits as ancillary liquid assets.
- The Fund is denominated in USD but will hold assets denominated in other currencies. Hence, the Net Asset Value may fall and rise purely as a result of exchange rate fluctuations. The Investment Manager may choose to engage in foreign exchange transactions to hedge currency exposure. Further details in relation to the use of foreign exchange transactions is set out in Part IV, entitled "Use of Techniques and Derivatives".

- Save for exceptions permitted in Part III, entitled “Investment Restrictions”, the Fund may invest only in securities which are traded on a Regulated Market.
- The Fund is suitable for medium to long-term investors seeking capital growth (in the case of Accumulating Shares) and capital growth and income (in the case of Distributing Shares).

**Specific Restrictions:**

A maximum of up to 20% of the Net Asset Value of the Fund may be invested in securities issued by issuers established in an Emerging Market.

**Establishment Costs:**

All fees and expenses relating to the establishment and organisation of the Fund as detailed in the section of the Prospectus entitled "General Expenses" shall be borne by the Fund and amortised in accordance with the provisions of the Prospectus. Such fees are estimated to amount to €20,000.

**Listing:**

Application has been made to the Irish Stock Exchange for all Share Classes of the Sub-Fund to be admitted to the Official List and trading on the Main Securities Market of the Irish Stock Exchange.

## **PAYDEN US EQUITY INCOME FUND**

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

### **Objective:**

The investment objective of the Fund is to achieve income and long-term capital growth by investing primarily in equity securities in the United States.

### **Investment Policy and Types of Investments:**

The Fund seeks to achieve its objective by investing primarily in large capitalisation value equities, i.e. equities with above-average dividend yields and large market capitalisations, and other income-producing equity securities, including preferred equities, real estate investment trusts ("REITs") and master limited partnerships ("MLPs").

The Investment Manager screens the US equity markets to identify and target large capitalisation companies with above-average dividend yields. The Investment Manager seeks to identify and target portfolio characteristics that it believes will produce superior risk-adjusted returns relative to the broad market. Such characteristics may include: dividend yield and dividend growth, systematic risk relative to the broad market and earnings growth. The Investment Manager uses proprietary in-depth fundamental research to analyse companies from both equity and bond perspectives to identify companies capable of maintaining and increasing their dividends. In carrying out its research of companies, the Investment Manager considers company and industry outlooks, quality of company management, relative value and dividend and shareholder policy. In determining the Fund's asset allocation among the instruments described above, the Investment Manager's research-driven investment strategy will have regard to long-term capital market assumptions and its short-to-medium term views on the relative attractiveness of the asset in focus as compared to the other asset classes in which the Investment Manager may invest. The Investment Manager seeks to build the portfolio to achieve the characteristics mentioned above based on what characteristics each asset class can provide. For example, if the focus is yield, an increased proportion of the portfolio will be comprised of income-producing equity securities.

While the Fund invests in equity securities and derivatives, it is not proposed to concentrate investments in any one sector or security type, with the Investment Manager maintaining diversification across sectors, security types and regions. The Fund invests principally in US securities but may invest up to 30% of its Net Asset Value in non-US equity securities, including, up to 20% of its Net Asset Value in equity securities of issuers located in Emerging Markets. The Fund may invest in local market securities directly, or, through American Depositary Receipts and Global Depositary Receipts.

The Investment Manager intends to pursue the Fund's investment objective by investing in the instruments listed below:

- Common and preferred equities;
- Equity related securities including American Depositary Receipts ("ADR") and Global Depositary Receipts ("GDR"). A depositary receipt (i.e. ADR or GDR) is a negotiable certificate held in a bank of one country representing an ownership interest in a specific number of shares in a corporation of another country which is traded independently from the underlying shares on an exchange or otherwise; and
- Income-producing equity securities such as REITs and MLPs.

As outlined above, the investment strategy is primarily a long-only equity strategy. There may, however, be occasions where, for tactical and efficient strategy, the following instruments may be used where the Fund is not fully invested in equities and equity-related securities. The below listed instruments will not form a primary focus of the Fund:

- Money Market instruments, including certificates of deposit and bankers' acceptances, for ancillary liquidity purposes;

- The Fund may invest up to 10% of its net assets in the unit or shares of open ended collective investment schemes within the meaning of Regulation 68 of the Regulations including exchange traded funds (“ETFs”) which 10% limit includes money market funds.
- Subject to the provisions of the Companies Acts and the Central Bank Rules, the Fund may also cross invest in other Funds of the Company provided that investment may not be made in a Fund of the Company that itself holds shares in other Funds of the Company. No management, investment management, subscription or redemption fees will be payable in respect of any such cross investment and the aggregate that may be invested in collective investment schemes, whether through external or cross investment will not exceed 10% of the Fund’s net assets. Please see "Cross-Investment" for further details.
- The Fund may employ the following investment techniques and instruments which may be exchange-traded or over-the-counter derivatives: futures (equity index futures that meet UCITS eligibility requirements), forwards (currency forwards) and options (options on equity index futures and individual equity securities that meet UCITS eligibility requirements). Such derivative instruments on indices may be used for efficient portfolio management with forwards being used for hedging purposes, efficient portfolio management, and/or investment purposes, subject to the Central Bank Rules. The derivatives will assist in achieving the investment objective of the Fund by allowing for the adjustment of risk (including equity, currency and interest rate risk) and by implementing trades in a more efficient and cost effective manner. Futures, options and forwards may allow the Fund to hedge against market risk, gain exposure to equities and equity-related securities, modify exposure to the underlying market and/or take investment positions.
- While the Fund will be managed generally on a long-only basis, the Fund may use the above mentioned derivative instruments to obtain both long and short exposures for investment and hedging purposes and in circumstances where the Investment Manager determines that the use of derivative instruments is more efficient or cost effective than direct investment. Short positions will generally only be applied to equity index futures and ETFs to hedge long positions and reduce long exposure. It is intended that the Fund will be managed to operate in normal circumstances within a range of between 90% and 300% long exposure and 0% and 200% short exposure. Having the facility to take short exposures in certain investments gives the Fund the ability to profit when the associated investments fall in value. In certain environments, by maintaining a blend of both long and short positions, the Fund also seeks to reduce its exposure to directional market movements.
- The Investment Manager anticipates using financial derivative instruments, which means that the Fund may have a gross exposure greater than its Net Asset Value. The Fund will regularly monitor its gross exposure. Using the sum of the notionals methodology the level of leverage in the Fund is expected to be 200% of the Net Asset Value of the Fund. Under some market conditions and/or where the Investment Manager considers additional hedging is required it is possible that there may be a higher leverage level of 400% of the Net Asset Value of the Fund. It should be noted that these figures are not an indicator of economic leverage within the Fund. A figure for leverage based on the sum of the notionals of the derivatives used (the “sum of the notionals approach”) may appear high as it does not take into account the effect of any netting or hedging arrangements that the Fund has in place even though these netting and hedging arrangements may reduce risk and exposure. A large sum of the notionals figure is essentially indicative of a larger volume of derivatives being held in the portfolio. Accordingly, whether or not a derivative is used to increase economic risk or reduce economic risk, it will increase the sum of notionals figure. It should also be noted that often the economic exposure under a derivative may not be the notional value but a significantly lower mark-to-market or daily margin value.
- The Fund will use the relative VaR approach to measure the maximum potential loss due to market risk at a given confidence level over a specified time period under prevailing market conditions. The risk of loss of the Fund will be monitored daily to ensure that the VaR of the Fund shall not exceed twice that of the VaR of the reference portfolio based on a 1 day time horizon, a “one-tailed” 99% confidence interval and an observation period of at least 1 year. The reference portfolio is the Russell 1000 Value Index. These criteria relating to the measurement of global exposure are prescribed in the Central Bank Rules. In practice VaR will run at a level below the maximum allowable.
- The Fund may hold cash deposits as ancillary liquid assets.



- The Fund is denominated in USD but will hold assets denominated in other currencies. Hence, the Net Asset Value may fall and rise purely as a result of exchange rate fluctuations. The Investment Manager may choose to engage in foreign exchange transactions to hedge currency exposure. Further details in relation to the use of foreign exchange transactions is set out in Part IV, entitled “Use of Techniques and Derivatives”.
- Save for exceptions permitted in Part III, entitled “Investment Restrictions”, the Fund may invest only in securities which are traded on a Regulated Market.
- The Fund is suitable for medium to long-term investors seeking capital growth (in the case of Accumulating Shares) and capital growth and income (in the case of Distributing Shares).

**Specific Restrictions:**

A maximum of up to 30% of the Net Asset Value of the Fund may be invested in non-US equity securities including up to 20% of its Net Asset Value in equity securities issued by issuers established in an Emerging Market.

**Establishment Costs:**

All fees and expenses relating to the establishment and organisation of the Fund as detailed in the section of the Prospectus entitled "General Expenses" shall be borne by the Fund and amortised in accordance with the provisions of the Prospectus. Such fees are estimated to amount to €20,000.

**Listing:**

Application has been made to the Irish Stock Exchange for all Share Classes of the Sub-Fund to be admitted to the Official List and trading on the Main Securities Market of the Irish Stock Exchange

## **PART II.I USE OF BENCHMARKS IN THE MANAGEMENT OF THE FUNDS**

The Funds are each managed with reference to a benchmark to the degree described in further detail in the table below, which reference may include one or more of the following uses:

- (a) As a universe from which securities may be selected or held ; and/or
- (b) To measure performance of the Fund; and/or
- (c) For the purposes of calculating relative VaR.

The below table indicates those Funds that are actively managed. The Investment Manager has discretion over the composition of the portfolio of each actively managed Fund subject to the Investment Objective and Investment Policy of each Fund. For the avoidance of doubt, the Investment Manager may select securities not included in the relevant Benchmark, unless otherwise stated.

The Company may at any time change the relevant reference benchmark for a Fund where, for reasons outside its control, that benchmark has been replaced, or another benchmark may reasonably be considered by the Company to have become the appropriate standard for the relevant exposure. In such circumstances, any change in benchmark will be disclosed in the annual or half-yearly report of the Fund issued subsequent to such change.

Although the Funds will measure performance against a benchmark which performance will be disclosed in the relevant KIID, there exists no benchmark outperformance target for the Funds, save in the case of the Payden Absolute Return Bond Fund as described in the table below. Similarly, the Funds do not have any specified limits on benchmark tracking errors or other constraints that may limit the performance of the Funds versus the relevant benchmark. Whilst the Investment Manager does not employ a defined strategy to align with a benchmark during periods of volatility, it will take account of market environment and perceived risks at any given time and will employ its investment discretion as described in the investment policy accordingly.

A Fund's use of a benchmark may bring that Fund within the scope of Regulation (EU) 2016/1011 (the "**Benchmarks Regulation**"). In such circumstances, the Manager has appropriate contingency arrangements in place setting out the actions which will be taken in the event that a benchmark which is used by a Fund which is subject to the Benchmarks Regulation materially changes or ceases to be provided. A change in benchmark proposed by the Manager shall be subject to the approval of the Company. A copy of the Manager's policy on cessation or material change to a benchmark shall be made available upon request from the Company.

Details of each Fund's use of a Benchmark as at the date of this document is set out below. All Funds are actively managed unless otherwise indicated:

<b>Name of Fund</b>	<b>Benchmark</b>	<b>Use of Index</b>	<b>Extent to which target investments of the Fund are part of the Index in normal market circumstances</b>	<b>Degree of Freedom to which Fund may Deviate from Index</b>	<b>Benchmark Administrator Details for Benchmark Regulations</b>
Payden Euro Liquidity Fund	ICE BofA ESTR Overnight Rate Index	To measure performance of the Fund;	N/a	N/a	N/a
Payden US Dollar Liquidity Fund	ICE BofA ML US 3-month Treasury Bill Index	(i) As a universe from which to select or hold securities; and (ii) To measure performance of the Fund;	It is not expected that a significant portion of the Fund's constituents will also be Index constituents.	Significant	Administrator – appears on the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation
Payden Sterling Reserve Fund	ICE BofA SONIA Overnight Rate Index	To measure performance of the Fund;	N/a	N/a	N/a
Payden Absolute Return Bond Fund	The currency-specific ICE BofA Overnight Rate Index for each currency class of the Payden Absolute Return Bond Fund (“LO” followed by the relevant currency code eg. “US” for the US dollar denominated classes, “EC” for the Euro denominated classes, “BP” for Sterling denominated classes etc.)	To achieve outperformance of the relevant benchmark;	N/a	N/a	N/a

Payden Global Short Bond Fund	FTSE World Government Bond Index 1-3yr (Currency Hedged)	(i) As a universe from which to select or hold securities; and (ii) To measure performance of the;	It is not expected that a significant portion of the Fund's constituents will also be Index constituents.	Significant	EU Administrator – appears on the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation
Payden USD Low Duration Credit Fund	Bloomberg Barclays US Corporate Bond Index 1-5yr	(i) As a universe from which to select or hold securities; and (ii) To measure performance of the Fund;	It is expected that a significant portion of the Fund's constituents will also be Index constituents.	Limited	EU Administrator – Currently seeking recognition under BMR
Payden Global High Yield Bond Fund	ICE BofA ML BB/B Global High Yield Constrained Index (Currency Hedged)	(i) As a universe from which to select or hold securities; and (ii) To measure performance of the Fund;	It is expected that a significant portion of the Fund's constituents will also be Index constituents.	Material	Administrator – appears on the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation
Payden US Core Bond Fund	Bloomberg Barclays US Aggregate Bond Index	(i) As a universe from which to select or hold securities; and (ii) To measure performance of the Fund;	It is expected that a significant portion of the Fund's constituents will also be Index constituents.	Material	EU Administrator – Currently seeking recognition under BMR
Payden Global Government Bond Index Fund	FTSE World Government Bond Index (Currency Hedged) (previously named Citigroup World Government Bond Index) Note: this is a passive Fund and is not actively managed.	(i) As a universe from which to select or hold securities; and (ii) To measure performance of the Fund;	Passive Fund will track the return of the Benchmark as described in the Investment Objective and Policy	N/a	Administrator – appears on the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation

Payden Global Bond Fund	FTSE World Government Bond Index (Currency Hedged)	(i) As a universe from which to select or hold securities; and (ii) To measure performance of the Fund;	It is expected that a significant portion of the Fund's constituents will also be Index constituents.	Material	EU Administrator – appears on the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation
Payden Global Emerging Markets Bond Fund	70% J. P. Morgan EMBI Global Diversified Bond Index / 30% J. P. Morgan GBI-EM Global Diversified (USD unhedged)	(i) As a universe from which to select or hold securities; and (ii) To measure performance of the Fund;	It is expected that a significant portion of the Fund's constituents will also be Index constituents.	Material	Non-EU Administrator – Currently seeking recognition under BMR
Payden Global Inflation-Linked Bond Fund	For Hedged Classes: Bloomberg Barclays World Government Inflation-Linked G7 Bond Index (Hedged) For Unhedged Classes: Bloomberg Barclays World Government Inflation-Linked G7 Bond Index (Unhedged-GBP)	(i) As a universe from which to select or hold securities; and (ii) To measure performance of the Fund;	It is expected that a significant portion of the Fund's constituents will also be Index constituents.	Material	EU Administrator – Currently seeking recognition under BMR
Payden Global Equity Income Fund	MSCI World Value Index	(i) As a universe from which to select or hold securities; and (ii) To measure performance of the Fund; and (iii) For the purposes of calculating relative VaR	It is expected that a significant portion of the Fund's constituents will also be Index constituents.	Material	EU Administrator – appears on the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation

Payden Global Emerging Markets Bond Fund (Hard Currency) Fund	J.P. Morgan EMBI Global Diversified Index	(i) As a universe from which to select or hold securities; and (ii) To measure performance of the Fund;	It is expected that a significant portion of the Fund's constituents will also be Index constituents.	Material	Non-EU Administrator – Currently seeking recognition under BMR
Payden US Equity Income Fund	Russell 1000 Value Index	(i) As a universe from which to select or hold securities; and (ii) To measure performance of the Fund; and (iii) For the purposes of calculating relative VaR	It is expected that a significant portion of the Fund's constituents will also be Index constituents.	Material	EU Administrator – appears on the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation

Please also see disclosure in Part II.II of the Prospectus regarding the ESG Universe utilised for each Article 8 Fund in promoting environmental and social characteristics of such Fund. For the avoidance of doubt, the Funds are not managed with reference to those ESG Universes for the uses outlined at (a) to (c) above.

**PART II.II**  
**PROMOTION OF ESG IN INVESTMENT DECISION MAKING**

Certain Funds of the Company (being those designated as Article 8 pursuant to SFDR (“**Article 8 Funds**”)) as set out in Part A below, will promote environmental and/or social characteristics in respect of that proportion of the portfolio of those Funds for which there is availability of ESG data in accordance with the ESG data policy of the Sub-Investment Manager (the “**Payden ESG Data Policy**”). Such minimum proportion is set out in the SFDR Pre-Contractual Document relating to the relevant Fund as appended to this Prospectus (the “**SFDR Annex**”) and this proportion will be updated from time to time.

Those Funds of the Company designated as Article 6 pursuant to SFDR (“**Article 6 Funds**”) as set out in Part B below will not promote environmental and/or social characteristics within the meaning ascribed in Article 8 of SFDR.

**PART A**

**Investment Decision Making Process: Funds Classified as A Financial Product Subject to Article 8 of SFDR**

The binding elements employed in the selection of investments in the promotion of environmental and/or social characteristics of the investment strategy of each Article 8 Fund are a combination of the application of (a) to (c) below.

The relevant environmental and/or social characteristics promoted by each Article 8 Fund are disclosed in the table set out under the section “Funds Classified as A Financial Product Subject to Article 8 of SFDR” below.

- (a) **the ESG Good Governance Policy.** The Sub-Investment Manager follows the ESG good governance policy (“**ESG Good Governance Policy**”) described further in the relevant SFDR Annex on a binding basis in its evaluation of corporate issuers based on available, quantitative information in order to define a broad and global investment universe. The assessments conducted pursuant to the ESG Good Governance Policy cover disclosure, structure, practices, and transparency. This ESG Good Governance Policy, which is updated from time to time, can be found at [www.payden.com/UCITS/ESG Good Governance](http://www.payden.com/UCITS/ESG%20Good%20Governance);
  
- (b) **the ESG Investment Exclusion Policy.** The Sub-Investment Manager applies an ESG investment exclusion policy (“**ESG Investment Exclusion Policy**”) in the promotion of Environmental and/or Social Factors in its investment decision making whereby investment in the securities of issuers the activities of which are deemed not to promote environmental and/or social characteristics is restricted or wholly excluded on a binding basis. This ESG Investment Exclusion Policy, which is updated from time to time, can be found at [www.payden.com/UCITS/ESG Exclusions](http://www.payden.com/UCITS/ESG%20Exclusions). As at the date of this document such exclusions include full exclusions of securities relating to tobacco manufacturing and for-profit prisons, and other exclusions relating to generation of revenue from weapons, oil & gas and thermal coal as set out in the SFDR Annex and updated from time to time. The additional tools used

by the Sub-Investment Manager to promote environmental and/or social characteristics will vary from Article 8 Fund to Article 8 Fund and are described below;

- (c) **climate change mitigation** via a proportion of the portfolio of the Fund for which there is available ESG data in accordance with the Payden ESG Data Policy in respect of one of the following metrics as applicable to the instrument representing the underlying investment:
- (i) For Corporate securities: Corporate greenhouse gas intensity (“**Corporate GHG Intensity**”) measured in weighted average carbon emissions in-line with principal adverse indicators (scope 1, 2 and 3 normalized by sales in euros)
  - (ii) For Sovereign securities: Sovereign greenhouse gas intensity (“**Sovereign GHG Intensity**”) measured by way of greenhouse gas relative to gross domestic product (GHG/GDP) in-line with principal adverse indicators)
  - (iii) For securitised securities: A climate score for securitized securities (such as, without limitation, MBS, CMBS, CLOs as applicable to the relevant Fund) where available, the details of which are set out in the SFDR Annex from time to time (“**Climate Score**”).

Each of Corporate GHG Intensity and Sovereign GHG Intensity are evaluated relative to the greenhouse gas intensity of a comparable investment universe (an “**ESG Universe**”) as set out in the relevant SFDR Annex. The applicable ESG Universe for each Article 8 Fund is selected by the Sub-Investment Manager on the basis that the ESG Universe (i) provides reliable and verifiable ESG data and (ii) has an investment universe relevant to that of the Fund in question. For the avoidance of doubt, the fact that the ESG Universe will have a broadly comparable investment universe to the Fund to which it relates will dictate that the portfolio of the Fund and the ESG Universe will overlap in some areas from time to time. Notwithstanding the foregoing, the investable universe of each Fund is not defined by reference to securities in the ESG Universe and no Fund will be ‘managed with reference to<sup>1</sup>’ such ESG Universe. See section above entitled “**Use of Benchmarks in the Management of Funds**” for further details.

Each Article 8 Fund considers principal adverse impacts for investment in corporate and sovereign securities as described further in the relevant SFDR Annex.

Name of Fund	ESG FACTORS IN THE SECURITY SELECTION PROCESS
Payden Euro Liquidity Fund	<p><b>Promotion of Environmental and/or Social Characteristics</b></p> <p>In its investment approach the Sub-Investment Manager promotes environmental and/or social characteristics as described in the SFDR Annex via:</p> <ul style="list-style-type: none"> <li>(i) The ESG Good Governance Policy described further in the relevant SFDR Annex</li> <li>(ii) the ESG Investment Exclusions Policy as applied by the Sub-Investment Manager in respect of the selection of relevant assets of the Fund</li> <li>(iii) climate change mitigation as described in further detail in the SFDR Annex relating to this Fund applying one or more of the Corporate GHG</li> </ul>

<sup>1</sup> As envisaged by ESMA’s Questions & Answers on the Application of the UCITS Directive



	<p>Intensity, Sovereign GHG Intensity and Climate Score as described above to investable instruments as appropriate.</p> <p><u>Integration of Sustainability Risk into Investment Decision Making</u></p> <p>The management of Sustainability Risk forms part of the due diligence process implemented by the Sub-Investment Manager for the Fund. The Sub-Investment Manager considers that the Sustainability Risk faced by this Fund, which includes risks as contemplated in “Climate Change and Environmental, Social and Governance Factors Risk” in Part V: Risk Factors of the Prospectus, is moderate.</p>
Payden US Dollar Liquidity Fund	<p><b>Promotion of Environmental and/or Social Characteristics</b></p> <p>In its investment approach the Sub-Investment Manager promotes environmental and/or social characteristics as described in the SFDR Annex via:</p> <ul style="list-style-type: none"> <li>(i) The ESG Good Governance Policy described further in the relevant SFDR Annex</li> <li>(ii) the ESG Investment Exclusions Policy as applied by the Sub-Investment Manager in respect of the selection of relevant assets of the Fund</li> <li>(iii) climate change mitigation as described in further detail in the SFDR Annex relating to this Fund applying one or more of the Corporate GHG Intensity, Sovereign GHG Intensity and Climate Score as described above to investable instruments as appropriate.</li> </ul> <p><u>Integration of Sustainability Risk into Investment Decision Making</u></p> <p>The management of Sustainability Risk forms part of the due diligence process implemented by the Sub-Investment Manager for the Fund. The Sub-Investment Manager considers that the Sustainability Risk faced by this Fund, which includes risks as contemplated in “Climate Change and Environmental, Social and Governance Factors Risk” in Part V: Risk Factors of the Prospectus, is moderate.</p>
Payden Sterling Reserve Fund	<p><b>Promotion of Environmental and/or Social Characteristics</b></p> <p>In its investment approach the Sub-Investment Manager promotes environmental and/or social characteristics as described in the SFDR Annex via:</p> <ul style="list-style-type: none"> <li>(i) The ESG Good Governance Policy described further in the relevant SFDR Annex</li> <li>(ii) the ESG Investment Exclusions Policy as applied by the Sub-Investment Manager in respect of the selection of relevant assets of the Fund</li> <li>(iii) climate change mitigation as described in further detail in the SFDR Annex relating to this Fund applying one or more of the Corporate GHG</li> </ul>

	<p>Intensity, Sovereign GHG Intensity and Climate Score as described above to investable instruments as appropriate.</p> <p><u>Integration of Sustainability Risk into Investment Decision Making</u></p> <p>The management of Sustainability Risk forms part of the due diligence process implemented by the Sub-Investment Manager for the Fund. The Sub-Investment Manager considers that the Sustainability Risk faced by this Fund, which includes risks as contemplated in “Climate Change and Environmental, Social and Governance Factors Risk” in Part V: Risk Factors of the Prospectus, is moderate.</p>
Payden Absolute Return Bond Fund	<p><b>Promotion of Environmental and/or Social Characteristics</b></p> <p>In its investment approach the Sub-Investment Manager promotes environmental and/or social characteristics as described in the SFDR Annex via:</p> <ul style="list-style-type: none"> <li>(i) The ESG Good Governance Policy described further in the relevant SFDR Annex</li> <li>(ii) the ESG Investment Exclusions Policy as applied by the Sub-Investment Manager in respect of the selection of relevant assets of the Fund</li> <li>(iii) climate change mitigation as described in further detail in the SFDR Annex relating to this Fund applying one or more of the Corporate GHG Intensity, Sovereign GHG Intensity and Climate Score as described above to investable instruments as appropriate.</li> </ul> <p><u>Integration of Sustainability Risk into Investment Decision Making</u></p> <p>The management of Sustainability Risk forms part of the due diligence process implemented by the Sub-Investment Manager for the Fund. The Sub-Investment Manager considers that the Sustainability Risk faced by this Fund, which includes risks as contemplated in “Climate Change and Environmental, Social and Governance Factors Risk” in Part V: Risk Factors of the Prospectus, is moderate.</p>
Payden Global Short Bond Fund	<p><b>Promotion of Environmental and/or Social Characteristics</b></p> <p>In its investment approach the Sub-Investment Manager promotes environmental and/or social characteristics as described in the SFDR Annex via:</p> <ul style="list-style-type: none"> <li>(i) The ESG Good Governance Policy described further in the relevant SFDR Annex</li> <li>(ii) the ESG Investment Exclusions Policy as applied by the Sub-Investment Manager in respect of the selection of relevant assets of the Fund</li> <li>(iii) climate change mitigation as described in further detail in the SFDR Annex relating to this Fund applying one or more of the Corporate GHG</li> </ul>

	<p>Intensity, Sovereign GHG Intensity and Climate Score as described above to investable instruments as appropriate.</p> <p><u>Integration of Sustainability Risk into Investment Decision Making</u></p> <p>The management of Sustainability Risk forms part of the due diligence process implemented by the Sub-Investment Manager for the Fund. The Sub-Investment Manager considers that the Sustainability Risk faced by this Fund, which includes risks as contemplated in “Climate Change and Environmental, Social and Governance Factors Risk” in Part V: Risk Factors of the Prospectus, is moderate.</p>
Payden Global Bond Fund	<p><b>Promotion of Environmental and/or Social Characteristics</b></p> <p>In its investment approach the Sub-Investment Manager promotes environmental and/or social characteristics as described in the SFDR Annex via:</p> <ul style="list-style-type: none"> <li>(i) The ESG Good Governance Policy described further in the relevant SFDR Annex</li> <li>(ii) the ESG Investment Exclusions Policy as applied by the Sub-Investment Manager in respect of the selection of relevant assets of the Fund</li> <li>(iii) climate change mitigation as described in further detail in the SFDR Annex relating to this Fund applying one or more of the Corporate GHG Intensity, Sovereign GHG Intensity and Climate Score as described above to investable instruments as appropriate.</li> </ul> <p><u>Integration of Sustainability Risk into Investment Decision Making</u></p> <p>The management of Sustainability Risk forms part of the due diligence process implemented by the Sub-Investment Manager for the Fund. The Sub-Investment Manager considers that the Sustainability Risk faced by this Fund, which includes risks as contemplated in “Climate Change and Environmental, Social and Governance Factors Risk” in Part V: Risk Factors of the Prospectus, is moderate.</p>
Payden US Core Bond Fund	<p><b>Promotion of Environmental and/or Social Characteristics</b></p> <p>In its investment approach the Sub-Investment Manager promotes environmental and/or social characteristics as described in the SFDR Annex via:</p> <ul style="list-style-type: none"> <li>(i) The ESG Good Governance Policy described further in the relevant SFDR Annex</li> <li>(ii) the ESG Investment Exclusions Policy as applied by the Sub-Investment Manager in respect of the selection of relevant assets of the Fund</li> <li>(iii) climate change mitigation as described in further detail in the SFDR Annex relating to this Fund applying one or more of the Corporate GHG</li> </ul>

	<p>Intensity, Sovereign GHG Intensity and Climate Score as described above to investable instruments as appropriate.</p> <p><u>Integration of Sustainability Risk into Investment Decision Making</u></p> <p>The management of Sustainability Risk forms part of the due diligence process implemented by the Sub-Investment Manager for the Fund. The Sub-Investment Manager considers that the Sustainability Risk faced by this Fund, which includes risks as contemplated in “Climate Change and Environmental, Social and Governance Factors Risk” in Part V: Risk Factors of the Prospectus, is moderate.</p>
<p>Payden Global Aggregate Bond Fund</p>	<p><b>Promotion of Environmental and/or Social Characteristics</b></p> <p>In its investment approach the Sub-Investment Manager promotes environmental and/or social characteristics as described in the SFDR Annex via:</p> <ul style="list-style-type: none"> <li>(i) The ESG Good Governance Policy described further in the relevant SFDR Annex</li> <li>(ii) the ESG Investment Exclusions Policy as applied by the Sub-Investment Manager in respect of the selection of relevant assets of the Fund</li> <li>(iii) climate change mitigation as described in further detail in the SFDR Annex relating to this Fund applying one or more of the Corporate GHG Intensity, Sovereign GHG Intensity and Climate Score as described above to investable instruments as appropriate.</li> </ul> <p><u>Integration of Sustainability Risk into Investment Decision Making</u></p> <p>The management of Sustainability Risk forms part of the due diligence process implemented by the Sub-Investment Manager for the Fund. The Sub-Investment Manager considers that the Sustainability Risk faced by this Fund, which includes risks as contemplated in “Climate Change and Environmental, Social and Governance Factors Risk” in Part V: Risk Factors of the Prospectus, is moderate.</p>
<p>Payden USD Low Duration Credit Fund</p>	<p><b>Promotion of Environmental and/or Social Characteristics</b></p> <p>In its investment approach the Sub-Investment Manager promotes environmental and/or social characteristics as described in the SFDR Annex via:</p> <ul style="list-style-type: none"> <li>(i) the ESG Good Governance Policy described further in the relevant SFDR Annex</li> <li>(ii) the ESG Investment Exclusions Policy as applied by the Sub-Investment Manager in respect of the selection of relevant assets of the Fund</li> </ul>

	<p>(iii) climate change mitigation as described in further detail in the SFDR Annex relating to this Fund applying the Corporate GHG Intensity as described above to investable instruments as appropriate.</p> <p><u>Integration of Sustainability Risk into Investment Decision Making</u></p> <p>The management of Sustainability Risk forms part of the due diligence process implemented by the Sub-Investment Manager for the Fund. The Sub-Investment Manager considers that the Sustainability Risk faced by this Fund, which includes risks as contemplated in “Climate Change and Environmental, Social and Governance Factors Risk” in Part V: Risk Factors of the Prospectus, is moderate.</p>
Payden Global High Yield Bond Fund	<p><b>Promotion of Environmental and/or Social Characteristics</b></p> <p>In its investment approach the Sub-Investment Manager promotes environmental and/or social characteristics as described in the SFDR Annex via:</p> <ul style="list-style-type: none"> <li>(i) The ESG Good Governance Policy described further in the relevant SFDR Annex</li> <li>(ii) the ESG Investment Exclusions Policy as applied by the Sub-Investment Manager in respect of the selection of relevant assets of the Fund</li> <li>(iii) climate change mitigation as described in further detail in the SFDR Annex relating to this Fund applying the Corporate GHG Intensity as described above to investable instruments as appropriate.</li> </ul> <p><u>Integration of Sustainability Risk into Investment Decision Making</u></p> <p>The management of Sustainability Risk forms part of the due diligence process implemented by the Sub-Investment Manager for the Fund. The Sub-Investment Manager considers that the Sustainability Risk faced by this Fund, which includes risks as contemplated in “Climate Change and Environmental, Social and Governance Factors Risk” in Part V: Risk Factors of the Prospectus, is moderate.</p>
Payden Global Emerging Markets Bond Fund (Hard Currency)	<p><b>Promotion of Environmental and/or Social Characteristics</b></p> <p>In its investment approach the Sub-Investment Manager promotes environmental and/or social characteristics as described in the SFDR Annex via:</p> <ul style="list-style-type: none"> <li>(i) The ESG Good Governance Policy described further in the relevant SFDR Annex</li> <li>(ii) the ESG Investment Exclusions Policy as applied by the Sub-Investment Manager in respect of the selection of relevant assets of the Fund</li> <li>(iii) climate change mitigation as described in further detail in the SFDR Annex relating to this Fund applying one or more of the Corporate GHG</li> </ul>

	<p>Intensity and Sovereign GHG Intensity as described above to investable instruments as appropriate.</p> <p><u>Integration of Sustainability Risk into Investment Decision Making</u></p> <p>The management of Sustainability Risk forms part of the due diligence process implemented by the Sub-Investment Manager for the Fund. The Sub-Investment Manager considers that the Sustainability Risk faced by this Fund, which includes risks as contemplated in “Climate Change and Environmental, Social and Governance Factors Risk” in Part V: Risk Factors of the Prospectus, is moderate.</p>
<p>Payden Global Emerging Markets Bond Fund</p>	<p><b>Promotion of Environmental and/or Social Characteristics</b></p> <p>In its investment approach the Sub-Investment Manager promotes environmental and/or social characteristics as described in the SFDR Annex via:</p> <ul style="list-style-type: none"> <li>(i) The ESG Good Governance Policy described further in the relevant SFDR Annex</li> <li>(ii) the ESG Investment Exclusions Policy as applied by the Sub-Investment Manager in respect of the selection of relevant assets of the Fund</li> <li>(iii) climate change mitigation as described in further detail in the SFDR Annex relating to this Fund applying one or more of the Corporate GHG Intensity and Sovereign GHG Intensity as described above to investable instruments as appropriate.</li> </ul> <p><u>Integration of Sustainability Risk into Investment Decision Making</u></p> <p>The management of Sustainability Risk forms part of the due diligence process implemented by the Sub-Investment Manager for the Fund. The Sub-Investment Manager considers that the Sustainability Risk faced by this Fund, which includes risks as contemplated in “Climate Change and Environmental, Social and Governance Factors Risk” in Part V: Risk Factors of the Prospectus, is moderate.</p>
<p>Payden Global Equity Income Fund</p>	<p><b>Promotion of Environmental and/or Social Characteristics</b></p> <p>In its investment approach the Sub-Investment Manager promotes environmental and/or social characteristics as described in the SFDR Annex via:</p> <ul style="list-style-type: none"> <li>(i) The ESG Good Governance Policy described further in the relevant SFDR Annex</li> <li>(ii) the ESG Investment Exclusions Policy as applied by the Sub-Investment Manager in respect of the selection of relevant assets of the Fund</li> <li>(iii) climate change mitigation as described in further detail in the SFDR</li> </ul>

	<p>Annex relating to this Fund applying the Corporate GHG Intensity as described above to investable instruments as appropriate.</p> <p><u>Integration of Sustainability Risk into Investment Decision Making</u></p> <p>The management of Sustainability Risk forms part of the due diligence process implemented by the Sub-Investment Manager for the Fund. The Sub-Investment Manager considers that the Sustainability Risk faced by this Fund, which includes risks as contemplated in “Climate Change and Environmental, Social and Governance Factors Risk” in Part V: Risk Factors of the Prospectus, is moderate.</p>
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**Integration of Sustainability Risk into Investment Decision Making**

When assessing the Sustainability Risk associated with underlying investments, the Sub-Investment Manager is assessing the risk that the value of such underlying investments could be materially negatively impacted by an environmental, social or governance (“ESG”) event or condition (“ESG Event”) (“Sustainability Risk”).

The Sub-Investment Manager integrates Sustainability Risk assessment into its investment process in accordance with its status as a signatory to the Principles of Responsible Investment since 2013 and its membership of the Sustainable Accounting Standards Board Alliance. The Sub-Investment Manager’s investment process is dynamic and is designed to be adaptive to changing market conditions, data coverage and developments in global sustainability analysis. Sustainability Risk is identified, monitored and managed by the Sub-Investment Manager using both quantitative and qualitative processes and the tools described herein within a customised framework developed by the Sub-Investment Manager.

**Integration of EU Criteria For Environmentally Sustainable Economic Activities**

Name of Fund	
Payden Euro Liquidity Fund Payden US Dollar Liquidity Fund Payden Sterling Reserve Fund Payden Absolute Return Bond Fund Payden Global Equity Income Fund Payden Global Short Bond Fund Payden Global Bond Fund Payden US Core Bond Fund Payden USD Low Duration Credit Fund Payden Global High Yield Bond Fund Payden Global Emerging Markets Bond Fund (Hard Currency) Payden Global Emerging Markets Bond Fund	<p>As at the date of this document, it is expected that the minimum proportion of investments of the Fund in environmentally sustainable economic activities aligned with the EU Taxonomy (including in transitional and enabling activities) shall be 0% of the net assets of the Fund.</p> <p>The “do no significant harm” principle applies only to those investments of the Fund that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining proportion of the Fund do not take into account the EU criteria for environmentally sustainable economic activities.</p>

Payden Global Aggregate Bond Fund	
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**PART B**

**Funds Classified as A Financial Product Subject to Article 6 of SFDR**

**Integration of Sustainability Risk into Investment Decision Making**

When assessing the Sustainability Risk associated with underlying investments, the Sub-Investment Manager is assessing the risk that the value of such underlying investments could be materially negatively impacted by an ESG Event.

The Sub-Investment Manager integrates Sustainability Risk assessment into its investment process in accordance with its status as a signatory to the Principles of Responsible Investment since 2013 and its membership of the Sustainable Accounting Standards Board Alliance. The Sub-Investment Manager’s investment process is dynamic and is designed to be adaptive to changing market conditions, data coverage and developments in global sustainability analysis. Sustainability Risk is identified, monitored and managed by the Sub-Investment Manager using both quantitative and qualitative processes and the tools described herein within a customised framework developed by the Sub-Investment Manager.

Name of Fund	<b>No Promotion of Environmental and/or Social Characteristics</b>
Payden Global Government Bond Index Fund	<p>The Fund is a financial product that does not promote, among other characteristics, environmental or social characteristics, or a combination of those characteristics.</p> <p>The Investment Manager has determined that consideration of Sustainability Risks is not relevant in the investment decision making process for the Fund for the reason that the Fund’s purpose is to track the total return of global developed market government bonds as reflected by the FTSE World Government Bond Index (the “Index”). As the Index itself does not promote environmental and social characteristics, it is outside the stated investment purpose of the Fund to seek to promote such factors.</p> <p>The Sub-Investment Manager considers that the Sustainability Risk faced by the Fund is moderate</p>
Payden Global Inflation-Linked Bond Fund	<p>The Fund is a financial product that does not promote, among other characteristics, environmental or social characteristics, or a combination of those characteristics using binding criteria as set out in SFDR.</p> <p>The Investment Manager has determined that notwithstanding that it considers that Sustainability Risks are relevant for the Fund and integrates these into its investment process on a voluntary and discretionary basis, given the investment universe of the Fund, it is inappropriate to apply binding elements in respect of the investment strategy.</p>



	The Sub-Investment Manager considers that the Sustainability Risk faced by the Fund is moderate.
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**Integration of EU Criteria For Environmentally Sustainable Economic Activities**

<b>Name of Fund</b>	
Payden Global Government Bond Index Fund Payden Global Inflation-Linked Bond Fund	The investments underlying this Fund do not take into account the EU criteria for environmentally sustainable economic activities.

**PART III**  
**INVESTMENT RESTRICTIONS**

The investment restrictions applying to each Fund of the Company under the Regulations are set out below. The Company will not acquire equity interests in US corporations that hold real property that might be classed as “US real property interests”.

The Directors may from time to time impose such further investment restrictions as shall be compatible with or in the interest of the Shareholders, in order to comply with the laws and regulations of the countries where Shareholders are located.

<b>1</b>	<b>Permitted Investments</b>
<b>1.1</b>	Investments of a UCITS are confined to: transferable securities and money market instruments which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State;
<b>1.2</b>	recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year;
<b>1.3</b>	money market instruments other than those dealt on a Regulated Market;
<b>1.4</b>	units of UCITS;
<b>1.5</b>	units of AIFs;
<b>1.6</b>	deposits with credit institutions;
<b>1.7</b>	financial derivative instruments.
<b>2</b>	<b>Investment Restrictions</b>
<b>2.1</b>	A UCITS may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.
<b>2.2</b>	A UCITS may invest no more than 10% of net assets in recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.1) within a year. This restriction will not apply in relation to investment by the UCITS in certain US securities known as Rule 144A securities provided that:  -the securities are issued with an undertaking to register with the US Securities and Exchange Commission within one year of issue; and  -the securities are not illiquid securities, i.e. they may be realised by the UCITS within seven days at the price, or approximately at the price, at which they are valued by the UCITS.
<b>2.3</b>	A UCITS may invest no more than 10% of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.
<b>2.4</b>	<b>Subject to the prior approval of the Central Bank</b> , the limit of 10% ( in 2.3) is raised to 25% in the case of bonds that are issued by a credit

	<p>institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a UCITS invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of the UCITS.</p>
<b>2.5</b>	<p>The limit of 10% (in 2.3) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.</p>
<b>2.6</b>	<p>The transferable securities and money market instruments referred to in 2.4 and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in 2.3.</p>
<b>2.7</b>	<p>A UCITS may not invest more than 20% of net assets in deposits made with the same credit institution.</p> <p>Deposits with any one credit institution, other than</p> <ul style="list-style-type: none"> <li>· a credit institution authorised in the EEA (European Union Member States, Norway, Iceland, Liechtenstein);</li> <li>· a credit institution authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan, United States); or</li> <li>· a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand</li> </ul> <p>held as ancillary liquidity, must not exceed 10% of net assets.</p> <p>This limit may be raised to 20% in the case of deposits made with the Depositary.</p>
<b>2.8</b>	<p>The risk exposure of a UCITS to a counterparty to an OTC derivative may not exceed 5% of net assets.</p> <p>This limit is raised to 10% in the case of a credit institution authorised in the EEA, a credit institution authorised within a signatory state (other than an EEA member state) to the Basle Capital Convergence Agreement of July 1988; or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.</p>
<b>2.9</b>	<p>Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of net assets:</p> <ul style="list-style-type: none"> <li>- investments in transferable securities or money market instruments;</li> <li>- deposits; and/or</li> <li>- counterparty risk exposures arising from OTC derivatives transactions.</li> </ul>
<b>2.10</b>	<p>The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of net assets.</p>
<b>2.11</b>	<p>Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.</p>
<b>2.12</b>	<p>A UCITS may invest up to 100% of net assets in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member State or public international body of which one or more Member States are members. The individual issuers must be listed in the prospectus and may be drawn from the following list:</p>

	<p>OECD Governments (provided the relevant issues are investment grade), Government of the People’s Republic of China, Government of Brazil (provided the issues are investment grade), Government of India (provided the issues are investment grade), Government of Singapore, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority, Straight A Funding LLC.</p> <p>A UCITS must hold securities from at least six different issues, with securities from any one issue not exceeding 30% of net assets.</p>
<b>3</b>	<b>Investment in Collective Investment Schemes (“CIS”)</b>
<b>3.1</b>	A UCITS may not invest more than 20% of net assets in any one CIS.
<b>3.2</b>	Investment in AIFs may not, in aggregate, exceed 30% of net assets.
<b>3.3</b>	The CIS are prohibited from investing more than 10% of net assets in other open-ended CIS.
<b>3.4</b>	When a UCITS invests in the units of other CIS that are managed, directly or by delegation, by the UCITS management company or by any other company with which the UCITS management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription, conversion or redemption fees on account of the investment by the UCITS in the units of such other CIS.
<b>3.5</b>	Where a commission (including a rebated commission) is received by the UCITS manager/investment manager/investment adviser by virtue of an investment in the units of another CIS, this commission must be paid into the property of the UCITS.
<b>4</b>	<b>Index Tracking UCITS</b>
<b>4.1</b>	A UCITS may invest up to 20% of net assets in shares and/or debt securities issued by the same body where the investment policy of the UCITS is to replicate an index which satisfies the criteria set out in the Central Bank Rules.
<b>4.2</b>	The limit in 4.1 may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.
<b>5</b>	<b>General Provisions</b>
<b>5.1</b>	An investment company, or management company acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights that would enable it to exercise significant influence over the management of an issuing body.

5.2	<p>A UCITS may acquire no more than:</p> <ul style="list-style-type: none"> <li>(i) 10% of the non-voting shares of any single issuing body;</li> <li>(ii) 10% of the debt securities of any single issuing body;</li> <li>(iii) 25% of the units of any single CIS;</li> <li>(iv) 10% of the money market instruments of any single issuing body.</li> </ul> <p><b>NOTE:</b> The limits laid down in (ii), (iii) and (iv) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated.</p>
5.3	<p>5.1 and 5.2 shall not be applicable to:</p> <ul style="list-style-type: none"> <li>(i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;</li> <li>(ii) transferable securities and money market instruments issued or guaranteed by a non-Member State;</li> <li>(iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;</li> <li>(iv) shares held by a UCITS in the capital of a company incorporated in a non-member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the UCITS can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed.</li> <li>(v) Shares held by an investment company or investment companies in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the redemption of units at unit-holders' request exclusively on their behalf.</li> </ul>
5.4	<p>UCITS need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.</p>
5.5	<p>The Central Bank may allow recently authorised UCITS to derogate from the provisions of 2.3 to 2.12, 3.1, 3.2 4.1 and 4.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading.</p>
5.6	<p>If the limits laid down herein are exceeded for reasons beyond the control of a UCITS, or as a result of the exercise of subscription rights, the UCITS must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its unitholders.</p>
5.7	<p>Neither an investment company, nor a management company or a trustee acting on behalf of a unit trust or a management company of a common contractual fund, may carry out uncovered sales of:</p> <ul style="list-style-type: none"> <li>- transferable securities;</li> <li>- money market instruments*;</li> <li>- units of CIS; or</li> <li>- financial derivative instruments.</li> </ul>
5.8	<p>A UCITS may hold ancillary liquid assets.</p>

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

<b>6</b>	<b>Financial Derivative Instruments (“FDIs”)</b>
<b>6.1</b>	The UCITS global exposure relating to FDI must not exceed its total net asset value.
<b>6.2</b>	Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank Rules. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the Central Bank Rules.)
<b>6.3</b>	UCITS may invest in FDIs dealt in over-the-counter (OTC) provided that: -The counterparties to over-the-counter transactions (OTCs) are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.
<b>6.4</b>	Investment in FDIs are subject to the conditions and limits laid down by the Central Bank.

## PART IV USE OF TECHNIQUES AND DERIVATIVES

### General

The Company may employ investment techniques and financial derivative instruments for efficient portfolio management and investment purposes under the conditions and within the limits stipulated by (i) the Central Bank under the Regulations and described in Part XIII entitled “Investment Techniques and Financial Derivative Instruments” and (ii) with respect to only the EM Bond Funds, CFTC Regulation 4.13(a)(3). The Company employs a risk management process relating to its use of financial derivative instruments and Securities Financing Transactions which enables it to accurately measure, monitor and manage the various risks associated with financial derivative instruments and Securities Financing Transactions. Any financial derivative instruments and Securities Financing Transactions not included in the risk management process will not be utilised until such time as a revised risk management process has been provided to the Central Bank.

### Details of Financial Derivative Instruments used with a Summary of their Commercial Purpose

Each Fund may use of any of the following financial derivative instruments once provided for in the relevant Supplement. This list may be supplemented by additional financial derivative instruments for a specific Fund as may be provided for in the relevant Supplement.

**Futures contracts:** Traded on a regulated exchange, a future is a standardised agreement between two parties to transact in an instrument at a specific price or rate at a future date. A purchased futures contract commits the buyer to purchase the underlying instrument at the specified price on the specified date. A sold futures contract commits the seller to sell the underlying instrument at the specified price on the specified date. In practice most futures positions are closed prior to contract maturity by dealing an opposite trade which cancels out the commitment.

**Forwards:** A forward contract locks-in the price at which an index or asset may be purchased or sold on a future date. In currency forward contracts, the contract holders are obliged to buy or sell the currency at a specified price, in a specified quantity and on a specified future date, whereas an interest rate forward determines an interest rate to be paid or received or an obligation beginning at a start date sometime in the future. Forward contracts may be cash settled between the parties.

**Swaps:** A swap is an OTC agreement between two parties to exchange a series of cash flows or returns on an underlying financial instrument for a set period of time.

Typical cash flow and return series exchanged in a swap include: fixed interest rate, inflation rate, total return of an instrument or index and floating interest rates. Swap legs can be denominated in the same or a different currency.

Other swaps reference instrument characteristics such price volatility, variance, correlation, covariance and asset swap levels. These swaps have one active leg and a null second leg which means exposure is limited to change in the reference characteristic.

A Fund may use the following types of swaps (where provided for in the relevant Supplement): credit default swaps, total return swaps and credit-linked notes. Specifically the use of total return swaps by a Fund shall be subject to the requirements of the SFTR. The Funds will use credit derivatives to isolate and transfer the exposure to or transfer the credit risk associated with a reference asset or index of reference assets.

**Credit-Linked Notes:** A credit-linked note is a type of funded credit derivative which works in a similar way to a total return swap but is funded with a cash purchase at inception rather than by the stream of set payments. Certain types of credit-linked notes may contain an embedded credit default swap. The investor will receive a higher return by effectively being a seller of default protection. The issuer, usually a special purpose vehicle ("SPV"), is not obligated to repay the debt in full if a specified event occurs. The credit-linked note is usually issued by a SPV and is designed to provide investors with par value at maturity unless the referenced entity defaults. In that case, the investors return would be defined by the recovery rate at credit default swap settlement. The SPV will have entered into a default swap (as a protection seller) with a

counterparty. In the case of default, the SPV will pay the counterparty par minus the recovery rate, in exchange for an annual fee which is passed on to the investors in the form of a higher yield on the credit-linked note they purchased. The purpose of the arrangement is to pass the risk of specific default onto investors willing to bear that risk in return for the higher yield it makes available.

**Total Return Swap:** A total return swap is an agreement between two parties in which each party agrees to make a series of payments to the other at regular scheduled dates, with at least one set of payments determined by the return on an agreed underlying reference asset (such as a return on an equity or equity index) and which include, in addition, any income generated on the underlying reference asset (such as dividends and/or bonus shares).

If the Company invests in total return swaps or other financial derivative instruments with the same characteristics, the underlying asset or index may be comprised of equity or debt securities, money market instruments or other eligible investments which are consistent with the investment objective and policies of the Company. The counterparties to such transactions are typically banks, investment firms, broker-dealers, collective investment schemes or other financial institutions or intermediaries. The risk of the counterparty defaulting on its obligations under the total return swap and its effect on investor returns are described in Part V under the headings “Counterparty Risk” and “Risks Associated with investing in Financial Derivative Instruments and EPM Techniques and Instruments”. It is not intended that the counterparties to total return swaps entered into by the Company assume any discretion over the composition or management of the Company’s investment portfolio or over the underlying of the FDI, or that the approval of the counterparty is required in relation to any portfolio transactions by the Company.

**Credit default swaps (CDS):** A CDS contract is an OTC risk-transfer instrument (in the form of a derivative security) through which one party transfers to another party the financial risk of a credit event, as it relates to a particular reference security or index of securities. A Fund which buys CDS protection pays a periodic premium to the CDS seller for the duration of the contract. In the event of credit event on the referenced entity the CDS protection activates. In a cash settled CDS an auction process sets a percentage recovery rate to the reference entity. The protection buyer receives cash equivalent to the contract nominal adjusted for the recovery rate percentage. In a physical settlement CDS the protection buyer delivers the contract nominal of a valid defaulted instrument to the CDS seller who pays the contract nominal for it. In practice funds can use CDS to gain or sell credit exposure to the referenced entity without having positions in the underlying reference entity.

**Options:** An option is an agreement between two parties where the option buyer has the right but not the obligation to buy (call option) or sell (put option) an instrument at a specified date and price. An option buyer pays a premium representing the value of the option and if, at the option expiry, it is economically advantageous may exercise a call option to buy the underlying instrument, or in the case of a put option, sell the underlying instrument. The option writer receives and keeps the option premium and at the choice of the option buyer has to buy or sell the underlying instrument at the time and price specified. The reference instrument for an option may be a security, another derivative such as a swap, future, CDS or may specify an interest or inflation rate, index, basket of instruments, currency or any instrument which the Fund is authorised to own. Standard options are exchange traded and other options are traded OTC.

**Convertible securities:** The convertible securities in which a Fund may invest consist of bonds and preferred stocks which may be converted or exchanged at a stated or determinable exchange ratio into underlying shares. Convertible securities may offer higher income than the shares into which they are convertible. A Fund may be required to permit the issuer of a convertible security to redeem the security, convert it into the underlying shares or sell it to a third party. To the extent that any convertible securities in which a Fund may invest are leveraged or contain embedded derivatives, they will be managed by the Fund as financial derivative instruments. Convertible bonds provide the holder with the right to exchange the bond for a stated number of shares of the issuer at a specified future date. Convertible bonds often contain embedded call options that provide the issuer with the right to buy back the bond at a specified price. Less frequently, the bonds may include embedded put options that allow the holder to sell the bond back to the issuer at a pre-determined price.



## **Caps and floors**

Where disclosed in the relevant Supplement, a Fund may enter into caps and floors. A cap is an agreement under which the seller agrees to compensate the buyer if interest rates rise above a pre-agreed strike rate on pre-agreed dates during the life of the agreement. In return the buyer pays the seller a premium up front. A floor is similar to a cap except that the seller compensates the buyer if interest rates fall below a pre-agreed strike rate on pre-agreed dates during the life of the agreement. As with a cap, the buyer pays the seller a premium up front.

## **Using Financial Derivative Instruments for investment purposes:**

- Each Fund may use investment techniques and financial derivative instruments for both the management of fixed-income strategies, equity strategies and for currency strategies (including but not limited to futures, forwards, options, swaps, caps, floors, and credit derivatives).
- Futures, options, puts, calls and forward contracts may allow a Fund to hedge against market risk or modify exposure to the underlying market. These instruments may also be used to equitise cash balances, both pending investment of a cash flow and with respect to fixed cash targets.
- Swaps will offer the Funds independent profit opportunities as well as the possibility to hedge existing long positions. Credit default swaps (CDS), for example, may be used for default protection on a long position held in the portfolio and/or to gain quick and easy access to a security that is not readily available or offered in the marketplace.
- Caps and floors will be used by a Fund to minimise loss for the buyer in a volatile interest rate environment or to maximise gains for the seller from the premium received in a stable interest rate environment.
- Credit derivatives (such as credit linked notes and total return swaps) will not be used by any Fund to achieve economic exposure greater than would otherwise be achieved if executed in the cash market.

## **Using Financial Derivative Instruments for efficient portfolio management:**

The financial derivative instruments listed above under the heading “Using Financial Derivative Instruments for investment purposes” may also be used by all Funds for efficient portfolio management purposes namely; for the purpose of reducing risk, reducing costs or generating additional capital or income for the Company with an appropriate level of risk, taking into account the risk profile of the Company as outlined in Part V of this Prospectus entitled “Risk Warnings” and the risk diversification rules set out in the Central Bank Regulations. Any such investment technique or financial derivative instrument must be one which (alone or in combination with one or more other investment techniques or financial derivative instruments) is reasonably believed by the Investment Manager to be economically appropriate to the efficient portfolio management of the Company and must not result in a change to the investment objective of the Fund or add substantial supplementary risks not covered in this Prospectus. Furthermore, new investment techniques and financial derivative instruments may be developed which may be suitable for use by a Fund in the future and a Fund may employ such techniques and instruments subject to the prior approval, and any restrictions imposed by, the Central Bank. Details of the risks associated with such instruments are set out in Part V entitled “Risk Warnings”. The Company shall supply to a Shareholder on request supplementary information in relation to the quantitative risk management limits applied by it, the risk management methods used by it and any recent developments in the risk and yield characteristics for the main categories of financial derivative instruments used for efficient portfolio management purposes.

The policy that will be applied to any collateral received arising from OTC derivative transactions, Securities Financing Transactions, or efficient portfolio management techniques relating to the Company is to adhere to the requirements set out in Reg. 58(2) of the Central Bank Regulations. This sets out the permitted types of collateral, level of collateral required and haircut policy and, in the case of cash collateral, the re-investment policy prescribed by the Central Bank Regulations. Collateral received must, at all times, meet with the specific criteria outlined in the Central Bank Regulations in relation to: (i) liquidity; (ii) valuation; (iii) issuer credit quality; (iv) correlation; (v) diversification (asset concentration); and (vi) immediately availability. There are no restrictions on maturity provided the collateral is sufficiently liquid. Regarding (ii)

valuation, collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts (as referred to below) are in place. Where appropriate, non-cash collateral held for the benefit of a Fund shall be valued in accordance with the valuation policies and principles applicable to the Company. Subject to any agreement on valuation made with the counterparty, collateral posted to a recipient counterparty will be valued daily at mark-to-market value. Collateral posted to a counterparty by or on behalf of a Fund will consist of such collateral as is agreed with the counterparty from time to time and may include any types of assets held by the relevant Fund.

Where collateral is received, from time to time and subject to the Central Bank Rules, the policy on levels of collateral required and haircuts may be adjusted, at the discretion of the Investment Manager, where this is determined to be appropriate in the context of the specific counterparty, the characteristics of the asset received as collateral, market conditions or other circumstances. The haircuts applied by the Investment Manager are adapted for each class of assets received as collateral, taking into account the characteristics of the assets such as the credit standing and/or the price volatility, as well as the outcome of any stress tests performed in accordance with the Central Bank Regulations. The Investment Manager has determined that generally if issuer or issue credit quality of the collateral is not of the necessary quality or the collateral carries a significant level of price volatility with regard to the residual maturity or other factors, a conservative haircut must be applied in accordance with more specific guidelines as will be maintained in writing by the Investment Manager on an ongoing basis. To the extent that a Fund avails of the increased issuer exposure facility in section 5(ii) of Schedule 3 of the Central Bank Regulations, such increased issuer exposure may be to any of the issuers listed in section 2.12 of Part III to the Prospectus.

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

If cash collateral received by the Company is re-invested, the Company is exposed to the risk of loss on that investment, such as failure or default of the issuer of the relevant security. Should such a loss occur, the value of the collateral will be reduced and the Company will have less protection if the counterparty defaults. For further details see the risk factors set out in Part V (section entitled "Reinvestment of Cash Collateral Risk").

A list of the Regulated Markets on which the financial derivative instruments may be quoted or traded is set out in Part XII entitled "Definition of Regulated Market". A description of the current conditions and limits laid down by the Central Bank in relation to financial derivative instruments and efficient portfolio management techniques and instruments is set out in part XIII.

### **Securities Financing Transactions**

A Fund may use Securities Financing Transactions and total return swaps in accordance with normal market practice and subject to the requirements of the SFTR and the Central Bank Rules. Such Securities Financing Transactions may be entered into for any purpose that is consistent with the investment objective of the relevant Fund, including to generate income or profits in order to increase portfolio returns or to reduce portfolio expenses or risks. Total return swaps may be entered into for any purpose that is consistent with the investment objective of the relevant Fund (as disclosed in the relevant Supplement), including efficient portfolio management purposes (such as hedging or the reduction of portfolio expenses), speculative purposes (in order to increase income and profits for the portfolio), or to gain exposure to certain markets. The reference obligation of a total return swap or a Securities Financing Transaction may be any security or other investment in which the Fund is permitted to invest. There is no restriction on the proportion of assets that may be subject to Securities Financing Transactions and total return swaps which is not expected to exceed 20% of AUM but may at any given time be as high as 100% of AUM. For certain Funds, this may be as low as 0% of AUM, depending on the underlying investment strategy. In any case, the most recent semi-annual and annual reports will express as an absolute amount and as a percentage of the relevant Fund's assets, the amount of Fund assets subject to Securities Financing Transactions and total return swaps.

Securities lending means transactions by which one party transfers securities to the other party subject to a commitment that the other party will return equivalent securities on a future date or when requested to do so by the party transferring the securities, that transaction being considered as securities lending for the party transferring the securities. The Company may also lend securities to a counterparty approved by the Investment Manager in accordance with normal market practice and the Central Bank Rules. Counterparties to such transactions shall (1) be entities regulated, approved, registered or supervised in their home jurisdiction, (2) be located in a jurisdiction containing a Regulated Market, and (3) have a minimum credit rating of investment grade (BBB+ or equivalent) by any one rating agency, which will constitute the Company's criteria to select counterparties.

Repurchase agreements are a type of securities lending transaction in which one party sells a security to the other party with a simultaneous agreement to repurchase the security at a fixed future date at a stipulated price reflecting a market rate of interest unrelated to the coupon rate of the securities. A reverse repurchase agreement is a transaction whereby a Fund purchases securities from a counterparty and simultaneously commits to resell the securities to the counterparty at an agreed upon date and price.

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

From time to time, a Fund may engage repurchase/reverse repurchase agreements counterparties and/or securities lending agents that are related parties to the Depositary or other service providers of the 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. Please refer to "Portfolio Transactions and Related Party Dealings" in Part VIII 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 semi-annual and annual reports of the Company.

### **Protection against Exchange Rate Risks**

A Fund may employ investment techniques and financial derivative instruments intended to provide protection against exchange risks in the context of the management of its assets and liabilities.

1. Foreign exchange transactions which alter the currency characteristics of transferable securities held by the Fund must be fully covered by cash flows arising from the transferable securities held by the Fund. A Fund may not be leveraged or geared in any way through the use of foreign exchange transactions.
2. The general conditions outlined above also apply. In particular, foreign exchange transactions which alter the currency exposure characteristics of transferable securities held by a Fund must;
  - be used in accordance with the investment objective of the Fund;
  - the currencies to which the Fund is exposed must be currencies in which the Fund may invest in directly; and
  - be economically appropriate.

### **Protection against Interest Rate Risks**

Without limiting any of the foregoing in this Part IV, a Fund may employ investment techniques and financial derivative instruments intended to provide protection against interest rate risks in the context of the management of its assets and liabilities. In this regard, a Fund may utilise interest rate swaps and swap-related products, including but not limited to spread lock agreements. A spread lock agreement is a forward contract on a swap spread (the spread between yields used in a swap agreement). A Fund will not be leveraged or geared through the use of these agreements.

### **Variable and Floating Rate Securities**

The Company may invest in variable and floating rate securities of government and corporate issuers. The terms of such obligations provide that interest rates are adjusted periodically based upon some appropriate interest rate adjustment index. The adjustment intervals may be regular, and range from daily to annually, or may be based on an event such as a change in the prime rate. Accordingly, although such securities provide some protection against changes in interest rates, depending on the terms of the instrument there may be some interval between changes in such rates and adjustment of the rate paid by the issuer.

### **Delayed Delivery Transactions**

The Company on behalf of each Fund may purchase securities on a when-issued or delayed delivery basis and sell securities on a delayed delivery basis for the purposes of efficient portfolio management and investment purposes. These transactions involve a commitment by the Company to purchase or sell securities for a predetermined price or yield, with payment and delivery taking place more than seven days in the future or after a period longer than the customary settlement period for that type of security. When purchasing a security on a delayed delivery basis, the Company assumes the rights and risks of ownership of the security, including the risk of price and yield fluctuations, and takes such fluctuations into account when determining the Net Asset Value of a Fund, but does not accrue income on the security until delivery. When the Company sells a security on a delayed delivery basis, it does not participate in future gains or losses with respect to the security, but will accrue the income on such securities until actual delivery. If the other party to a delayed delivery transaction fails to deliver or pay for the securities, the Company could miss a favourable price or yield opportunity or could suffer a loss. The Company will not invest more than 25% of the Net Asset Value of a Fund in when-issued and delayed delivery transactions.

### **Currency Hedging**

A Fund may invest in assets that are denominated in a currency other than the Base Currency of that Fund. Accordingly, the value of a Shareholder's investment may be affected favourably or unfavourably by fluctuations in the rates of the different currencies. The Funds, at the discretion of the Investment Manager, may hedge all or some of the currency exposure due to investing in assets denominated in a currency other than the Fund's Base Currency. In respect of Payden USD Low Duration Credit Fund it is currently intended to hedge all of the currency exposure due to investing in assets denominated in currencies other than the Base Currency of the Fund. Where a Fund hedges the currency exposure due to investing in assets denominated in a currency other than the Fund's Base Currency, to the extent that hedging is successful, the performance of the Fund is likely to move in line with the performance of the underlying assets and investors in the Fund will not benefit if the Base Currency falls against the currency in which the assets of the Fund are denominated.

A Fund may issue Classes where the Class Currency is different to the Base Currency of the relevant Fund. Where a Class is issued in a currency other than the Base Currency of a Fund, the Investment Manager may employ investment techniques and financial derivative instruments intended to provide protection against exchange rate risk subject to the requirements outlined in Part XIII. Further, the Company may create hedged currency Classes which hedge all of the currency exposure arising from differences in the exchange rate between the Class Currency of the hedged currency Class and the Base Currency of the relevant Fund. Please see the column titled "Hedged Currency Class" in each of the tables set out in Part XI for further information on which Classes hedge the currency exposure arising from differences in the exchange rate between the Class Currency of the hedged currency Class and the Base Currency of the relevant Fund. A hedging strategy may substantially limit the extent to which Shareholders in a hedged currency Class may benefit if the

currency of the Class falls against the Base Currency of the Fund. While it is not the intention, over-hedged or under-hedged positions may arise due to factors outside the Company's control. Hedged positions will be kept under review on an ongoing basis, at least at the same valuation frequency of the relevant Fund, to ensure that over-hedged positions do not exceed 105% and under hedged positions do not fall short of the 95% of the portion of the Net Asset Value of the relevant Class which is to be hedged against currency risk and the relevant Fund will keep any under-hedged positions under review to ensure it is not carried forward month to month. This review will also incorporate a procedure to ensure that positions materially in excess of 100% will not be carried forward from month to month. All gains and losses which may be made by a Class as a result of hedging transactions together with the costs of such transactions and all currency conversion costs will be borne by the Class in respect of which they are incurred and the transactions will be clearly attributable to a specific Class. Therefore currency exposures of different currency Classes may not be combined or offset and currency exposures of assets of the Company may not be allocated to separate Share Classes. For further details of the risk factors relating to currency hedging, see risk factors set out in Part V below.

## **PART V RISK WARNINGS**

### **General**

The investments of the Company are subject to normal market fluctuations and other risks inherent in investing in securities or other instruments and there can be no assurance that any appreciation in value of investments will occur. In particular the value of investments may be affected by uncertainties such as international political and economic developments or changes in government policies.

The value of investments and the income derived therefrom may fall as well as rise and investors may not recoup the original amount invested in a Fund. The difference, at any one time, between the sale and redemption price of the Shares means that any investment in the Company should be viewed in the medium to long-term. An investment should only be made by those persons who are able to sustain a loss on their investment.

There can be no guarantee that the investment objectives of any Fund will actually be achieved.

### **Credit Risks**

Although the Company will invest in high credit quality instruments, there can be no assurance that the securities or other instruments in which the Company invests will not be subject to credit difficulties leading to the loss of some or all of the sums invested in such securities or other instruments. The Company will also be exposed to a credit risk in relation to the counterparties with whom it trades and it may also bear the risk of settlement default. Market practices in relation to the settlement of securities transactions and the custody of assets could provide increased risks. The Investment Manager may instruct the Depositary to settle transactions on a delivery free of payment basis where it believes that this form of settlement is appropriate. Shareholders should be aware, however, that this may result in a loss to a Fund if a transaction fails to settle and the Depositary will not be liable to the Fund or to the Shareholders for such a loss, provided the Depositary has acted in good faith in making any such delivery or payment.

### **Changes in Interest Rates**

The value of Shares may, notwithstanding the policy of the Company of investing in short-term instruments, be affected by substantial adverse movements in interest rates. This may result in the amount realised on the sale of Shares being less than the original amount invested.

### **Repurchase and Reverse Repurchase Agreements**

In the event of a bankruptcy or other default of a seller of a repurchase agreement, the Company could experience both delays in liquidating the underlying securities and losses, including a possible decline in the value of the underlying securities during the period when the Company seeks to enforce its rights thereto, reduced levels of income and lack of access to income during this period and the expenses of enforcing its rights.

### **Umbrella structure of the Company and Cross-Liability Risk**

Each Fund will be responsible for paying its fees and expenses regardless of the level of its profitability. The Company is an umbrella fund with segregated liability between Funds and under Irish law the Company generally will not be liable as a whole to third parties and there generally will not be the potential for cross liability between the Funds. Notwithstanding the foregoing, there can be no assurance that, should an action be brought against the Company in the courts of another jurisdiction, the segregated nature of the Funds would necessarily be upheld.

### **Legal Requirements**

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

The following are some of the risks involved in investing in the Funds the subject of the Prospectus.

### **Mortgage Securities and Asset-Backed Bonds**

Investing in mortgage-related securities and asset-backed bonds also involves special risks and considerations, including the inability to predict accurately the maturity of the Fund's investments as a result of prepayments of the underlying mortgages or other assets (which may require the Fund to reinvest principal at lower yields than would otherwise have been realised), the illiquidity of securities issued by certain private organisations, the possible default by insurers or guarantors supporting the timely payment of interest and principal, and in some cases the lack of any insurers or guarantors against default of the underlying obligations. In addition and while observing the principle of risk diversification, the Fund may invest a large percentage of its assets in the securities of one issuer and may be more susceptible to risks associated with a single economic, political or regulatory occurrence than other funds with more diversified investments.

### **Options and Futures Contracts**

The Funds may from time to time use both exchange-traded and over the counter futures and options as part of its investment policy or for hedging purposes. Transactions in securities options, futures contracts and options on futures contracts involve a variety of risks, including the inability to close out a position because of the lack of a liquid market and, in the case of futures transactions, lack of correlation between price movements in the hedging vehicle and the portfolio assets being hedged. Options and futures transactions can be highly volatile and could result in reduction of the Fund's total return, and the Fund's attempt to use such instruments for hedging purposes may not be successful due *inter alia* to an imperfect correlation between these instruments and the investments or market sectors being hedged. The low initial margin deposits normally required to establish a futures position permit a high degree of leverage. As a result, a relatively small movement in the price of a futures contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may result in un-quantifiable further loss exceeding any margin deposited.

### **Interest Rate Swaps**

The use of swaps, caps, floors and collars is a highly specialised activity which involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. If the Investment Manager's forecast of market values, interest rates and other applicable factors is incorrect, the investment performance of the Fund will diminish compared with the performance that could have been achieved if these investment techniques were not used. Moreover, even if the Investment Manager's forecasts are correct, the Fund's swap position may correlate imperfectly with the asset or liability being hedged. In addition, in the event of a default by the other party to the transaction, the Fund may incur a loss.

### **Currency Exchange Rates**

Currency exchange rates may fluctuate significantly over short periods of time causing, along with other factors, a Fund's Net Asset Value to fluctuate as well. To the extent that a substantial portion of a Fund's total assets is denominated in the currencies of particular countries, the Fund will be more susceptible to the risk of adverse economic and political developments within those countries.

### **Currency of Assets/Base Currency**

Assets of a Fund may be denominated in a currency other than the Base Currency of the Fund and changes in the exchange rate between the Base Currency and the currency of the asset may lead to a depreciation of the value of the Fund's assets as expressed in the Base Currency. The Investment Manager may, depending on the investment objective of the Fund, seek to mitigate this exchange rate risk by using financial derivative instruments. No assurance, however, can be given that such mitigation will be successful.

### **Base Currency/Denominated Currency of Classes**

Classes of Shares in a Fund may be denominated in currencies other than the Base Currency of the Fund and changes in the exchange rate between the Base Currency and the denominated currency of the Class may lead to a depreciation of the value of the investor's holding as expressed in the Base Currency even in cases where the Class is hedged. No assurance, however, can be given that such mitigation will be successful.

Investors' attention is drawn to the section of this Prospectus entitled "Hedged Classes" for further information. Where the Class is unhedged a currency conversion will take place on subscription, redemption, exchange and distributions at prevailing exchange rates.

### **Foreign Currency Exposure Risk**

Investing in securities, including securities of entities with significant foreign operations, involves additional risks which can affect a Fund's performance. Foreign markets may be less liquid, more volatile and subject to less government supervision than an investor's home market. There may be difficulties enforcing contractual obligations, and it may take more time for transactions to clear and settle. Less information may be available about foreign entities. The costs of buying and selling foreign securities, including tax, brokerage and custody costs, may be higher than those involving domestic transactions. The values of foreign investments may be affected by changes in currency rates or exchange control regulations. If the local currency gains strength against the domestic currency, the value of the foreign security increases in domestic currency terms. Conversely, if the local currency weakens against the domestic currency, the value of the foreign security declines in domestic security terms.

### **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 a Fund's fixed income securities can be expected to rise. Conversely, when interest rates rise, the market value of a Fund's fixed income securities can be expected to decline.

### **Forward currency transactions**

The use of forward currency contracts involves certain risks. In particular, the risk of loss associated with forward currency contracts is equal to the exchange rate differential from the time the contract is entered into until the time it is settled. The performance of the Fund may be strongly influenced by movements in foreign exchange rates due to the fact that forward currency positions held by the Fund may not correspond with the underlying securities positions held by the Fund.

### **Liquidity risk**

The Fund cannot ensure that the market for such securities will at all times be liquid. In a relatively illiquid market the Fund may not be able to acquire or dispose of such securities quickly. The Fund may experience adverse price movements upon liquidation of its investments. Settlement of transactions may be subject to delay and administrative uncertainties. Below Investment Grade debt securities are speculative and involve a greater risk of default and price changes due to changes in the issuer's creditworthiness. The market prices of these debt securities fluctuate more than Investment Grade debt securities and may decline significantly in periods of general economic difficulty.

### **Counterparty Risk**

The Company takes a credit risk on counterparties with which it trades. Where the Company's investments are not dealt on a stock exchange or a regulated market ("OTC transactions"), there is a risk additional to the general risk of insolvency that the counterparty of the trade may default or not completely fulfil its obligations. This applies in particular to transactions involving FDI and techniques and instruments used for the purpose of EPM.

### **Counterparty Rating Downgrade Risk**

The Company will enter into OTC transactions and Securities Financing Transactions only with those counterparties that it believes to be sufficiently creditworthy.

If a counterparty (which is not a Relevant Institution) engaged by the Company, in respect of a Fund, is subject to a credit rating downgrade, this could potentially have significant implications for the relevant Fund both from a commercial perspective and a regulatory perspective. Pursuant to the Central Bank Rules, a



rating downgrade for such OTC counterparty or a Securities Financing Transaction to A-2 or below (or a comparable rating) shall require the relevant Fund without delay to conduct a new credit assessment of the OTC counterparty.

Regardless of the measures the Company, in respect of a Fund, may implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that the relevant Fund will not sustain losses on the transactions as a result.

### **Collateral Risk**

Collateral or margin may be passed by the Fund to a counterparty or broker in respect of OTC FDI transactions or Securities Financing Transactions. Assets deposited as collateral or margin with brokers may not be held in segregated accounts by the brokers and may therefore become available to the creditors of such brokers in the event of their insolvency or bankruptcy. Where collateral is posted to a counterparty or broker by way of title transfer, the collateral may be re-used by such counterparty or broker for their own purpose, thus, exposing the Fund to additional risk. Risks related to a counterparty's right of re-use of any collateral include that, upon the exercise of such right of re-use, such assets will no longer belong to the relevant Fund and the Fund will only have a contractual claim for the return of equivalent assets. In the event of the insolvency of a counterparty the Fund shall rank as an unsecured creditor and may not recover its assets from the counterparty. More broadly, assets subject to a right of re-use by a counterparty may form part of a complex chain of transactions over which the Fund or its delegates will not have any visibility or control.

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

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

### **Emerging Markets Risk**

Emerging Markets are typically those of less developed countries which exhibit lower levels of economic and/or capital market development, and higher levels of share price and currency volatility. Funds that have a significant exposure to Emerging Markets may only be suitable for well-informed investors. The fundamental risks associated with these markets are summarised below:

#### **Political:**

Some Emerging Market governments exercise substantial influence over the private economic sector and the political and social uncertainties that exist can be significant. In adverse social and political circumstances, governments have been involved in policies of expropriation, confiscatory taxation, nationalisation, intervention in the securities market and trade settlement, and imposition of foreign investment restrictions and exchange controls. In addition to withholding taxes on investment income, some Emerging Markets may impose different capital gains taxes on foreign investors and can even limit foreign ownership of securities.

#### **Economic:**

Another risk common to many such countries is that the economy is heavily export oriented and, accordingly, is dependent upon international trade. The existence of overburdened infrastructures and obsolete financial systems also presents risks in certain countries.

#### **Regulatory:**

Generally accepted accounting, auditing and financial reporting practices in Emerging Markets and the legal infrastructure can be noticeably different from those in well developed markets. Some Emerging Markets may have a lower level of regulation, enforcement of regulations and monitoring of investors' activities than more developed markets.

**Tax:**

Where a Fund invests in assets that are not subject to withholding tax at the time of acquisition, there can be no assurance that tax may not be withheld in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. The Fund may not be able to recover such withheld tax and so any change may have an adverse effect on the Net Asset Value of the Shares. The attention of potential investors is drawn to the taxation risks associated with investing in the Company. Please refer to the section of this Prospectus entitled "Taxation".

**Market:**

The securities markets of developing countries are not as large as the more established securities markets and have considerably less trading volume, which can result in a lack of liquidity and high price volatility. There may potentially be a high concentration of market capitalisation and trading volume in a small number of issuers representing a limited number of industries as well as a high concentration of investors and financial intermediaries. These factors can adversely affect the timing and pricing of a Fund's acquisition or disposal of securities.

**Settlement:**

Practices in relation to settlement of securities transactions in Emerging Markets involve higher risks than those in established markets, in part because the Company will need to use counterparties which are less well capitalised. In addition, custody and registration of assets in some countries may be unreliable. Delays in settlement could result in investment opportunities being missed if a Fund is unable to acquire or dispose of a security. The Depositary is responsible for the proper selection and supervision of its correspondent banks in all relevant markets in accordance with Irish law and regulation. In certain Emerging Markets, registrars are not subject to effective government supervision nor are they always independent from issuers. Investors should therefore be aware that the Funds concerned could suffer loss arising from potential registration problems.

### **Central and Eastern Europe Risks**

Certain markets in Central and Eastern Europe present specific risks in relation to the settlement and safekeeping of securities. These risks result from the fact that physical securities may not exist in certain countries; as a consequence, the ownership of securities is evidenced only on the issuer's register of shareholders. Each issuer is responsible for the appointment of its own registrar. In the case of Russia, this results in a broad geographic distribution of several thousand registrars across Russia. Russia's Federal Commission for Securities and Capital Markets (the "Commission") has defined the responsibilities for registrar activities, including what constitutes evidence of ownership and transfer procedures. However, difficulties in enforcing the Commission's regulations mean that the potential for loss or error still remains and there is no guarantee that the registrars will act according to the applicable laws and regulations. Widely accepted industry practices are still in the process of being established. When registration occurs, the registrar produces an extract of the register of shareholders as at that particular point in time. Ownership of shares is evidenced by the records of the registrar, but not by the possession of an extract of the register of shareholders. The extract is only evidence that registration has taken place. It is not negotiable and has no intrinsic value. In addition, a registrar will typically not accept an extract as evidence of ownership of shares and is not obligated to notify the Depositary, or its local agents in Russia, if or when it amends the register of shareholders. As a consequence of this Russian securities are not on physical deposit with the Depositary or its local agents in Russia. Therefore, neither the Depositary nor its local agents in Russia can be considered as performing a physical safekeeping or custody function in the traditional sense. The registrars are neither agents of, nor responsible to, the Depositary or its local agents in Russia. Investments in securities listed or traded in Russia will only be made in equity and/or fixed income securities that are listed or traded on the Moscow Exchange MICEX - RTS.

In the event of losses due to the liquidation, bankruptcy, negligence or wilful default of any registrar the relevant Fund will have to pursue its rights directly against the issuer and/or its appointed registrar. The aforesaid risks in relation to safekeeping of securities in Russia may exist, in a similar manner, in other Central and Eastern European countries in which a Fund may invest.

The political, legal and operational risks of investing in Russia issuers may be particularly pronounced. Certain Russian issuers may also not meet internationally accepted standards of corporate governance. These circumstances may reduce the value of the assets that are acquired or may prevent full or partial access by a Fund to these assets to its detriment.

To the extent that a Fund invests directly in the Russian markets, increased risks are incurred particularly with regard to settlement of transactions and custody of the assets. In Russia the legal claim to securities is asserted by means of entry in a register. Maintenance of this register may, however, diverge significantly from internationally accepted standards. The Fund may lose its entry in the register, in whole or in part, particularly through negligence, lack of care or even fraud. It is also not possible to guarantee at present that the register is maintained independently, with the necessary competence, aptitude and integrity, and in particular without the underlying corporations exerting an influence; registrars are not subject to any result in loss of rights. Moreover, the possibility cannot be excluded that, when investing directly in Russian markets, claims to title of the relevant assets by third parties may already exist, or that acquisition of such assets may be subject to restrictions about which the purchaser has not been informed.

A change occurred in the custody arrangements applicable to certain Russian securities on 1 April 2013. From that date, the holding of many Russian securities by investors such as a Fund shall no longer be evidenced by a direct entry on the issuer's register of shareholders. Instead, the ownership of, and settlement of transactions in, those Russian securities has been moved to a central securities depository, the National Securities Depository ("NSD"). The Depository or its local agent in Russia will now be a participant on the NSD. The NSD in turn will now be reflected as the nominee holder of the securities on the register of the relevant issuer. Therefore, while this is intended to introduce a centralised and regulated system for recording of the ownership of, and settlement of transactions in, Russian securities, it does not eliminate all of the risks associated with the registrar system outlined above.

#### **Risks associated with deposits and money market instruments**

The attention of investors in any Fund that invests a significant amount of its Net Asset Value in deposits and money market instruments, is drawn to the difference between the nature of a deposit and the nature of an investment in such a Fund because the principal invested in such a Fund, is capable of fluctuation as the Net Asset Value of the Fund fluctuates.

#### **Risks associated with investing in Financial Derivative Instruments and Efficient Portfolio Management Techniques and Instruments**

While the prudent use of financial derivative instruments ("FDI"), Securities Financing Transactions and efficient portfolio management ("EPM") techniques and instruments can be beneficial, FDIs, Securities Financing Transactions and EPM techniques and instruments also involve risks different from, and in certain cases greater than, the risks presented by more traditional investments. Each Fund may enter transactions in OTC markets that expose it to the credit of its counterparties and their ability to satisfy the terms of such contracts. Where the Funds enter into FDI transactions or use techniques or instruments for EPM, they will be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, the Funds could experience delays in liquidating the position and may incur a significant losses. There is a risk in particular in the case of OTC derivatives, Securities Financing Transactions or EPM techniques and instruments that the relevant documentation might not accurately reflect the terms agreed or be legally enforceable or the risk of loss due to the unexpected application of the law or regulation. There is also a possibility that ongoing derivative transactions and Securities Financing Transactions will be terminated unexpectedly as a result of events outside the control of the Company, for instance, bankruptcy, supervening illegality or a change in the tax or accounting laws relative to those transactions at the time the agreement was originated. In accordance with standard industry practice, it is the Company's policy to net exposures against its counterparties.

The prices of FDI are highly volatile. Price movements of FDI are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programmes and policies of governments, national and international political and economic events, changes in local laws and policies. In addition, governments from time to time intervene, directly and by regulation, in certain

markets, particularly markets in currencies and interest rate related futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. The use of derivatives also involves certain special risks, including (1) dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates; (2) imperfect correlation between the hedging instruments and the securities or market sectors being hedged; (3) the fact that skills needed to use these instruments are different from those needed to select the Fund's securities; and (4) the possible absence of a liquid market for any particular instrument at any particular time.

Securities Financing Transactions create several risks for the Company and its investors, including, counterparty risk if the counterparty to a Security Financing Transaction defaults on its obligation to return assets equivalent to the ones provided to it by the relevant Fund and liquidity risk if the Fund is unable to liquidate collateral provided to it cover a counterparty default. Market practices in relation to the settlement of Securities Financing Transactions and the custody of assets could provide increased risk. In particular, some of the markets in which a Fund may invest do not provide for settlement on a delivery versus payment basis and the risk in relation to such settlements has to be borne by the Fund.

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 may suffer loss as a result.

Since many FDIs have a leverage component, adverse changes in the value or level of the underlying asset, rate or index can result in a loss substantially greater than the amount invested in the derivative itself. Certain FDIs have the potential for unlimited loss regardless of the size of the initial investment. If there is a default by the other party to any such transaction, there will be contractual remedies; however, exercising such contractual rights may involve delays or costs which could result in the value of the total assets of the related portfolio being less than if the transaction had not been entered. The swap market has grown substantially in recent years with a large number of banks and investment banking firms acting both as principals and as agents utilising standardised swap documentation. As a result, the swap market has become liquid but there can be no assurance that a liquid secondary market will exist at any specified time for any particular swap. Derivatives do not always perfectly or even highly correlate or track the value of the securities, rates or indices they are designed to track. Consequently, the Company's use of FDI techniques may not always be an effective means of, and sometimes could be counter-productive to, the Company's investment objective. The potential loss arising from the use for FDI or EPM may not be predictable and may even exceed the margins or other collateral paid. An adverse price movement in a derivative position may require cash payments of variation margin by the Company that might in turn require, if there is insufficient cash available in the portfolio, the sale of the Company's investments under disadvantageous conditions.

The use of FDI may expose the Funds to the risks that the legal documentation of the relevant contract may not accurately reflect the intention of the parties.

#### **Risks associated with investing in Master Limited Partnerships ("MLP")**

A Fund which invests in MLPs will do so by purchasing units issued to the limited partners of the MLP that are publically traded on Regulated Markets. An MLP is an investment that combines the tax benefits of a limited partnership with the liquidity of publicly-traded securities. Distributions paid by MLPs may be comprised of investment income, capital gains, the return of capital or a combination of all three. Any distributions received from the MLP will be reflected in the Net Asset Value of the relevant Fund and only the income component (i.e. investment income and capital gains) of the distribution received from the MLP will be available for distributions payable to Shareholders in the relevant Fund. For the avoidance of doubt, no distributions received from the MLP will be made out of capital.

The risks of investing in an MLP are generally those involved in investing in a partnership as opposed to a corporation. For example, the law governing partnerships is often less restrictive than the law governing corporations. Accordingly, there may be fewer protections afforded to investors in an MLP than investors in

a corporation. Investments held by MLPs may be relatively illiquid, limiting the MLPs' ability to vary their portfolios promptly in response to changes in economic or other conditions. MLPs may have limited financial resources, their securities may trade infrequently and in limited volume, and they may be subject to more abrupt or erratic price movements than securities of larger or more broadly-based companies. The Fund's investment in MLPs also subjects the Fund to the risks associated with the specific industry or industries in which the MLPs invest. The additional cost of preparing and filing the tax returns and paying the related taxes may adversely impact the Fund's return on its investment in MLPs. Another risk of investing in an MLP is that the US federal regulations governing MLPs change in a manner that is adverse to US investors in MLPs, which would likely cause the value of investments in MLPs to drop significantly.

### **Risks associated with investing in Loan Participation Notes**

To the extent that a Fund invests in loan participation notes, the notes in which it invests will be securitised and will typically result in the Fund having a contractual relationship with the issuer of the note and not with the underlying borrower. The Fund will have the right to receive payments of principal, interest and any fees to which it is entitled from the issuer and typically only upon receipt by the issuer of the payments from the borrower. In connection with purchasing loan participations notes, a Fund generally will have no right to enforce compliance by the borrower with the terms of the loan agreement relating to the loan participation note, nor any rights of set-off against the borrower, and a Fund may not directly benefit from any collateral supporting the loan to which the note relates. As a result, the Fund may be exposed to credit risk towards the borrower and the issuer. In the event of the insolvency of the issuer, a Fund may be treated as a general creditor of the issuer and may not benefit from any set-off between the issuer and the borrower.

Loan participation notes are typically traded over the counter and will have similar liquidity to other debt instruments which are traded over the counter. The liquidity of loan participation notes may be affected by specific economic events, such as a deterioration in the creditworthiness of the borrower, and also may make it more difficult to assign a value to the loan participation note for the purposes of valuing a Fund's portfolio and calculating its Net Asset Value.

### **Risks associated with loan participations and assignments**

In connection with purchasing participations in or assignments of floating rate mortgages or other commercial loans, a Fund generally will have no right to enforce compliance by the borrower with the terms of the loan agreement relating to the loan, nor any rights of set-off against the borrower, and a Fund may not directly benefit from any collateral supporting the loan in which it has purchased the participation. As a result, a Fund will assume the credit risk of both the borrower and the lender that is selling the participation. In the event of the insolvency of the lender selling a participation, a Fund may be treated as a general creditor of the lender and may not benefit from any set-off between the lender and the borrower.

A Fund may have difficulty disposing of loan participations or loans. The liquidity of such instruments is limited and they may be sold only to a limited number of institutional investors. This could have an adverse impact on the value of such securities and on a Fund's ability to dispose of particular participations when necessary to meet its liquidity needs or in response to a specific economic event, such as a deterioration in the creditworthiness of the borrower, and also may make it more difficult to assign a value to the participations or loans for the purposes of valuing a Fund's portfolio and calculating its Net Asset Value.

### **European Market Infrastructure Regulation**

In general, there is less government regulation and supervision of transactions in the OTC markets (in which currencies, spot and option contracts, certain options on currencies and swaps are generally traded) than of transactions entered into on recognised exchanges. OTC derivatives lack transparency as they are privately negotiated contracts and any information concerning them is usually only available to the contracting parties. While measures are being introduced under Regulation (EU) No 648/2012 on OTC derivatives, central counterparties and trade repositories ("**EMIR**") that aim to mitigate risks involved in investing in OTC derivatives and improve transparency, these types of investments continue to present challenges in clearly understanding the nature and level of risks involved. In addition, many of the protections afforded to

participants on some recognised exchanges, such as the performance guarantee of an exchange clearing house, might not be available in connection with OTC transactions.

The counterparty for an OTC derivative will be the specific firm involved in the transaction rather than a recognised exchange and accordingly the bankruptcy or default of a counterparty with which the Fund trades OTC derivatives could result in substantial losses to the Fund. In addition, a counterparty may refrain from settling a transaction in accordance with its terms and conditions because the contract is not legally enforceable or because it does not accurately reflect the intention of the parties or because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Fund to suffer a loss. To the extent that a counterparty defaults on its obligation and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. Regardless of the measures the Fund may implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that the Fund will not sustain losses on the transactions as a result. Counterparty exposure will be in accordance with the Fund's investment restrictions.

### **Operational Risks (Including Cybersecurity and Identity Theft)**

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

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

Cybersecurity breaches may occur whereby an unauthorised party infiltrates and gains access to assets of the Funds, Shareholder data, or proprietary information. This may cause the Company, the Manager, the Investment Manager, the Administrator, the Depository or the Auditors to suffer data corruption or lose operational functionality. The Funds may be affected by intentional cybersecurity breaches which include unauthorised access to systems, networks, or devices (such as through "hacking" activity); infection from computer viruses or other malicious software code and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. In addition, unintentional incidents can occur, such as the inadvertent release of confidential information (possibly resulting in the violation of applicable privacy laws).

A cybersecurity breach could result in the loss or theft of Shareholder data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system, or costs associated with system repairs. Such incidents could cause the Company, the Manager, the Investment Manager, the Administrator, the Depository, or other service providers to incur regulatory penalties, reputational damage, additional compliance costs, or financial loss. Consequently, Shareholders may lose some or all of their invested capital. In addition, such incidents could affect issuers in which a Fund invests, and thereby cause a Fund's investments to lose value, as a result of which investors, including the relevant Fund and its Shareholders, could potentially lose all or a portion of their investment with that issuer.

## **FATCA**

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

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

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

## **OECD Common Reporting Standard**

Ireland has provided for the implementation of CRS through section 891F of the TCA and the enactment of the CRS Regulations. CRS, which has applied in Ireland since 1 January 2016, is a global OECD tax information exchange initiative which is aimed at encouraging a coordinated approach to disclosure of income earned by individuals and organisations. The Company is a Reporting Financial Institution for CRS purposes and will be required to comply with the Irish CRS obligations. In order to satisfy its CRS obligations, the Company will require its investors to provide certain information in respect of their tax residence and may, in some cases, require information in relation to the tax residence of the beneficial owners of the investor. The Company, or a person appointed by the Company, will report the information required to Revenue Commissioners by 30 June in the year following the year of assessment for which a return is due. The Revenue Commissioners will share the appropriate information with the relevant tax authorities in participating jurisdictions. All prospective investors / shareholders should consult with their own tax advisors regarding the possible CRS implications of an investment in the Company.

## **Subscriptions/Redemptions Account**

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

## **Pandemics**

In March 2020, the World Health Organisation declared COVID 19 a pandemic. While the full impact is not yet known, COVID 19 or any other pandemic as yet unidentified may result in a period of economic decline globally as countries restrict the movement of people and limit or close down certain non-essential businesses, operations and services in order to contain the pandemic. Such measures are likely to affect the prospects of businesses worldwide and may lead to increased levels of business failure, insolvency and credit default. In addition, the introduction of these measures and uncertainty regarding their likely duration may continue to result in increased volatility in currency and security markets and declines in the value of securities globally. Credit, counterparty and currency risk also is likely to increase. As a result, a pandemic may also have a significant adverse impact on the value of the Company's investments and the ability of the

Sub-Investment Manager to access markets or implement the Funds' investment policies in the manner originally contemplated.

Government interventions or other limitations or bans introduced by regulatory authorities or exchanges and trading venues as temporary measures in light of significant market volatility may lead to limited liquidity and temporary or longer term suspensions of trading which may also negatively impact on the Sub-Investment Manager's ability to implement the Funds' investment policies and the ability to value the Funds' investments reliably. The Funds' access to liquidity could also be impaired in circumstances where the need for liquidity to meet redemption requests which may rise significantly as a result of the impacts of a pandemic.

The effects of a pandemic could also restrict, limit or interrupt the operations of third party service providers, whose services are required for the operation of the Company or to enable the Sub-Investment Manager to perform its duties, including the trading securities.

### **Climate Change and Environmental, Social and Governance Factors Risk**

Climate change and other environmental, social and governance ("ESG") factors may impact the financial performance of a Fund's investments. notwithstanding the Sub-Investment Manager's ability to identify drivers of these risks.

Although climate change and ESG issues do not form part of traditional financial metrics, their impacts may affect the risk and return of investments—at times, decisively, albeit that their impacts may be difficult to measure in monetary terms. For example ongoing droughts may impact agricultural farming and concerns regarding use and overuse of fossil fuels may impact investor engagement and voting strategies at investments of the Fund. Similarly, employee relations and other values-related issues have seen reputational damage impact the value of certain corporations.

The risks posed by climate change and other ESG issues have led to increasing governmental regulation and taxation and it is expected that such regulation and taxation will increase, leading to additional costs for the Funds whether or not following an ESG led or influenced investment policy.

**The Funds may also be exposed to investment risks caused by ESG events, including climate events exacerbated by climate change, and/or by exposure to investments located in areas that are more susceptible to climate change risks or vulnerable to climate related events including hurricane, fire, or flood damage.**



## PART VI CHARGES AND EXPENSES

### Manager's Remuneration Policy

The Manager has established, implemented and maintains a remuneration policy which meets the requirements of, and complies with the principles set out in UCITS V and the ESMA Remuneration Guidelines relating to same (the "Remuneration Guidelines") and ensures that the Investment Manager has an appropriate remuneration policy in place which is in compliance with the Remuneration Guidelines.

The Manager's remuneration policy applies to staff whose professional activities might have a material impact on the Company's risk profile and so covers senior management, risk takers, control functions and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers and whose professional activities have a material impact on the risk profile of the Company. The Manager's remuneration policy is accordingly consistent with, and promotes, sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profile of the Company.

Consistent with the principle of proportionality referred to in the Remuneration Guidelines the payout process requirements in the Remuneration Guidelines have been disapplied in the Manager's remuneration policies. This disapplication has been made following assessment by the Manager of each of the payout process requirements and takes account of specific facts applicable to each and is appropriate to each size, internal organisation and the nature, scope and complexity of its activities.

The Remuneration Policy of the Manager can be found at [www.kbassociates.ie](http://www.kbassociates.ie). A copy can be requested free of charge from the Manager.

### Management Fees

The Manager will receive a quarterly fee payable in arrears from the Company of up to 0.015% of the Net Asset Value of the relevant Fund decreasing at increments to 0.0030% where assets under management of the Company exceed €5 billion. The Management Fee is based on a sliding scale applied to the aggregate assets across all Sub-Funds, subject to an annual minimum fee of €5,000 for the first Fund and an annual minimum fee of up to €15,000 for the first five additional Funds, decreasing to €12,500 and €10,000 for each five subsequent Funds. The Manager shall also be entitled to be reimbursed by the Company for all reasonable disbursements and out-of-pocket expenses incurred.

### Investment Management Fees

The Investment Manager will receive a quarterly fee payable in arrears from the Company at an annual rate based on the average daily Net Asset Value of a Fund as at the relevant Valuation Point in relation to the Funds of the Company as set out below. The Fee Rate as described below reflects the maximum investment management fees that may be applied to each Fund.

<b>Fund*</b>	<b>Portion of Net Asset Value</b>	<b>Fee Rate as a % of Net Asset Value</b>
Payden Euro Liquidity Fund	Total	0.10%
Payden US Dollar Liquidity Fund	Total	0.10%
Payden Global Short Bond Fund	First US\$2 billion Over US\$2 billion	0.30% 0.25%
Payden Global Bond Fund	First US\$2 billion Over US\$2 billion	0.30% 0.25%
Payden US Core Bond Fund	Total	0.32%

Payden USD Low Duration Credit Fund	Total	0.23%
Payden Global Emerging Markets Bond Fund	Total	0.50%
Payden Absolute Return Bond Fund - All Classes except Sterling Class (Distributing) (SI), Sterling Class (Accumulating) (SI), US Dollar Class (Distributing) (SI), US Dollar Class (Accumulating) (SI), Euro Class (Distributing) (SI) and Euro Class (Accumulating) (SI) (together the “SI Classes”)	Total	0.45% Per Share Class
Payden Absolute Return Bond Fund – SI Classes	Total	0.35% Per share Class
Payden Global High Yield Bond Fund	First US\$2 billion Over US\$2 billion	0.60% 0.50%
Payden Global Government Bond Index Fund	Total	0.12%
Payden Global Inflation-Linked Bond Fund	Total	0.20%
Payden Sterling Reserve Fund	Total	0.12%
Payden Global Equity Income Fund	Total	0.55%
Payden US Equity Income Fund	Total	0.55%

\*For information in relation to the Total Operating Expenses for the Payden Global Aggregate Bond Fund and the Payden Global Emerging Markets Bond Fund (Hard Currency), please see the relevant Supplement.

Investment management fees in respect of future Funds will be determined by the Directors at the time of creation of a Fund, details of which will be set out in a revised Prospectus or Supplement. All distribution costs and expenses will be borne by the Investment Manager from its own fee.

#### **Administration Fees**

The Administrator is entitled to receive administration and fund accounting fees ranging between 0.015% and 0.04% per annum of the month end Net Asset Value of each Fund. Additional Classes in excess of two Classes per Fund shall be charged at US\$250 per month subject to a monthly minimum fee per Fund of US\$2000. All such fees shall accrue daily and be paid monthly in arrears. The Administrator shall also be entitled to receive transaction and reporting charges for fund accounting, administration and registrar and transfer agency services at normal commercial rates which shall accrue daily and be paid monthly in arrears.

The Administrator shall also be entitled to be reimbursed by the Company for all reasonable and vouched out-of-pocket expenses incurred by it for the benefit of the Company in the performance of its duties under the Administration Agreement.

#### **Depositary Fees**

The Depositary shall be entitled to receive out of the assets of the Company a trustee fee, accrued daily and payable monthly in arrears, of 0.0135% per annum of the month end Net Asset Value of the Company for assets up to US \$1.0 billion. Assets in the Company in excess of that amount shall be charged at a rate of 0.0110% per annum up to a total asset level of US \$4.0 billion and at a rate of 0.0085% thereafter.

The Depositary will also receive from each Fund a custodial fee of up to 0.80% of the total market value of the investments of each Fund in each relevant market at month end. Such fees shall accrue daily and be paid monthly in arrears and are subject to a minimum charge of US\$1,000 per month per Fund. The Depositary shall also be entitled to receive transaction charges and all sub custodian charges will be recovered by the

Depositary from the Company as they are incurred by the relevant sub custodians. All such charges shall be at normal commercial rates. The Depositary is also entitled to reimbursement of all reasonable out-of-pocket expenses incurred for the benefit of the Company in the performance of its duties under the Depositary Agreement.

### **Directors' Fees**

The Directors who are not partners, officers or employees of Payden & Rygel or of the Investment Manager, will be entitled to remuneration by the Company for their services as Directors provided however that the aggregate of all fees paid to each Director in respect of any twelve month accounting period shall not exceed a fixed sum of €25,000 plus €1,000 per board meeting or such higher amount as may be approved by the Company in general meeting. In addition, the Directors will also be entitled to be reimbursed for their reasonable and vouched out-of-pocket expenses incurred in discharging their duties as Directors.

Any Director who serves on any committee or who otherwise performs services which, in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration as the Directors may determine.

### **General Expenses**

The Company will pay out of the assets of each Fund the fees and expenses payable to the Manager, the Investment Manager, the Depositary, any sub-custodians (which shall be charged at normal commercial rates), the Administrator and the Directors (as referred to above), any fees in respect of circulating details of the Net Asset Value, stamp duties, taxes, company secretarial fees, brokerage or other expenses of acquiring and disposing of investments, and the fees and expenses of the auditors, tax and legal advisers. The costs of printing and distributing reports, accounts and any explanatory memoranda, any necessary translation fees, publishing prices and any costs incurred as a result of periodic updates of the Prospectus, or of a change in law or the introduction of any new law (including any costs incurred as a result of compliance with any applicable code, whether or not having the force of law) will also be paid by the Company.

The cost of establishment of the Company and the initial Funds have been borne by the relevant Fund or Class and amortised over the three financial years of the Company immediately following the establishment of the Fund or the issue of the relevant Class. Thereafter, the cost of establishing each new Fund will be set out in the relevant Supplement and amortised over the first three financial years of such Fund's operation or such other period as the Directors may determine. The cost of establishing any subsequent Fund will be charged to the relevant Fund.

### **Total Operating Expenses**

If the total operating expenses of the particular Fund (the “**Total Operating Expenses**”) exceeds the fee cap voluntarily imposed by the Directors, the Investment Manager agrees to pay to the Company for the account of the Fund in question such amount as is necessary to enable the Fund to pay such expenses without further recourse to the Fund's assets. For this purpose, total operating expenses shall mean the fees and out-of-pocket expenses of each of the Manager, the Depositary, the Administrator and the Investment Manager and all of the general expenses outlined above. However, the limit excludes any brokerage and transaction costs incurred by any Fund. Total operating expenses are calculated as a percentage of the average daily Net Asset Value of the Fund as set out below. The Total Operating Expenses cap as described below reflects the maximum Total Operating Expenses that may be applied to each Fund.

<b>Fund*</b>	<b>Maximum Total Operating Expenses</b>
Payden Euro Liquidity Fund	0.16%
Payden US Dollar Liquidity Fund	0.16%
Payden Global Short Bond Fund	0.35%
Payden Global Bond Fund	0.35%
Payden US Core Bond Fund	0.40%

Payden Global Emerging Markets Bond Fund	0.66%
Payden Absolute Return Bond Fund – All Classes except the SI Classes	0.50% Per Share Class
Payden Absolute Return Bond Fund – SI Classes	0.40% Per Share Class
Payden Global High Yield Bond Fund	0.75%
Payden Global Government Bond Index Fund	0.15%
Payden Global Inflation-Linked Bond Fund	0.25%
Payden Sterling Reserve Fund	0.18%
Payden USD Low Duration Credit Fund	0.30%
Payden Global Equity Income Fund	0.65%
Payden US Equity Income Fund	0.65%

\*For information in relation to the Total Operating Expenses for the Payden Global Aggregate Bond Fund and the Payden Global Emerging Markets Bond Fund (Hard Currency), please see the relevant Supplement.

The proposed Investment Management fees and Maximum Total Operating Expenses are set out below for your convenience:

<b>Fund*</b>	<b>Portion of Net Asset Value</b>	<b>Investment Management Fee Rate as a % of Net Asset Value</b>	<b>Maximum Total Operating Expenses</b>
Payden Euro Liquidity Fund	Total	0.10%	0.16%
Payden US Dollar Liquidity Fund	Total	0.10%	0.16%
Payden Global Short Bond Fund	First US\$2 billion Over US\$2 billion	0.30% 0.25%	0.35%
Payden Global Bond Fund	First US\$2 billion Over US\$2 billion	0.30% 0.25%	0.35%
Payden US Core Bond Fund	Total	0.32%	0.40%
Payden USD Low Duration Credit Fund	Total	0.23%	0.30%
Payden Global Emerging Markets Bond Fund	Total	0.50%	0.66%
Payden Global Emerging Markets Bond Fund (Hard Currency)	Total	0.50%	0.63%
Payden Absolute Return Bond Fund – All Classes except the SI Classes	Total	0.45% Per Share Class	0.50% Per Share Class
Payden Absolute Return Bond Fund – SI Classes	Total	0.35% Per Share Class	0.40% Per Share Class
Payden Global High Yield Bond Fund	First US\$2 billion Over US\$2 billion	0.60% 0.50%	0.75%
Payden Global Government Bond Index Fund	Total	0.12%	0.15%
Payden Global Inflation-Linked Bond Fund	Total	0.20%	0.25%
Payden Sterling Reserve Fund	Total	0.12%	0.18%
Payden Global Equity Income Fund	Total	0.55%	0.65%
Payden US Equity Income Fund	Total	0.55%	0.65%
Payden Global Aggregate Bond Fund	Total	0.30%	0.35%

These limits may be increased by the Directors at any time on notice to the Shareholders in the relevant Fund.

**Foreign Registration Fees**

The Manager may appoint agents in relation to the registration of its Shares for public sale in the EEA and may pay the fees and expenses of the agent out of the assets of the Company at normal commercial rates. Such fees and expenses shall be borne *pro rata* by the Fund or Funds that are so registered.

## PART VII MANAGEMENT AND ADMINISTRATION

### Directors

The Directors of the Company are:

**Joan A. Payden** – President and founder of Payden & Rygel, a Californian based investment management firm, founded in 1983, focusing on US domestic and global portfolios with over US\$95 billion in assets under management. Prior to establishing Payden & Rygel, she was West Coast managing director for Scudder, Stevens & Clark, at that time one of the oldest and largest investment management firms in the US. From 1996 to 1998, she served as President of the Investment Counsel Association of America, an organisation founded sixty years ago to represent independent counsel firms.

**Peter Blessing** – Mr. Blessing is consultant to Corporate Finance Ireland Limited, an independent corporate finance boutique, which he joined in 1996. He is also a director of, and consultant to, a number of companies based in the International Financial Services Centre (“IFSC”) in Dublin. Mr. Blessing was managing director of Crédit Lyonnais Financial Services Limited, Dublin (“CLYFS”) from its establishment in 1991 until 1995. Before joining CLYFS, Mr. Blessing worked with Allied Irish Banks plc as director of its IFSC subsidiary from 1988 to 1991 and as a senior executive in its corporate finance division from 1982 to 1988.

**Dermot S. L. Butler** – a Canadian national and Irish resident, has more than forty five years’ experience in the financial markets, for over ten years of which he acted as an independent agent for Rudolf Wolff & Co. Limited. Prior to moving to Dublin to set up the Custom House group of companies in 1989, where he was the Chairman from inception until he stepped down in January 2015, he remains a consultant to the Group. Mr. Butler was both chairman and a director of McDonnell & Co. (London) Limited, a wholly-owned subsidiary of McDonnell & Co. (Bermuda) Limited, the Bermuda based fund management company. Mr. Butler is a director of a number of companies involved in international investment and financial services, including several investment funds whose shares are listed on the Irish Stock Exchange.

**Robin Creswell** – Managing Principal of Payden & Rygel, managing director of the Investment Manager. In 1984 he was jointly responsible for launching the Man Group funds business and led the global funds distribution of Man funds until 1992. From 1992 to 1995, he was deputy managing director and director of corporate finance to Greystone International Limited. From 1995 to 1999 Mr. Creswell was a consultant to Masterplan Research Limited, advising US and UK investment managers on global fund and investment product distribution for equity, bond, derivative and hedge fund strategies. He was also during that period a consultant to GNI Fund Management Limited advising on global distribution of derivative and hedge funds in equities, bonds and currencies. He joined Payden & Rygel in 1999 and is a managing principal and a board member. In December 2009 Mr. Creswell was elected chairman of the investment advisory committee of the Charities Aid Foundation and a trustee of the organisation.

**Nigel Jenkins** - Mr. Jenkins is a Managing Director of the Sub-Investment Manager and directs the Payden & Rygel Global Fixed Income strategy team, which manages all global, European and UK benchmarked fixed-income portfolios. He is a member of Payden & Rygel’s Investment Policy Committee and serves on the board of another Payden & Rygel investment fund. Mr. Jenkins also oversees the Payden & Rygel Interest Rate and Currency strategy teams. Prior to joining Payden & Rygel, Mr. Jenkins was a founding partner of Centric Capital LLP, head of global fixed income at WestLB and a director of the fixed income and currency group at Rothschild Asset Management. Mr. Jenkins holds the ASIP designation of the UK Society of Investment Professionals. He holds an MA degree in Economics from the University of Cambridge.

**Mike Kirby** - Mr. Kirby is Managing Principal at KB Associates, a firm which provides a range of advisory and project management services to the promoters of offshore mutual funds. He has previously held senior positions at Bank of New York (previously RBS Trust Bank) (1995-2000) where he was responsible for the establishment and ongoing management of its Dublin operations. He has also held senior positions in the custody and fund administration businesses of JP Morgan in London and Daiwa Securities in Dublin. Mr. Kirby holds a Bachelor of Commerce (Honours)

Degree from University College Dublin and is a Fellow of the Institute of Chartered Accountants in Ireland. He is a founder member of the Irish Funds Industry Association.

**Erinn King** – is a Managing Director at Payden & Rygel. A founding member of the firm’s Boston office, Erinn is responsible for client relations and business development for the East Coast, Bermuda, and Canada. She leads the firm’s global insurance practice and serves as a liaison to the firm’s London and Milan offices, as well as the Metzler/Payden joint-venture. Erinn is a director for Payden Global Funds PLC, Payden& Rygel’s Dublin-domiciled UCITS Funds. Erinn is also a co-leader of Payden & Rygel’s Diversity & Inclusion initiative. Prior to joining Payden & Rygel, Erinn was a Vice President at Wellington Management Company, LLP, where she held roles in fixed-income portfolio communications and insurance relationship management. Erinn also worked for Concordia Capital LLC prior to joining Wellington. Erinn is Past Chair of the board for CFA Society Boston. She is also a trustee for the New England Foundation for the Arts and Jose Mateo Ballet Theatre. Erinn earned an MBA in Finance at Boston University and also holds a BFA and MFA in Dance from the University of Oklahoma.

**Mary-Beth Syal** – is a Managing Director at the Sub-Investment Manager and a member of the board of directors. Ms. Syal is a member of the firm’s Investment Policy Committee and also serves as a Senior Portfolio Manager advising corporations, insurance companies and family offices. She is a director of Payden & Rygel Global Ltd. Prior to joining the Sub-Investment Manager, Ms. Syal was a Portfolio Manager and strategist at Amervest Company Inc., where she was the co-chair of the Investment Strategy Committee. Ms. Syal is a member of the CFA Society of Los Angeles and the CFA Institute. In addition, she serves on the Investment Committee of the Western Province of the Religious of the Sacred Heart of Mary and on the board of another Payden & Rygel investment fund. Ms. Syal earned a BA degree in Government from Smith College in Northampton, Massachusetts.

As the day-to-day investment management and administration of the Company has been delegated by the Manager to the Investment Manager and the Administrator respectively, all the Directors are non-executive.

For the purposes of this document, the address of the Directors is the registered office of the Company. No Director has:

- (i) any unspent convictions in relation to indictable offences; or
- (ii) been bankrupt or the subject of a voluntary arrangement, or has had a receiver, liquidator or receiver appointed to any asset of such Director; or
- (iii) been a director of any company which, while he was a director with an executive function or within twelve months after he ceased to be a director with an executive function, had a receiver appointed or went into compulsory liquidation, creditors voluntary liquidation, administration or company voluntary arrangement, or made any composition or arrangements with its creditors generally or with any class of its creditors; or
- (iv) been a partner of any partnership, which while he was a partner or within twelve months after he ceased to be partner, went into liquidation, administration or partnership voluntary arrangement, or made any composition or arrangements with its creditors generally or with any class of its creditors or had a receiver appointed to any partnership asset; or
- (v) had any official public incrimination or sanctions issued against them by statutory or regulatory authorities (including designated professional bodies); or
- (vi) been disqualified by a court from acting as a director or from acting in the management or conduct of affairs of any company.

Save for information given above, no further information relating to the Directors is required to be disclosed under the listing requirements of the Irish Stock Exchange.

## **MANAGER**

KBA Consulting Management Limited has been appointed as manager of the Company pursuant to the Management Agreement with responsibility for the investment management, distribution and administration services of the Company with power to delegate such functions subject to the overall supervision and control of the Directors.

The Manager was incorporated in Ireland as a public company with limited liability under Irish law on the 4th of December 2006 under registration number 430897. The Manager is wholly owned by Clifton Directors Limited which is a privately owned company. The Manager is authorised by the Central Bank of Ireland to act as an Alternative Investment Fund Manager (“AIFM”) on behalf of alternative investment funds (“AIFs”) in accordance with Directive 2011/61/EU (the “Alternative Investment Fund Managers Directive” or “AIFMD”) and to act as a management company on behalf of UCITS funds pursuant to the UCITS Regulations. The Manager has an issued and paid up share capital of €6,750,000.

The Manager has further delegated the investment management and distribution responsibilities in respect of the Funds to the Investment Manager.

The Manager’s main business is the provision of fund management services to collective investment schemes such as the Company.

The directors of the Manager are:

### **Mike Kirby (Irish Resident)**

Mike Kirby is the Chairman of the Manager and the Managing Principal at KB Associates a firm which provides a range of advisory and project management services to the promoters of offshore mutual funds. He has previously held senior positions at Bank of New York (previously RBS Trust Bank) (1995 to 2000) where he was responsible for the establishment and ongoing management of its Dublin operations. He has also held senior positions in the custody and fund administration businesses of JP Morgan in London and Daiwa Securities in Dublin. Mr. Kirby holds a Bachelor of Commerce (Honours) Degree from University College Dublin and is a Fellow of the Institute of Chartered Accountants in Ireland.

### **Peadar De Barra (Irish Resident)**

Peadar De Barra is an executive director and Chief Operating Officer of the Manager. Mr. De Barra was previously Vice-President at Citi Fund Services (Ireland) Ltd (formerly BISYS), where he was responsible for the Financial Administration team (2003 to 2007). Prior to this Mr. De Barra was an accountant and auditor with PricewaterhouseCoopers Dublin (1998 to 2002) and was an assistant manager at AIB/BNY Fund Management (Ireland) Ltd (2002 to 2003) with responsibilities for statutory reporting. Since joining KB Associates in 2008, Mr. De Barra provides project management services to asset managers of funds of hedge funds including assistance with the financial statement process, advising clients on a range of fund restructuring and termination issues with particular focus on the valuation of illiquid assets and the liquidation of investment structures. He has particular expertise in relation to how asset managers and investment funds meet the operational requirements relating to the Alternative Investment Fund Managers Directive. He also fulfils the designated person role for a number of UCITS funds. In addition, Mr. De Barra also acts as a director to a number of investment funds, investment managers and management companies. Mr. De Barra holds a Bachelor of Commerce Degree from University College Galway and is a Fellow of the Institute of Chartered Accountants in Ireland.



### **Frank Connolly (Irish resident)**

Frank Connolly has been active in the mutual and hedge funds industry since 1997. He has particular expertise in the preparation and audit of financial statements for investment funds and in the regulatory and GAAP requirements applicable to the investment management industry. He also has expertise in the development of compliance programs for both AIFMD and UCITS funds as well as advising asset managers on the establishment and ongoing operation of both UCITS and non-UCITS funds. He is an executive director of KB Associates' AIFMD and UCITS authorised management company, KBA Consulting Management Limited. Prior to joining KB Associates, Mr Connolly was Senior Manager in the Investment Management Group at PricewaterhouseCoopers Dublin where he specialised in the audit of UCITS funds. Previously, he had been with PricewaterhouseCoopers in the Cayman Islands where his responsibilities included the provision of audit services to a wide range of alternative asset managers. Mr Connolly holds a Bachelor of Commerce Degree (Hons) from University College Dublin and is a Fellow of the Institute of Chartered Accountants in Ireland.

### **John Oppermann (Irish Resident)**

John Oppermann, a non-executive independent director of the Manager, has been involved in the financial services industry since 1987, experience with international funds domiciled in various locations across a variety of asset classes and investment strategies. Since 2008, Mr. Oppermann acts as a consultant within the hedge fund industry providing fund consultancy, advisory, non-executive directorships, administration and accounting services to the international investment community. Mr. Oppermann served as General Manager of Olympia Capital Ireland Limited from 2004 to July 2008, a fund administration company based in Dublin. Previously he was Accounting Manager at RMB International in Dublin from 2003 to 2004 and a Fund Accounting Manager at International Fund Services in Dublin from 2001-2002. Prior to that role he established Capita's registrars operation in Ireland, Capita Registrars (Ireland) Limited, and was its Senior Country Manager from 1999 to 2001. He was a member of the senior management team at Mellon Fund Administration from 1995 to 1998. He also held a number of senior positions with The Prudential Corporation from 1987 to 1996 in London. Mr. Oppermann is a Fellow of the Association of Chartered Certified Accountants and holds a Masters of Business Administration from the Michael Smurfit Graduate Business School, University College Dublin. Mr. Oppermann has received the accreditation of Certified Investment Fund Director from the Institute of Banking School of Professional Finance. He is also a director for a number of companies.

### **Samantha McConnell (Irish Resident)**

Samantha McConnell has over 20 years' experience in the financial and pensions industry covering administration, investment services, change and integration management as well as expert in devising solutions to complex issues. Ms. McConnell is an independent, non-executive director (INED) of KBA Consulting Management Limited and is the Chair of its Independent Investment Committee. The function of the Investment Committee is the formulation, approval and oversight of the implementation of each fund's investment objectives and policies by the relevant investment manager. The Investment Committee also evaluates the market overview, each Fund's performance and any changes of investment objective of a Fund. Ms. McConnell is also an INED and interim Chair for another significant fund management company as well as INED on a number of fund boards. Ms. McConnell is a director for Willis HC&B as well as non-executive director for CFA Ireland. Ms. McConnell holds a first class honours degree in commerce from University College Dublin and graduated first in Ireland in the ACCA exams. She is a CFA Charterholder, a holder of the Institute of Directors Diploma in Company Direction and was awarded the Graduate of Merit award from the Institute of Directors

The company secretary of the Manager is KB Associates.

The Manager has delegated the performance of its investment management functions and distribution of Shares in respect of the Company to the Investment Manager and administrative functions to the Administrator. The Manager is legally and operationally independent of the Administrator, the Depositary and the Investment Manager.

Under the Management Agreement, the Manager has been appointed as manager by the Company. The Management Agreement may be terminated by either party on 90 days written notice or forthwith by notice in writing in certain circumstances such as the insolvency of either party or unremedied breach after notice. The Manager has the power to delegate its duties in accordance with the Central Bank's requirements. The Manager shall be liable to the Company and its directors, employees, delegates and agents for all actions, proceedings, claims, damages, costs, demands and expenses including without limitation, legal and professional expenses (including legal and professional fees and expenses arising therefrom or incidental thereto) ("Losses") which may be brought against, suffered or incurred by the Company and its directors, employees, delegates and agents resulting directly from the fraud, wilful default or negligence of the Manager or its employees, in the performance by the Manager of its duties hereunder and/or in the performance of its regulatory obligations in its capacity as manager of the Company. In no circumstances shall the Manager be liable for special, indirect, consequential, punitive or exemplary damages, lost profits or loss of business arising out of or in connection with the performance or non-performance of its duties or the exercise of its powers under this Agreement. The Agreement provides that the Company shall out of the assets of the relevant Fund indemnify the Manager against and hold it harmless from any all actions, proceedings, claims, demands, losses, damages, costs and expenses (including legal and professional fees and expenses arising therefrom or incidental thereto) brought against or suffered or incurred by the Manager in the performance of its duties other than due to the negligence, fraud or wilful default of the Manager in the performance of its obligations or duties under the Management Agreement or as otherwise may be required by law.

#### **PROMOTER AND SUB-INVESTMENT MANAGER**

Payden & Rygel is the promoter of the Company. Payden & Rygel is registered as an investment adviser with the US Securities and Exchange Commission and as a commodity trading adviser with the US Commodity Futures Trading Commission and currently has over US\$140 billion of assets under management.

Payden & Rygel has been appointed as sub-investment manager to all Funds of the Company pursuant to the Sub-Investment Management Agreement. Despite the fact that the Sub-Investment Manager is registered as a CTA, the Sub-Investment Manager intends to act in an unregistered CTA capacity with respect to the Funds in reliance upon CFTC Regulation 4.14(a)(8).

The Sub-Investment Management Agreement may be terminated by either party on not less than ninety days' prior written notice to the other party although in certain circumstances the agreement may be terminated forthwith by notice in writing by the Investment Manager or on the termination of the Investment Management Agreement.

The Sub-Investment Management Agreement also contains certain indemnities in favour of the Sub-Investment Manager which are restricted to exclude matters arising by reason of the fraud, negligence or wilful default in the performance of its or their functions or duties by the Sub-Investment Manager, its directors, officers or agents.

#### **INVESTMENT MANAGER**

Payden & Rygel Global Limited has been appointed as investment manager to the Company and distributor of its Shares pursuant to the Investment Management Agreement. Payden & Rygel Global Limited is wholly owned by Payden & Rygel and is authorised and regulated by the UK Financial Services Authority. The Investment Manager intends to rely upon the exemption from CPO registration in CFTC Regulation 4.13(a)(3) with respect to the EM Bond Funds.

Under the Investment Management Agreement the Investment Manager has been appointed by the Manager to provide the Company with investment management and advisory services in relation to the assets of each Fund and to act with day to day authority, power and responsibility for the investment and reinvestment of such assets. Under the Investment Management Agreement the Investment Manager may delegate its

investment management functions to its parent, Payden & Rygel or any related or affiliated entity. The Investment Manager has delegated its investment management functions relating to all Funds to its parent, Payden & Rygel pursuant to the Sub-Investment Management Agreement. The fees payable to the Sub-Investment Manager are payable by the Investment Manager out of the investment management fees it receives from the Company.

The Investment Management Agreement may be terminated by either the Manager or Investment Manager on not less than thirty days' prior written notice by either party although in certain circumstances the agreement may be terminated forthwith by notice in writing by either party to the other.

The Investment Manager is required to discharge its duties under the Investment Management Agreement with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of its own affairs or of an enterprise of a like character and with like aims. Provided the Investment Manager has exercised that standard of care set forth in the preceding sentence, and has followed the terms of the Prospectus in all material respects, the Investment Manager shall not be subject to any liability to the Company for any act or omission of itself, of authorised personnel, or of any other person, firm or organisation, in the course of, or connected with, its obligations under the Investment Management Agreement. The Investment Manager manages the investment and reinvestment of the assets of the Company on behalf of each Fund and reviews, supervises and administers all investments. The Investment Manager is responsible for placing orders for the purchase and sale of investments directly with brokers or dealers selected by it in its discretion. See "Portfolio Transactions and Related Party Dealings" in Part VIII.

## **DEPOSITARY**

The Company has appointed Brown Brothers Harriman Trustee Services (Ireland) Limited pursuant to the Depositary Agreement to act as the depositary of the Company. The Depositary was incorporated in Ireland as a limited liability company on 29 March 1995. The Depositary is a subsidiary of Brown Brothers Harriman & Co. and has issued share capital in excess of US\$1,500,000. The principal activity of the Depositary is to act as depositary and trustee of collective investment schemes. As at 31 August 2021, the Depositary had US\$483 billion under custody.

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

- (i) the Depositary shall hold in custody all financial instruments capable of being registered or held in a financial instruments account opened in the Depositary's books and all financial instruments capable of being physically delivered to the Depositary;
- (ii) the Depositary shall verify the Company's ownership of all other assets (other than those referred to in (i) above) and maintain and keep up-to-date a record of such assets it is satisfied are owned by the Company;
- (iii) the Depositary shall ensure effective and proper monitoring of the Company's cash flows;
- (iv) the Depositary shall be responsible for certain fiduciary and oversight obligations in respect of the Company – see "Summary of Oversight Obligations" below.

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

### *Summary of Oversight Obligations:*

The Depositary is obliged to ensure, among other things, that:

- the sale, issue, redemption and cancellation of Shares effected on behalf of the Company are carried out in accordance with the Companies Act, the conditions imposed by the Central Bank and the

Articles of Association;

- the value of Shares is calculated in accordance with the Companies Acts and Articles of Association;
- in transactions involving the Company's assets, any consideration is remitted to it within time limits which are acceptable market practice in the context of a particular transaction;
- the Company and each Fund's income is applied in accordance with the Companies Acts and the Articles of Association;
- the instructions of the Company are carried out unless they conflict with the Companies Acts or the Articles of Association; and
- it has enquired into the conduct of the Company in each Accounting Period and reports thereon to the Shareholders. The Depositary's report will be delivered to the Company in good time to enable the Directors to include a copy of the report in the annual report of each Fund. The Depositary's report will state whether in the Depositary's opinion each Fund has been managed in that period:
  - (i) in accordance with the limitations imposed on the investment and borrowing powers of the Fund imposed by the Articles of Association and/or the Central Bank under the powers granted to the Central Bank under the Companies Act; and
  - (ii) otherwise in accordance with the provisions of the Companies Acts and the Articles of Association.

If the Company has not complied with (i) or (ii) above, the Depositary will state why this is the case and will outline the steps that the Depositary has taken to rectify the situation. The duties provided for above may not be delegated by the Depositary to a third party.

In discharging its role, the Depositary shall act honestly, fairly, professionally, independently and in the interests of the Company and the Shareholders.

Up-to-date information regarding the Depositary, the Depositary's duties, any conflicts of interest that may arise and any safe-keeping functions delegated by the Depositary (including the delegates, sub-delegates and conflicts of interest arising from such a delegation) will be made available to investors upon request.

## **ADMINISTRATOR**

Brown Brothers Harriman Fund Administration Services (Ireland) Limited has been appointed by the Manager as administrator, registrar and transfer agent of the Company. As part of its duties, it will provide shareholder services, fund accounting and calculate the Net Asset Value and Net Asset Value per Share of each Fund.

The Administrator was incorporated in Ireland as a limited liability company on 29 March 1995 and is a subsidiary company of Brown Brothers Harriman & Co. It has an issued share capital of US\$700,000. The principal activity of the Administrator is to act as administrator of collective investment schemes. As at 31 August 2021, the Administrator had US\$445 billion under administration.

The Administration Agreement may be terminated by either the Manager or Administrator giving ninety consecutive calendar days' notice in writing to the other party. In addition, the Administration Agreement may be terminated forthwith by either the Manager or Administrator giving notice in writing to the other party if at any time: (i) the other party shall go into liquidation (except for a voluntary liquidation for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the non-defaulting party) or a receiver or examiner is appointed to such party or upon the happening of a similar event; or (ii) the other party shall commit any breach of the provisions of the Administration Agreement which, if capable of remedy, shall not have been remedied within thirty consecutive calendar days after the

service of written notice requiring it to be remedied; or (iii) any party ceases to be permitted to act as in its current capacity under any applicable laws; or (iv) the Depositary shall cease to be engaged as the Depositary of the Company. The Administrator shall use reasonable care and diligence in performing its duties under the Administration Agreement as a professional administrator providing the administration services contemplated under the Administration Agreement would exercise but shall not be held accountable for any losses, damages or expenses the Company or any Shareholder or former Shareholder of the Company or any other person may suffer or incur arising from acts, omissions, errors, or delays of the Administrator in the performance of its obligations and duties, except a damage, loss or expense resulting from the Administrator's wilful default, fraud, bad faith, including, without limitation, any error of judgment or mistake of law, recklessness or negligence in the performance of such obligations and duties. The Administrator shall not be liable for special, indirect, consequential or punitive damages even if the Administrator has been advised of the possibility of such damages. The Company has agreed to indemnify and hold the Administrator harmless for any and all losses, claims, damages, liabilities and expenses (including reasonable counsel's fees and expenses) resulting from any act, omission, error or delay or any claim, demand, action or suit, in connection with or arising out of the performance of obligations and duties under the Administration Agreement, not resulting from the wilful default, fraud, bad faith, recklessness or negligence in the performance of such obligations and duties.

## **PART VIII PORTFOLIO TRANSACTIONS AND RELATED PARTY DEALINGS**

Subject to the provisions of this Part VIII, the Directors, the Manager, the Investment Manager, the Administrator, the Depositary, any Shareholder and any of their respective parents, subsidiaries, affiliates, associates, agents or delegates (“**Connected Persons**”) may contract or enter into any financial, banking or other transaction with one another or with the Company including, without limitation, investment by the Company in securities of a Shareholder or investment by any Connected Persons in any company or bodies whose investments form part of the assets of the Company or be interested in any such contract or transactions and in particular, without limitation, they may invest in and deal with Shares relating to the Company or any property of the kind included in the property of the Company for their respective individual accounts or for the account of someone else. The appointment of the Manager, the Investment Manager, the Administrator and the Depositary in their primary capacity as service providers to the Company are excluded from the scope of these Connected Person requirements.

In addition, any cash of the Company may be deposited, with any Connected Person (being a credit institution) and such credit institution shall allow interest thereon in accordance with normal banking practice for deposits at a rate not lower than the prevailing rate for deposits of a similar size and duration.

Any Connected Person may also deal as agent or principal in the sale or purchase of securities and other investments to or from the Company through or with any Connected Person. There will be no obligation on the part of any Connected Person to account to Shareholders for any benefits so arising and any such benefits may be retained by the relevant party, provided that such transactions are carried out as if effected on normal commercial terms negotiated at arm’s length, are consistent with the best interests of Shareholders and;

- (i) a certified valuation of such transaction by a person approved by the Depositary (or, in the case of a transaction entered into by the Depositary, the Manager) as independent and competent has been obtained, or
- (ii) such transaction has been executed on best terms on an organised investment exchange under its rules, or
- (iii) such transaction has been executed on terms which the Depositary is or, in the case of a transaction involving the Depositary, the Manager is satisfied conform with the principle that such transactions be carried out as if effected on normal commercial terms negotiated at arm’s length.

The Company has adopted a policy designed to ensure that in all transactions a reasonable effort is made to avoid conflicts of interest and, when they cannot be avoided, such conflicts are managed so that the Funds and their Shareholders are fairly treated. The Depositary (or in the case of a transaction involving the Depositary, the Manager) shall document how it complied with paragraphs (i), (ii) and (iii) above and where transactions are conducted in accordance with paragraph (iii), the Depositary (or in the case of a transaction involving the Depositary, the Manager) must document the rationale for being satisfied that the transaction conformed to the principles outlined above.

Potential conflicts of interest may arise from time to time from the provision by the Depositary and/or its affiliates of other services to the Company and/or other parties. For example, the Depositary and/or its affiliates may act as the depositary, trustee, custodian and/or administrator of other funds. It is therefore possible that the Depositary (or any of its affiliates) may in the course of its business have conflicts or potential conflicts of interest with those of the Company and/or other funds for which the Depositary (or any of its affiliates act).

Where a conflict or a potential conflict arises, the Depositary will have regard to its obligations to the Company and will treat the Company and the other funds for which it acts fairly and such that, is far as is practicable, any transactions are effected on terms which are not materially less favourable to the Company

than if the conflict or potential conflict had not existed. Such potential conflicts of interest are identified, managed and monitored in various other ways including, without limitation, the hierarchical and functional separation of the Depositary's functions from its other potentially conflicting tasks and by the Depositary adhering to its "Conflict of Interest Policy" (a copy of which can be obtained on request from the head of compliance for the Depositary).

Conflicts of interest may arise as a result of transactions in FDI and efficient portfolio management techniques and instruments. For example, the counterparties to, or agents, intermediaries or other entities which provide services in respect of, such transactions may be related to the Company, the Manager or the Depositary. As a result, those entities may generate profits, fees or other income or avoid losses through such transactions. Furthermore, conflicts of interests may also arise where the collateral provided by such entities is subject to a valuation or haircut applied by a related party.

The Investment Manager may, in the course of its business, have potential conflicts of interest with the Company in circumstances other than those referred to above. The Investment Manager will, however, have regard in such event to its obligations under the Investment Management Agreement and, in particular, to its obligations to act in the best interests of the Company so far as practicable, having regard to its obligations to other clients when undertaking any investments where conflicts of interest may arise and will seek to resolve such conflicts fairly. Insofar as the Investment Manager may also be approved by the Depositary as a competent person to value any investments of the Company in respect of which no price is currently available, the Investment Manager will have regard to its obligations to act in the best interest of the Company. In the event that a conflict of interest does arise the Directors and the Manager will endeavour to ensure that such conflicts are resolved fairly.

The Investment Manager and/or its parent or affiliates may invest, directly or indirectly, or manage or advise other investment funds or accounts which invest in assets which may also be purchased or sold by the Company. Neither the Investment Manager nor its parent nor any of its affiliates is under any obligation to offer investment opportunities of which any of them becomes aware to the Company or to account to the Company in respect of or share with the Company or inform the Company of any such transaction or any benefit received by any of them from any such transaction, but will allocate any such opportunities on an equitable basis between the Company and other clients.

The Investment Manager may be responsible for valuing certain securities held by the Funds. The Investment Manager is paid a fee which is a percentage of the Net Asset Value of each Class. Consequently a conflict of interest could arise between its interest and those of the Funds. In the event of such a conflict of interests, the Investment Manager shall have regard to its obligations to the Company and the Fund and will ensure that such a conflict is resolved fairly and in the best interests of the Shareholders.

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

The Manager has adopted a best execution policy designed to ensure that its service providers act in the Funds' best interests when executing decisions to deal and placing orders to deal on behalf of those Funds in the context of managing the Funds' portfolios. For these purposes, all reasonable steps must be taken to obtain the best possible result for the Funds, taking into account price, costs, speed, likelihood of execution and settlement, order size and nature, research services provided by the broker to the Investment Manager, or any other consideration relevant to the execution of the order. Information about the Manager's execution policy and any material change to the policy are available to Shareholders at no charge upon request.

The Manager has developed a strategy for determining when and how voting rights are exercised. Details of the actions taken on the basis of those strategies are available to Shareholders at no charge upon request.

**PART IX**  
**VALUATION OF ASSETS AND TEMPORARY SUSPENSION OF DETERMINATION OF NET ASSET VALUE**

The Net Asset Value of each Fund is calculated at 5 pm New York time on each Dealing Day.

The Net Asset Value per Share of the relevant Class is calculated by dividing the value of the assets of the relevant Fund, less its liabilities, by the total number of Shares of the relevant Class in issue (adjusted to the fourth decimal place) as at that Valuation Point.

The Articles provide for the method of valuation of the assets and liabilities of each Fund. The assets and liabilities of a Fund will be valued at the Valuation Point as follows:-

- (a) Assets listed or traded on a recognised exchange (other than those referred to at (e) below) for which market quotations are readily available shall be valued at the closing or last known market price which for the purposes of the Company shall be understood to mean the last traded price. Where a security is listed or dealt in on more than one recognised exchange, the relevant exchange or market shall be the principal or main stock exchange or market on which the security is listed or dealt on or the exchange or market which the Manager in consultation with the Investment Manager determines provides the fairest criteria in determining a value for the relevant investment. Assets listed or traded on a recognised exchange, but acquired or traded at a premium or at a discount outside or off the relevant exchange or market may be valued taking into account the level of premium or discount at the Valuation Point provided that the Depositary shall be satisfied that the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the security.
- (b) The value of any investment which is not quoted, listed or dealt in on a recognised exchange, or which is so quoted, listed or dealt in but for which no such quotation or value is available, or the available quotation or value is not representative of the fair market value, shall be the probable realisation value as estimated with care and good faith by (i) the Manager or (ii) a competent person, firm or corporation (including the Investment Manager) selected by the Manager and approved for the purpose by the Depositary or (iii) any other means provided that the value is approved by the Depositary. Where reliable market quotations are not available for fixed income securities, the value of such securities may be determined using matrix methodology compiled by the Directors, the Manager or competent person (as approved by the Depositary) whereby such securities are valued by reference to the valuation of other securities which are comparable in rating, yield, due date and other characteristics.
- (c) Cash (in hand or on deposit) will be valued at its nominal/face value plus accrued interest or less debit interest, where applicable, to the end of the relevant day on which the Valuation Point occurs.
- (d) Notwithstanding paragraph (a) above, units in collective investment schemes shall be valued at the latest available net asset value per unit or latest bid price as published by the relevant collective investment scheme or, if listed or traded on a recognised exchange, in accordance with (a) above.
- (e) Exchange-traded derivative instruments will be valued based on the settlement price as determined by the market where the instrument is traded. If such settlement price is not available, such value shall be calculated in accordance with (b) above, i.e. being the probable realisation value estimated with care and in good faith by a competent person appointed by the Manager (and approved for such purpose by the Depositary).



- (f) Notwithstanding the provisions of paragraphs (a) to (e) above:-
- (i) The Manager or its delegate shall, at its discretion in relation to any particular Fund which is a short-term money market fund, have in place an escalation procedure to ensure that any material discrepancy between the market value and the amortised cost value of a money market instrument is brought to the attention of the Investment Manager or a review of the amortised cost valuation vis-à-vis market valuation will be carried out in accordance with the requirements of the Central Bank.
  - (ii) Where it is not the intention or objective of the Manager to apply amortised cost valuation to the portfolio of the Fund as a whole, a money market instrument within such a portfolio shall only be valued on an amortised basis if the money market instrument has a residual maturity of less than 3 months and does not have any specific sensitivity to market parameters, including credit risk.
- (g) Notwithstanding the generality of the foregoing, the Manager may with the approval of the Depository adjust the value of any investment if they consider that such adjustment is required to reflect the fair value in the context of currency, marketability, dealing costs and/or such other considerations which are deemed relevant. The rationale for adjusting the value must be clearly documented.
- (h) If the Manager deems it necessary, a specific investment may be valued under an alternative method of valuation approved by the Depository and the rationale/methodologies used must be clearly documented.

### **Swing Pricing**

In the appropriate circumstances, swing pricing is employed as a mechanism to protect Shareholders against the effects of dilution. Dilution may occur as a result of transaction related costs associated with the price at which the underlying securities of a Fund are bought or sold relative to the mid-price of those securities. It is that mid-price which forms the basis of the valuation of the Fund in the absence of a price swing resulting from investor subscriptions or redemptions.

Net investor subscriptions above a materiality threshold (“Swing Threshold”, set by the Directors from time to time) will cause an upward swing in the Net Asset Value per Share; net investor redemptions a downward swing. The magnitude of the swing (the “Swing Factor”) is applied to all share classes of that Fund.

The price swing means that the transacting investor will contribute to the cost of the resulting transactions in underlying securities. The swung NAV will be the official NAV for that particular day and all investor transactions will take place at that value. Shareholders should note that due to adjustments being made to the NAV, the volatility of a Fund’s NAV may not fully reflect the true performance of the Fund’s underlying securities.

### **TEMPORARY SUSPENSION OF THE CALCULATION OF THE NET ASSET VALUE**

The Directors, in consultation with the Manager, may at any time, temporarily suspend the calculation of the Net Asset Value and the issue or redemption of any particular Fund during (i) any period when any stock exchange on which a substantial part of the investments of the relevant Fund are quoted is closed, otherwise than for ordinary holidays, or during which dealings thereon are restricted or suspended; (ii) any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Directors, disposal or valuation of investments of the relevant Fund is not reasonably practicable without this being seriously detrimental to the interests of owners of Shares of the relevant Class or if, in the opinion of the Directors, redemption prices cannot fairly be calculated; (iii) any breakdown in the means of communication normally employed in determining the value of the investments of the relevant Fund or when for any other reason the current prices on any market or stock exchange of a substantial portion of the assets of the relevant Fund cannot be promptly and accurately ascertained; or (iv)

any period during which the Directors are unable to repatriate funds required for the purpose of making payments due on redemption of Shares or during which the transfer of funds involved in the acquisition or realisation of investments or payments due on redemption cannot, in the opinion of the Directors, be effected at normal prices or normal rates of exchange; or (v) any period when the Directors consider it to be in the best interests of the relevant Fund. The Central Bank may also require the suspension of redemption of Shares of any class in the interest of the Shareholders or the public.

Shareholders who have requested redemption of any Shares will be notified of any such suspension and, unless withdrawn but subject to the limitation referred to above, their requests will be dealt with on the Dealing Day next following that on which the suspension is lifted.

Any such suspension will be notified to the Central Bank and the Irish Stock Exchange without delay and in any event within the same Business Day on which such suspension occurs. In addition, where possible all reasonable steps will be taken to bring any period of such suspension to an end at the earliest opportunity.

### **PUBLICATION OF PRICES AND AVAILABILITY OF PORTFOLIO DETAILS**

Except where the determination of the Net Asset Value has been suspended in the circumstances described below, the Net Asset Value per Share shall be made public at the office of the Administrator on each Dealing Day and shall be notified to the Irish Stock Exchange immediately upon calculation. In addition, the Net Asset Value per Share shall be published on the Business Day immediately succeeding each Dealing Day on the internet addresses [www.payden.com](http://www.payden.com) and [www.ise.ie](http://www.ise.ie) and on Bloomberg. Such information shall relate to the Net Asset Value per Share for the previous Dealing Day and is published for information purposes only. Any internet address or website referred to in this document does not form part of this Prospectus. It is not an invitation to subscribe for, redemption or convert Shares at that Net Asset Value. A detailed statement of the portfolio contents of each Fund is available to relevant Shareholders at [www.payden.com](http://www.payden.com). Relevant Shareholders can obtain access to these portfolio details through a password available from the Investment Manager. This information will normally be updated on each Business Day at the close of business.

### **CONDITIONS RELATING TO REDEMPTION OF SHARES**

The Directors in consultation with the Manager are entitled, under the Articles, to limit the number of Shares of any Fund redeemed by the Company, on any Dealing Day, to 10% of the total number of Shares of the relevant Fund in issue. In such circumstances, the limitation will be applied *pro rata* so that all Shareholders applying to have their Shares redeemed on that Dealing Day realise the same proportion of such Shares. The balance of the Shares not redeemed by the Company will be carried forward for redemption to the Dealing Day immediately following and will be dealt with *pro rata* (on a rateable basis) to subsequently received redemption requests. If requests for redemption are so carried forward, the Directors will inform the Shareholders affected.

Requests for the redemption of Shares should be made to the Company in writing (requests by facsimile will be treated as definite orders), or by prior arrangement with the Administrator, by using agreed electronic means, and must be received prior to the Dealing Deadline for the relevant Dealing Day. If sent by facsimile, the original signed redemption request form must be promptly sent by courier or air mail to the Company. Redemption requests received after a Dealing Deadline shall be treated as having been received by the next following Dealing Deadline. A redemption request will not be capable of withdrawal after submission to the Company, unless such withdrawal is approved by the Company, acting in its absolute discretion. The redemption price will be the Net Asset Value of the Shares less any redemption fee (up to 3% of the Net Asset Value of the Shares which may be applied at the discretion of the Investment Manager). If requested, the Company may, in its absolute discretion and subject to the prior approval of the Depositary, and on prior written notification to the Shareholders, agree to designate additional Dealing Days and Valuation Points for the redemption of Shares.

The amount due on redemption of Shares will be paid by electronic transfer at the Shareholder's expense, within three Business Days of the relevant Dealing Day. The proceeds of the redemption of the Shares will be paid in accordance with the procedures set out in Part I.

The Directors may, with the consent of the individual Shareholder, or at the request of the Shareholder, redeem Shares by transferring to the Shareholder assets of the relevant Fund having a value equal to the redemption price of the Shares being redeemed as if the redemption proceeds were paid in cash, provided that such a distribution does not adversely affect the interests of the remaining Shareholders of that Fund. The redemption value will be net of any redemption fee and other expenses of the transfer, if any.

A determination to provide redemption *in specie* may be solely at the discretion of the Directors in consultation with the Manager where the redeeming Shareholders requests redemption of a number of Shares that represents 5% or more of the Net Asset Value of the relevant Fund provided that any such Shareholder requesting redemption shall be entitled to request the sale of any asset or assets proposed to be distributed *in specie* and the distribution to such Shareholder of the cash proceeds of such sale less the costs of such sale which shall be borne by the relevant Shareholder.

The nature and type of assets to be transferred *in specie* to each Shareholder shall be determined by the Directors (subject to the approval of the Depositary as to the allocation of assets) on such basis as the Directors in their discretion shall deem equitable and not prejudicial to the interests of the remaining Shareholders in the relevant Fund or Class.

Shares may not be redeemed during any period when the calculation of the Net Asset Value of any particular Fund is suspended in the manner described in this Part IX. Shareholders requesting redemption will be notified of such suspension and, unless withdrawn, redemption requests will be considered as at the next Dealing Day following the end of such suspension.

The Company may redeem all Shares of any Fund if, at any time one year after the initial issue of such Shares or any date thereafter, the Net Asset Value of a Fund is less than US\$5 million or its equivalent in the currency in which the relevant Fund is denominated. In such event, notice of the termination of the Fund will be given in writing to Shareholders of that Fund and such Shareholders will be deemed to have given a request in writing for the redemption of their Shares pursuant to the Articles.

Shares acquired directly or indirectly by Irish Residents (unless otherwise determined by the Directors), US Persons (except with respect to the EM Bond Funds), persons in breach of any law or requirements of any country or persons who directly or indirectly may result in the Company incurring any liability to taxation or pecuniary disadvantage, may be subject to compulsory redemption by the Company. Without limiting the generality of the previous sentence, the Company intends to require the redemption or transfer of Shares in any Fund held by or for the benefit of any Shareholder who is a US Benefit Plan Investor.

When a redemption request has been submitted by a Shareholder who is, or is deemed to be, or is acting on behalf of, an Irish Resident, the Company shall deduct from the redemption proceeds an amount which is equal to the tax payable by the Company to the Revenue Commissioners in Ireland in respect of the relevant transaction.

## PART X

### GENERAL INFORMATION

#### Share Capital

At the date hereof:

- (a) the authorised share capital of the Company is 500 billion Shares of no par value initially designated as unclassified Shares which are available for issue as participating Shares;
- (b) the issued share capital of the Company is seven subscriber Shares (issued for the purposes of the incorporation of the Company) one of which is held by Payden & Rygel and the remainder of which are each held by a Managing Partner of Payden & Rygel for the benefit of Payden & Rygel.

#### Description of Shares

Subject to the exceptions set out in Part IX regarding compulsory redemption of Shares, the Shares issued by the Company are in registered form freely transferable and entitled to participate equally in the profits and dividends of the relevant Fund and in its assets upon liquidation. The Shares, which are of no par value and which must be fully paid upon issue, carry no preferential or pre-emptive rights and are entitled to one vote each at all meetings of the relevant Class of Shareholders. All Shares of each Fund will rank *pari passu*.

#### Memorandum and Articles of Association

The Memorandum of Association of the Company provides (at Clause 2) that the Company's sole object is the collective investment in transferable securities and/or other liquid financial assets referred to in Regulation 68 of the Regulations of capital raised from the public operating on the principle of risk spreading in accordance with the Regulations.

The following section is a summary of the principal provisions of the Articles of Association of the Company. Defined terms in this section bear the same meanings as defined in the Company's Articles.

#### 1. Variation of Rights

The rights attached to any Class may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the holders of three-fourths of the issued Shares of that Class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the Shares of the Class. The provisions of the Articles relating to general meetings shall apply to every such separate general meeting except that the necessary quorum at any such meeting, other than an adjourned meeting, shall be two persons holding or representing by proxy at least one-third of the issued Shares of the Class in question or, at an adjourned meeting, one person holding Shares of the Class in question or his proxy. Any holder of Shares of the Class in question present in person or by proxy representing not less than one-tenth of the total voting rights of all the Shares of the Class in question may demand a poll.

#### 2. Voting Rights

The Articles provide that on a show of hands at a general meeting of the Company every holder of Shares present in person or by proxy shall be entitled to one vote. Subject to the Companies Acts, the Articles provide that a poll may be demanded by the Chairman of the meeting; by at least two members present (in person or by proxy) having the right to vote at the meeting; or by any member or members present (in person or by proxy) representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting. On a poll, every member present

in person or by proxy shall have one vote for every share of which he is the holder.

3. **Change in Share Capital**

The Company may from time to time by Ordinary Resolution increase its capital by such amount as the resolution shall prescribe.

The Company may, by Ordinary Resolution, alter its capital by consolidating and dividing its share capital into Shares of a larger amount than its existing Shares, by sub-dividing its Shares into Shares of a smaller amount than that fixed by the Memorandum of Association of the Company, or by cancelling any Shares which, at the date of the passing of the Ordinary Resolution in that regard, have not been taken, or agreed to be taken, by any person, and diminish the amount of its share capital by the amount of the Shares so cancelled. The Company may by Special Resolution from time to time reduce its share capital in any way.

4. **Directors' Interests**

Provided the nature of his interest is or has been declared, a Director or intending Director may enter into any contract with the Company and such contract or arrangement shall not be liable to be avoided and the Director concerned shall not be liable to account to the Company for any profit realised by any such contract or arrangement by reason of his holding of that office or the fiduciary relationship so established and may hold any other office or place of profit with the Company in conjunction with the office of Director on such terms as to tenure of office and otherwise as the Directors may determine.

A Director shall not vote or be counted in the quorum present on any resolution in respect of his appointment (or the arrangement of the terms of appointment) to hold any office or place of profit with the Company or in respect of any contract or arrangement in which he is materially interested. This prohibition does not apply (in the absence of some other material interest than is indicated below), *inter alia*, to:

- (a) the giving of any security or indemnity to him in respect of money lent or obligations incurred by him for the benefit of the Company;
- (b) any contract or arrangement by a Director to guarantee or underwrite Shares or debentures of the Company;
- (c) any proposals concerning any other company in which he is directly interested whether as a director, shareholder, creditor or otherwise howsoever provided that he is not the holder of or beneficially interested in one per cent. or more of any class of the issued equity share capital of such company (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant company, any such interest being deemed for the purpose of the Articles to be a material interest in all circumstances.

The Company may by Ordinary Resolution suspend or relax the provisions described above to any extent or ratify any transaction not duly authorised by reason of a contravention thereof.

5. **Borrowing Powers**

The Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and assets (both present and future), whether outright or as collateral security for any debt, liability or obligation of the Company provided that all such borrowings shall be within the limits laid down by the Central Bank. The Funds will engage in leverage to the extent permitted by Part XIII entitled "Investment Techniques and Financial Derivative Instruments" and as described in Part IV entitled "Use of Techniques and Derivatives".

6. **Cross-Investment**

Investors should note that, subject to the Central Bank Rules (and specifically Regulation 11(1) of the Central Bank Regulations), each of the Funds may invest in the other Funds of the Company where such investment is appropriate to the investment objectives and policies of the relevant Fund. Any commission received by the Manager, the Investment Manager (including a rebated commission) in respect of such investment will be paid into the assets of the relevant Fund. In addition, no preliminary charge, redemption fee or exchange charge may be charged on the cross-investing Fund's investment.

In order to avoid double-charging of management, investment management and/or any performance fees, any Fund that is invested in another Fund may not be charged a management fee, an investment management fee and/or performance fee in respect of that part of its assets invested in other Funds unless such investment in another Fund is made into a Class of Shares that does not attract any investment management fee and/or performance fee. Investment may not be made by a Fund in a Fund which itself cross-invests in another Fund within the Company.

7. **Retirement of Directors**

There is no provision for the retirement of Directors on their attaining a certain age.

8. **Transfer of Shares**

The Shares of any member may be transferred by instrument in writing in any usual or common form or any other form which the Directors in consultation with the Manager may approve. Subject to certain exceptions in the case of Irish Residents and US Persons or certain other categories of persons specified in Part IX and with respect to US Benefit Plan Investors, the Shares representing each Fund of the Company are freely transferable and entitled to participate equally in the profits and dividends of the Fund to which they relate and in its assets upon liquidation.

9. **Unclaimed Dividend**

The Articles provide that any dividend unclaimed after a period of six years from the date of declaration of such dividend shall be forfeited and shall revert to the relevant Fund.

10. **The Funds and Segregation of Liability**

The Company is an umbrella fund with segregated liability between Funds and each Fund may comprise one or more Classes of Shares in the Company. The Directors may, from time to time, upon the prior approval of the Central Bank, establish further Funds on such terms as the Directors may resolve. The Directors in consultation with the Manager may create further Classes of Shares within each Fund which must be notified to and cleared in advance with the Central Bank, on such terms as the Directors may resolve.

The assets and liabilities of each Fund will be allocated in the following manner:

- (a) the proceeds from the issue of Shares representing a Fund shall be applied in the books of the Company to the Fund and the assets and liabilities and income and expenditure attributable thereto shall be applied to such Fund subject to the provisions of the Memorandum and Articles of Association;
- (b) where any asset is derived from another asset, such derivative asset shall be applied in the books of the Company to the same Fund as the assets from which it was derived and in each valuation of an asset, the increase or diminution in value shall be applied to the relevant Fund;

- (c) where the Company incurs a liability which relates to any asset of a particular Fund or to any action taken in connection with an asset of a particular Fund, such a liability shall be allocated to the relevant Fund, as the case may be; and
- (d) where an asset or a liability of the Company cannot be considered as being attributable to a particular Fund, such asset or liability, subject to the approval of the Depositary, shall be allocated to all the Funds *pro rata* to the Net Asset Value of each Fund.

Any liability incurred on behalf of or attributable to any Fund shall be discharged solely out of the assets of that Fund, and neither the Company nor any Director, receiver, examiner, liquidator, provisional liquidator or other person shall apply, nor be obliged to apply, the assets of any such Fund in satisfaction of any liability incurred on behalf of, or attributable to, any other Fund.

There shall be implied in every contract, agreement, arrangement or transaction entered into by the Company the following terms, that:

- (i) the party or parties contracting with the Company shall not seek, whether in any proceedings or by any other means whatsoever or wheresoever, to have recourse to any assets of any Fund in the discharge of all or any part of a liability which was not incurred on behalf of that Fund;
- (ii) if any party contracting with the Company shall succeed by any means whatsoever or wheresoever in having recourse to any assets of any Fund in the discharge of all or any part of a liability which was not incurred on behalf of that Fund, that party shall be liable to the Company to pay a sum equal to the value of the benefit thereby obtained by it; and
- (iii) if any party contracting with the Company shall succeed in seizing or attaching by any means, or otherwise levying execution against, the assets of a Fund in respect of a liability which was not incurred on behalf of that Fund, that party shall hold those assets or the direct or indirect proceeds of the sale of such assets on trust for the Company and shall keep those assets or proceeds separate and identifiable as such trust property.

All sums recoverable by the Company shall be credited against any concurrent liability pursuant to the implied terms set out in (i) to (iii) above.

Any asset or sum recovered by the Company shall, after the deduction or payment of any costs of recovery, be applied so as to compensate the Fund.

In the event that assets attributable to a Fund are taken in execution of a liability not attributable to that Fund, and in so far as such assets or compensation in respect thereof cannot otherwise be restored to the Fund affected, the Directors, with the consent of the Depositary, shall certify or cause to be certified, the value of the assets lost to the Fund affected and transfer or pay from the assets of the Fund or Funds to which the liability was attributable, in priority to all other claims against such Fund or Funds, assets or sums sufficient to restore to the Fund affected, the value of the assets or sums lost to it.

A Fund is not a legal person separate from the Company but the Company may sue and be sued in respect of a particular Fund and may exercise the same rights of set-off, if any, as between its Funds as apply at law in respect of companies and the property of a Fund is subject to orders of the court as it would have been if the Fund were a separate legal person.

Separate records shall be maintained in respect of each Fund.

## 11. Winding Up

The Articles contain provisions to the following effect:

- (a) Subject to the provisions of the Companies Acts, if the Company shall be wound up the liquidator shall apply the assets of each Fund in such manner and order as he thinks fit in satisfaction of creditors' claims relating to that Fund. The liquidator, in relation to the assets available for distribution among the members, may make in the books of the Company such transfers thereof to and from Funds in the books and records of the Company as may be necessary to ensure that creditors' claims may be shared between members of different Classes in such proportions as the liquidator in his absolute discretion may think equitable and are attributed in accordance with the following provisions.
- (b) Following the deduction of the estimated expenses of the liquidation and the satisfaction of all creditors' claims, the assets available for distribution among the members shall then be applied in the following priority:
  - (i) **Firstly**, in the payment to the holders of each Class of Shares of each Fund of a sum in the currency in which that Fund is designated (or in any other currency selected by the liquidator) as nearly as possible equal (at a rate of exchange determined by the liquidator) to the Net Asset Value of the Shares of such Class held by such holders respectively as at the date of commencement to wind up provided that there are sufficient assets available in the relevant Fund. To enable such payment to be made recourse shall be had firstly, to the assets of the Company not comprised within any of the Funds.
  - (ii) **Secondly**, in payment to the holders of any subscriber Shares of sums up to the issue price paid on such subscriber Shares out of the assets of the Company not comprised within any of the Funds remaining after any recourse thereto under subparagraph (b)(i)(A) above. In the event that there are insufficient assets as aforesaid to enable such payment in full to be made, no recourse shall be had to the assets comprised within any of the Funds.
  - (iii) **Thirdly**, in the payment to the holders of each class of Shares in any Fund of any balance then remaining in the relevant Fund, such payment being made in proportion to the number of Shares of that Class held.
  - (iv) **Fourthly**, in the payment to the holders of the Shares of any balance then remaining and not comprised within any of the Funds, such payment being made in proportion to the number of Shares held, the value of each Fund and within each Fund to the value of each Class and in proportion to the Net Asset Value per Share.
- (c) If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of a Special Resolution and any other sanction required by the Companies Acts, divide among the members *in specie* the whole or any part of the assets of the Company, and whether or not the assets shall consist of property of a single kind, and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like authority, shall think fit, and the liquidation of the Company may be accepted and the Company dissolved, but so that no member shall be compelled to accept any assets in respect of which there is liability. If a member so requests, the Company shall arrange to dispose of the investments on behalf of the member. The price obtained by the Company may be different from the price at which the investments were valued when determining the Net Asset Value and the Company shall not be liable



for any loss arising. The transaction costs incurred in the disposal of such investments shall be borne by the member.

### **Material Contracts**

The following contracts, not being contracts entered into in the ordinary course of business are, or may be, material:

- The Management Agreement made between the Company and the Manager pursuant to which the latter acts as manager to the Company.
- The Investment Management Agreement between the Company, the Manager and the Investment Manager pursuant to which the latter acts as investment manager to the Company and distributor of the Shares.
- The Sub-Investment Management Agreement between the Investment Manager and the Sub-Investment Manager pursuant to which the latter acts as sub-investment manager of all of the Funds of the Company.
- The Administration Agreement between the Company, the Manager and the Administrator, pursuant to which the latter acts as administrator to the Company.
- The Depositary Agreement between the Company, the Manager and the Depositary, pursuant to which the latter acts as depositary to the Company.

Copies of the paying and information agreements entered into by the Manager in relation to the registration for public sales of its Shares may be obtained upon request from the Company's registered office.

### **Litigation and Arbitration**

The Company is not engaged in any legal or arbitration proceedings and no legal or arbitration proceedings are known to the Directors to be pending or threatened by or against the Company.

### **Miscellaneous**

At the date of this document, the Company has no loan capital (including term loans) outstanding or created but unissued and no outstanding mortgages charges or other material borrowings or indebtedness in the nature of borrowings, including bank overdrafts and liabilities under acceptances or acceptance credits, finance leases, hire purchase commitments, guarantees or contingent liabilities in respect of any of the Funds. There have been no significant changes in the financial or trading position of the Company since 31 December 2020.

There are no service contracts in existence between the Company and any of its Directors nor are any such contracts proposed.

No Director is materially interested in any contract or arrangement subsisting at the date hereof which is unusual in its nature and conditions or significant in relation to the business of the Company.

Ms Payden, Mr Creswell, Ms Syal, Mr Jenkins and Ms King are managing directors of Payden & Rygel which wholly owns the Investment Manager and/or are directors and/or employees of companies affiliated to the Investment Manager. All five are shareholders of the Sub-Investment Manager. Mr. Kirby is the chair of the Manager. At the date of this document (other than as disclosed above under "Incorporation and Share Capital"), neither the Directors nor their spouses nor their infant children nor any Person Closely Associated have any direct interest in the share capital of the Company or any options in respect of such capital.

No Share or loan capital of the Company is under option or is agreed conditionally or unconditionally to be put under option.

No commission, discounts, brokerage or other special terms have been granted by the Company in relation to Shares issued or to be issued by the Company; on any issue or sale of Shares, the Investment Manager may, out of its own funds, pay commissions on applications received through brokers and other professional agents or grant discounts.

### **Documents for Inspection**

Copies of the following documents are available for inspection, free of charge, during normal business hours on weekdays (Saturdays and public holidays excepted) at the office of the Administrator, at 30 Herbert Street, Dublin 2, Ireland.

- the Memorandum and Articles of Association of the Company;
- the material contracts referred to above;
- the latest available annual and semi-annual reports;
- the Key Investor Information Documents (“KIIDs”) for the Share Classes of the Funds; and
- the Regulations.

Copies of the Memorandum and Articles of Association (as amended from time to time) and the latest financial reports of the Company may be obtained, free of charge, upon request from the Administrator.

### **Complaints**

Information regarding the Manager’s complaint procedures are available to Shareholders free of charge upon request. Shareholders may file any complaints about the Company or a Fund free of charge at the registered office of the Company or by contacting the Manager or Investment Manager.

### **UK Facilities**

In accordance with the requirements of the UK Financial Services Authority described in Chapter 9 of the Collective Investment Schemes sourcebook (COLL) facilities are maintained in the UK at the offices of Payden & Rygel Global Limited (the “**UK Facilities Agent**”):

### **Documents**

Copies in English of the following documents are maintained at the offices of the UK Facilities Agent for any person, for inspection (free of charge) and for the obtaining (free of charge, in the case of the documents at (c) and (d), and otherwise at no more than a reasonable charge):

- (a) the Memorandum and Articles of Association of the Company;
- (b) any instrument amending the Memorandum and Articles of Association of the Company;
- (c) the latest prospectus (which must include the address where the facilities are maintained and details of those facilities;
- (d) the KIIDs for the Share Classes of the Funds;
- (e) the latest annual and semi-annual reports; and
- (f) notices and documents sent by the Company and the Depositary to and from the UK.

### **Price and redemption**

Information is available at the offices of the UK Facilities Agent about the Net Asset Value of the Shares and facilities to enable a Shareholder redeem or arrange for redemption of Shares and obtain payment.

**Characteristics of Shares**

Information is available at the offices of the UK Facilities Agent about the nature of the rights represented by the Shares and whether persons other than Shareholders can vote at meetings of Shareholders and, if so, who those persons are.

**Complaints**

Facilities are available at the offices of the UK Facilities Agent to enable any person who has a complaint to make about the operation of the Company to submit his or her complaint for transmission to the Company and the Manager.

**Information Rights**

Upon request by a Shareholder, the Manager, the Investment Manager or Sub-Investment Manager may provide a Shareholder with information about a Fund. This information may not be systematically provided to all other Shareholders in that Fund (but will be available to all Shareholders if requested). As a result, the Shareholder that has received this information may be able to act on such additional information (e.g., redeem their Shares) that other Shareholders may not systematically receive.

## PART XI

### LIST OF SHARE CLASSES

The column of the table below entitled “Issue status of Classes” specifies: (i) “existing” where a Class has been issued; (ii) “extended” where a Class has been created but has not currently launched and the Initial Offer Period is being extended; (iii) “new” where a Class is being created for the first time at the date of this Prospectus; and (iv) “Closed” where the Class is no longer open for subscriptions. The Initial Offer Period for all Classes which are described as extended will continue until 4 April 2022 or such other date or dates as the Directors may determine and notify to the Central Bank.. The launch and listing of various Classes of the Company’s Shares may occur at different times. For further information in this regard the most recent interim and annual reports of the Company will be made available to potential investors upon request.

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
<b>Payden Euro Liquidity Fund</b>		<b>EUR</b>						
Australian Dollar Class (Distributing)	Extended	AUD	AUD 1,000,000	AUD 10	Monthly	Yes	B1Y4KQ0	IE 00B1Y4KQ00
Australian Dollar Class (Accumulating)	Extended	AUD	AUD 1,000,000	AUD 10	None	Yes		
Brazilian Real Class (Distributing)	Extended	BRL	BRL 1,000,000	BRL 10	Monthly	Yes		
Brazilian Real Class (Accumulating)	Extended	BRL	BRL 1,000,000	BRL 10	None	Yes		
Canadian Dollar Class (Distributing)	Extended	CAD	CAD 1,000,000	CAD 10	Monthly	Yes	B1Y4KR1	IE 00B1Y4KR17
Canadian Dollar Class (Accumulating)	Extended	CAD	CAD 1,000,000	CAD 10	None	Yes		
Danish Krone Class (Distributing)	Extended	DKK	DKK 10,000,000	DKK 100	Monthly	Yes	B1Y4KS2	IE 00B1Y4KS24
Danish Krone Class (Accumulating)	Extended	DKK	DKK 10,000,000	DKK 100	None	Yes		
Euro Class (Distributing)	Existing	EUR	EUR 1,000,000	EUR 10	Monthly	N/A	B1Y4KV5	IE 00B1Y4KV52
Euro Class (Distributing)	Extended	EUR	EUR 1,000,000	EUR 10	Quarterly	No	BGKG623	IE 00BGKG6230
Euro Class (Accumulating)	Existing	EUR	EUR 1,000,000	-	None	N/A	B04NL01	IE 00B04NL018
Euro Class (Accumulating)	Existing	EUR	EUR 1,000,000	EUR 10	None	No	BGKG634	IE 00BGKG6347
Hong Kong Dollar Class (Distributing)	Extended	HKD	HKD 10,000,000	HDK 100	Monthly	Yes	B1Y4KW6	IE 00B1Y4KW69
Hong Kong Dollar Class (Accumulating)	Extended	HKD	HKD 10,000,000	HDK 100	None	Yes		
Icelandic Krona Class (Distributing)	Extended	ISK	ISK 50,000,000	ISK 1,000	Monthly	Yes	B1Y4LX7	IE 00B1Y4KX76
Icelandic Krona Class (Accumulating)	Extended	ISK	ISK 50,000,000	ISK 1,000	None	Yes		
Japanese Yen Class (Distributing)	Extended	JPY	JPY 100,000,000	JPY 10,000	Monthly	Yes	B1Y4KY8	IE 00B1Y4KY83

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
Japanese Yen Class (Accumulating)	Extended	JPY	JPY 100,000,000	JPY 10,000	None	Yes		
Korean Won Class (Distributing)	Extended	KRW	KRW 100,000,000	KRW 10,000	Monthly	Yes	B1Y4LB2	IE 00B1Y4LB22
Korean Won Class (Accumulating)	Extended	KRW	KRW 100,000,000	KRW 10,000	None	Yes		
Malaysian Ringgit Class	Extended	MYR	MYR 3,500,000	MYR 50	Monthly	Yes	B1Y4KZ9	IE 00B1Y4KZ90
Malaysian Ringgit Class (Accumulating)	Extended	MYR	MYR 3,500,000	MYR 50	None	Yes		
New Zealand Dollar Class (Distributing)	Extended	NZD	NZD 1,500,000	NZD 10	Monthly	Yes	B1Y4L01	IE 00B1Y4L015
New Zealand Dollar Class (Accumulating)	Extended	NZD	NZD 1,500,000	NZD 10	None	Yes		
Norwegian Krone Class (Distributing)	Extended	NOK	NOK 10,000,000	NOK 100	Monthly	Yes	B1Y4L12	IE 00B1Y4L122
Norwegian Krone Class (Accumulating)	Extended	NOK	NOK 10,000,000	NOK 100	None	Yes		
Philippine Peso Class (Distributing)	Extended	PHP	PHP 50,000,000	PHP 500	Monthly	Yes	B1Y4L23	IE 00B1Y4L239
Philippine Peso Class (Accumulating)	Extended	PHP	PHP 50,000,000	PHP 500	None	Yes		
Renminbi Class (Distributing)	Extended	CNY	CNY 7,500,000	CNY 100	Monthly	Yes	B1Y4L34	IE 00B1Y4L346
Renminbi Class (Accumulating)	Extended	CNY	CNY 7,500,000	CNY 100	None	Yes		
Russian Ruble Class (Distributing)	Extended	RUB	RUB 26,000,000	RUB 300	Monthly	Yes	B1Y4L45	IE 00B1Y4L452
Russian Ruble Class (Accumulating)	Extended	RUB	RUB 26,000,000	RUB 300	None	Yes		
Singapore Dollar Class (Distributing)	Extended	SGD	SGD 1,500,000	SGD 10	Monthly	Yes	B1Y4L56	IE 00B1Y4L569
Singapore Dollar Class (Accumulating)	Extended	SGD	SGD 1,500,000	SGD 10	None	Yes		
South African Rand Class (Distributing)	Extended	ZAR	ZAR 10,000,000	ZAR 100	Monthly	Yes		
South African Rand Class (Accumulating)	Extended	ZAR	ZAR 10,000,000	ZAR 100	None	Yes		
Sterling Class (Distributing)	Extended	GBP	GBP 1,000,000	GBP 10	Monthly	Yes		
Sterling Class (Distributing)	Extended	GBP	GBP 1,000,000	GBP 10	Quarterly	No	BGKG645	IE 00BGKG6453
Sterling Class (Accumulating)	Extended	GBP	GBP 1,000,000	GBP 10	None	Yes		
Sterling Class (Accumulating)	Extended	GBP	GBP 1,000,000	GBP 10	None	No	BGKG656	IE 00BGKG6560
Swedish Krona Class (Distributing)	Extended	SEK	SEK 10,000,000	SEK 100	Monthly	Yes	B1Y4L67	IE 00B1Y4L676

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
Swedish Krona Class (Accumulating)	Extended	SEK	SEK 10,000,000	SEK 100	None	Yes		
Swiss Franc Class (Distributing)	Extended	CHF	CHF 1,000,000	CHF 10	Monthly	Yes	B1Y4L78	IE 00B1Y4L783
Swiss Franc Class (Accumulating)	Extended	CHF	CHF 1,000,000	CHF 10	None	Yes		
Taiwan Dollar Class (Distributing)	Extended	TWD	TWD 33,000,000	TWD 300	Monthly	Yes	B1Y4L89	IE 00B1Y4L890
Taiwan Dollar Class (Accumulating)	Extended	TWD	TWD33,000,000	TWD 300	None	Yes		
Thai Baht Class (Distributing)	Extended	THB	THB 32,000,000	THB 300	Monthly	Yes	B1Y4L90	IE 00B1Y4L908
Thai Baht Class (Accumulating)	Extended	THB	THB 32,000,000	THB 300	None	Yes		
US Dollar Class (Distributing)	Extended	USD	USD 1,000,000	USD 10	Monthly	Yes		
US Dollar Class (Distributing)	Extended	USD	USD 1,000,000	USD 10	Quarterly	No	BGKG601	IE 00BGKG6016
US Dollar Class (Accumulating)	Extended	USD	USD 1,000,000	USD 10	None	Yes		

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
<b>Payden US Dollar Liquidity Fund</b>		<b>USD</b>						
Australian Dollar Class (Distributing)	Extended	AUD	AUD 1,000,000	AUD 10	Monthly	Yes	B1Y4LC3	IE 00B1Y4LC39
Australian Dollar Class (Accumulating)	Extended	AUD	AUD 1,000,000	AUD 10	None	Yes		
Brazilian Real Class (Distributing)	Extended	BRL	BRL 1,000,000	BRL 10	Monthly	Yes		
Brazilian Real Class (Accumulating)	Extended	BRL	BRL 1,000,000	BRL 10	None	Yes		
Canadian Dollar Class (Distributing)	Extended	CAD	CAD 1,000,000	CAD 10	Monthly	Yes	B1Y4LD4	IE 00B1Y4LD46
Canadian Dollar Class (Accumulating)	Extended	CAD	CAD 1,000,000	CAD 10	None	Yes		
Danish Krone Class (Distributing)	Extended	DKK	DKK 10,000,000	DKK 100	Monthly	Yes	B1Y4LF6	IE 00B1Y4LF69
Danish Krone Class (Accumulating)	Extended	DKK	DKK 10,000,000	DKK 100	None	Yes		
Euro Class (Distributing)	Extended	EUR	EUR 1,000,000	EUR 10	Monthly	Yes		
Euro Class (Accumulating)	Extended	EUR	EUR 1,000,000	EUR 10	None	Yes		
Hong Kong Dollar Class (Distributing)	Extended	HKD	HKD 10,000,000	HDK 100	Monthly	Yes	B1Y4LG7	IE 00B1Y4LG76
Hong Kong Dollar Class (Accumulating)	Extended	HKD	HKD 10,000,000	HDK 100	None	Yes		
Icelandic Krona Class (Distributing)	Extended	ISK	ISK 50,000,000	ISK 1,000	Monthly	Yes	B1Y4LH8	IE 00B1Y4LH83
Icelandic Krona Class (Accumulating)	Extended	ISK	ISK 50,000,000	ISK 1,000	None	Yes		
Japanese Yen Class (Distributing)	Extended	JPY	JPY 100,000,000	JPY 10,000	Monthly	Yes	B1Y4LZ6	IE 00B1Y4LZ65
Japanese Yen Class (Accumulating)	Extended	JPY	JPY 100,000,000	JPY 10,000	None	Yes		
Korean Won Class (Distributing)	Extended	KRW	KRW 100,000,000	KRW 10,000	Monthly	Yes		
Korean Won Class (Accumulating)	Extended	KRW	KRW 100,000,000	KRW 10,000	None	Yes		
Malaysian Ringgit Class (Distributing)	Extended	MYR	MYR 3,500,000	MYR 50	Monthly	Yes	B1Y4LK1	IE 00B1Y4LK13
Malaysian Ringgit Class (Accumulating)	Extended	MYR	MYR 3,500,000	MYR 50	None	Yes		
New Zealand Dollar Class (Distributing)	Extended	NZD	NZD 1,500,000	NZD 10	Monthly	Yes	B1Y4LL2	IE 00B1Y4LL20
New Zealand Dollar Class (Accumulating)	Extended	NZD	NZD 1,500,000	NZD 10	None	Yes		

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
Norwegian Krone Class (Distributing)	Extended	NOK	NOK 10,000,000	NOK 100	Monthly	Yes	B1Y4LM3	IE 00B1Y4LM37
Norwegian Krone Class (Accumulating)	Extended	NOK	NOK 10,000,000	NOK 100	None	Yes		
Philippine Peso Class (Distributing)	Extended	PHP	PHP 50,000,000	PHP 500	Monthly	Yes	B1Y4LN4	IE 00B1Y4LN44
Philippine Peso Class (Accumulating)	Extended	PHP	PHP 50,000,000	PHP 500	None	Yes		
Renminbi Class (Distributing)	Extended	CNY	CNY 7,500,000	CNY 100	Monthly	Yes	B1Y4LP6	IE 00B1Y4LP67
Renminbi Class (Accumulating)	Extended	CNY	CNY 7,500,000	CNY 100	None	Yes		
Russian Ruble Class (Distributing)	Extended	RUB	RUB 26,000,000	RUB 300	Monthly	Yes	B1Y4LQ7	IE 00B1Y4LQ74
Russian Ruble Class (Accumulating)	Extended	RUB	RUB 26,000,000	RUB 300	None	Yes		
Singapore Dollar Class (Distributing)	Extended	SGD	SGD 1,500,000	SGD 10	Monthly	Yes	B1Y4LR8	IE 00B1Y4LR81
Singapore Dollar Class (Accumulating)	Extended	SGD	SGD 1,500,000	SGD 10	None	Yes		
South African Rand Class (Distributing)	Extended	ZAR	ZAR 10,000,000	ZAR 100	Monthly	Yes		
South African Rand Class (Accumulating)	Extended	ZAR	ZAR 10,000,000	ZAR 100	None	Yes		
Sterling Class (Distributing)	Extended	GBP	GBP 1,000,000	GBP 10	Monthly	Yes		
Sterling Class (Accumulating)	Extended	GBP	GBP 1,000,000	GBP 10	None	Yes		
Swedish Krona Class (Distributing)	Extended	SEK	SEK 10,000,000	SEK 100	Monthly	Yes	B1Y4LS9	IE 00B1Y4LS98
Swedish Krona Class (Accumulating)	Extended	SEK	SEK 10,000,000	SEK 100	None	Yes		
Swiss Franc Class (Distributing)	Extended	CHF	CHF 1,000,000	CHF 10	Monthly	Yes	B1Y4LT0	IE 00B1Y4LT06
Swiss Franc Class (Accumulating)	Extended	CHF	CHF 1,000,000	CHF 10	None	Yes		
Taiwan Dollar Class (Distributing)	Extended	TWD	TWD 33,000,000	TWD 300	Monthly	Yes	B1Y4LV2	IE 00B1Y4LV28
Taiwan Dollar Class (Accumulating)	Extended	TWD	TWD 33,000,000	TWD 300	None	Yes		
Thai Baht Class (Distributing)	Extended	THB	THB 32,000,000	THB 300	Monthly	Yes	B1Y4LW3	IE 00B1Y4LW35
Thai Baht Class (Accumulating)	Extended	THB	THB 32,000,000	THB 300	None	Yes		
US Dollar Class (Distributing)	Existing	USD	USD 1,000,000	-	Monthly	N/A	B019WW1	IE 00B019WW11
US Dollar Class (Accumulating)	Existing	USD	USD 1,000,000	-	None	N/A	B07QVV8	IE 00B07QVV83



Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
<b>Payden Global Short Bond Fund</b>		<b>USD</b>						
Australian Dollar Class (Distributing)	Extended	AUD	AUD 1,000,000	AUD 10	Quarterly	Yes	B7JSWN0	IE 00B7JSWN05
Australian Dollar Class (Accumulating)	Existing	AUD	AUD 1,000,000	AUD 10	None	Yes	B7JSB33	IE 00B7JSB335
Brazilian Real Class (Distributing)	Extended	BRL	BRL 1,000,000	BRL 10	Quarterly	Yes		
Brazilian Real Class (Accumulating)	Extended	BRL	BRL 1,000,000	BRL 10	None	Yes		
Canadian Dollar Class (Distributing)	Extended	CAD	CAD 1,000,000	CAD 10	Quarterly	Yes		
Canadian Dollar Class (Accumulating)	Extended	CAD	CAD 1,000,000	CAD 10	None	Yes		
Danish Krone Class (Distributing)	Extended	DKK	DKK 10,000,000	DKK 100	Quarterly	Yes		
Danish Krone Class (Accumulating)	Extended	DKK	DKK 10,000,000	DKK 100	None	Yes		
Euro Class (Distributing)	Extended	EUR	EUR 1,000,000	EUR 10	Quarterly	Yes		
Euro Class (Accumulating)	Existing	EUR	EUR 1,000,000	EUR 10	None	Yes	3185175	IE 0031851755
Hong Kong Dollar Class (Distributing)	Extended	HKD	HKD 10,000,000	HDK 100	Quarterly	Yes		
Hong Kong Dollar Class (Accumulating)	Extended	HKD	HKD 10,000,000	HDK 100	None	Yes		
Icelandic Krona Class (Distributing)	Extended	ISK	ISK 50,000,000	ISK 1,000	Quarterly	Yes		
Icelandic Krona Class (Accumulating)	Extended	ISK	ISK 50,000,000	ISK 1,000	None	Yes	B07QVZ2	IE 00B07QVZ22
Japanese Yen Class (Distributing)	Extended	JPY	JPY 100,000,000	JPY 1,000	Quarterly	Yes	B5LDC62	IE 00B5LDC624
Japanese Yen Class (Accumulating)	Extended	JPY	JPY 100,000,000	JPY 1,000	None	Yes	B53ZR38	IE 00B53ZR388
Korean Won Class (Distributing)	Extended	KRW	KRW 100,000,000	KRW 10,000	Quarterly	Yes		
Korean Won Class (Accumulating)	Extended	KRW	KRW 100,000,000	KRW 10,000	None	Yes		
Malaysian Ringgit Class (Distributing)	Extended	MYR	MYR 3,500,000	MYR 50	Quarterly	Yes		
Malaysian Ringgit Class (Accumulating)	Extended	MYR	MYR 3,500,000	MYR 50	None	Yes		
New Zealand Dollar Class (Distributing)	Extended	NZD	NZD 1,500,000	NZD 10	Quarterly	Yes		
New Zealand Dollar Class (Accumulating)	Extended	NZD	NZD 1,500,000	NZD 10	None	Yes		

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
Norwegian Krone Class (Distributing)	Extended	NOK	NOK 10,000,000	NOK 100	Quarterly	Yes		
Norwegian Krone Class (Accumulating)	Existing	NOK	NOK 10,000,000	-	None	Yes	B04NL56	IE 00B04NL562
Philippine Peso Class (Distributing)	Extended	PHP	PHP 50,000,000	PHP 500	Quarterly	Yes		
Philippine Peso Class (Accumulating)	Extended	PHP	PHP 50,000,000	PHP 500	None	Yes		
Renminbi Class (Distributing)	Extended	CNY	CNY 7,500,000	CNY 100	Quarterly	Yes		
Renminbi Class (Accumulating)	Extended	CNY	CNY 7,500,000	CNY 100	None	Yes		
Russian Ruble Class (Distributing)	Extended	RUB	RUB 26,000,000	RUB 300	Quarterly	Yes		
Russian Ruble Class (Accumulating)	Extended	RUB	RUB 26,000,000	RUB 300	None	Yes		
Singapore Dollar Class (Distributing)	Extended	SGD	SGD 1,500,000	SGD 10	Quarterly	Yes	B7LQFT9	IE 00B7LQFT99
Singapore Dollar Class (Accumulating)	Extended	SGD	SGD 1,500,000	SGD 10	None	Yes	B7LQ9X1	IE 00B7LQ9X17
South African Rand Class (Distributing)	Extended	ZAR	ZAR 10,000,000	ZAR 100	Quarterly	Yes		
South African Rand Class (Accumulating)	Extended	ZAR	ZAR 10,000,000	ZAR 100	None	Yes		
Sterling Class (Distributing)	Extended	GBP	GBP 1,000,000	GBP 10	Quarterly	Yes	B3KLN5	IE 00B3KLN57
Sterling Class (Accumulating)	Existing	GBP	GBP 1,000,000	GBP 10	None	Yes	3187698	IE 0031876984
Swedish Krona Class (Distributing)	Extended	SEK	SEK 10,000,000	SEK 100	Quarterly	Yes		
Swedish Krona Class (Accumulating)	Existing	SEK	SEK 10,000,000	SEK 100	None	Yes	B04NL67	IE 00B04NL679
Swiss Franc Class (Distributing)	Extended	CHF	CHF 1,000,000	CHF 10	Quarterly	Yes		
Swiss Franc Class (Accumulating)	Extended	CHF	CHF 1,000,000	CHF 10	None	Yes	B1Y4M08	IE 00B1Y4M088
Taiwan Dollar Class (Distributing)	Extended	TWD	TWD 33,000,000	TWD 300	Quarterly	Yes		
Taiwan Dollar Class (Accumulating)	Extended	TWD	TWD 33,000,000	TWD 300	None	Yes		
Thai Baht Class (Distributing)	Extended	THB	THB 32,000,000	THB 300	Quarterly	Yes		
Thai Baht Class (Accumulating)	Extended	THB	THB 32,000,000	THB 300	None	Yes		
US Dollar Class (Distributing)	Extended	USD	USD 1,000,000	USD 10	Quarterly	N/A		
US Dollar Class (Accumulating)	Existing	USD	USD 1,000,000	-	None	N/A	0846141	IE 0008461414

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
<b>Payden Global Bond Fund</b>		<b>USD</b>						
Australian Dollar Class (Distributing)	Extended	AUD	AUD 1,000,000	AUD 10	Quarterly	Yes	B7KHQS9	IE 00B7KHQS99
Australian Dollar Class (Accumulating)	Extended	AUD	AUD 1,000,000	AUD 10	None	Yes	B768G97	IE 00B768G975
Brazilian Real Class (Distributing)	Extended	BRL	BRL 1,000,000	BRL 10	Quarterly	Yes		
Brazilian Real Class (Accumulating)	Extended	BRL	BRL 1,000,000	BRL 10	None	Yes		
Canadian Dollar Class (Distributing)	Extended	CAD	CAD 1,000,000	CAD 10	Quarterly	Yes		
Canadian Dollar Class (Accumulating)	Extended	CAD	CAD 1,000,000	CAD 10	None	Yes		
Danish Krone Class (Distributing)	Extended	DKK	DKK 10,000,000	DKK 100	Quarterly	Yes		
Danish Krone Class (Accumulating)	Extended	DKK	DKK 10,000,000	DKK 100	None	Yes		
Euro Class (Distributing)	Existing	EUR	EUR 1,000,000	EUR 10	Quarterly	Yes	B7J7732	IE 00B7J77327
Euro Class (Accumulating)	Existing	EUR	EUR 1,000,000	-	None	Yes	3186587	IE 0031865870
Hong Kong Dollar Class (Distributing)	Extended	HKD	HKD 10,000,000	HDK 100	Quarterly	Yes		
Hong Kong Dollar Class (Accumulating)	Extended	HKD	HKD 10,000,000	HDK 100	None	Yes		
Icelandic Krona Class (Distributing)	Extended	ISK	ISK 50,000,000	ISK 1,000	Quarterly	Yes	B5LFSP9	IE 00B5LFSP93
Icelandic Krona Class (Accumulating)	Extended	ISK	ISK 50,000,000	ISK 1,000	None	Yes	B07QW15	IE 00B07QW151
Japanese Yen Class (Distributing)	Extended	JPY	JPY 100,000,000	JPY 1,000	Quarterly	Yes	B7D65Q4	IE 00B7D65Q42
Japanese Yen Class (Accumulating)	Extended	JPY	JPY 100,000,000	JPY 1,000	None	Yes	B6VKVW9	IE 00B6VKVW99
Korean Won Class (Distributing)	Extended	KRW	KRW 100,000,000	KRW 10,000	Quarterly	Yes		
Korean Won Class (Accumulating)	Extended	KRW	KRW 100,000,000	KRW 10,000	None	Yes		
Malaysian Ringgit Class (Distributing)	Extended	MYR	MYR 3,500,000	MYR 50	Quarterly	Yes		
Malaysian Ringgit Class (Accumulating)	Extended	MYR	MYR 3,500,000	MYR 50	None	Yes		
New Zealand Dollar Class (Distributing)	Extended	NZD	NZD 1,500,000	NZD 10	Quarterly	Yes		
New Zealand Dollar Class (Accumulating)	Extended	NZD	NZD 1,500,000	NZD 10	None	Yes		

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
Norwegian Krone Class (Distributing)	Extended	NOK	NOK 10,000,000	NOK 100	Quarterly	Yes	B7KD193	IE 00B7KD1937
Norwegian Krone Class (Accumulating)	Existing	NOK	NOK 10,000,000	-	None	Yes	B04NL89	IE 00B04NL893
Philippine Peso Class (Distributing)	Extended	PHP	PHP 50,000,000	PHP 500	Quarterly	Yes		
Philippine Peso Class (Accumulating)	Extended	PHP	PHP 50,000,000	PHP 500	None	Yes		
Renminbi Class (Distributing)	Extended	CNY	CNY 7,500,000	CNY 100	Quarterly	Yes		
Renminbi Class (Accumulating)	Extended	CNY	CNY 7,500,000	CNY 100	None	Yes		
Russian Ruble Class (Distributing)	Extended	RUB	RUB 26,000,000	RUB 300	Quarterly	Yes		
Russian Ruble Class (Accumulating)	Extended	RUB	RUB 26,000,000	RUB 300	None	Yes		
Singapore Dollar Class (Distributing)	Extended	SGD	SGD 1,500,000	SGD 10	Quarterly	Yes	B5M2KF3	IE 00B5M2KF35
Singapore Dollar Class (Accumulating)	Extended	SGD	SGD 1,500,000	SGD 10	None	Yes	B7K0CF7	IE 00B7K0CF78
South African Rand Class (Distributing)	Extended	ZAR	ZAR 10,000,000	ZAR 100	Quarterly	Yes		
South African Rand Class (Accumulating)	Extended	ZAR	ZAR 10,000,000	ZAR 100	None	Yes		
Sterling Class (Distributing)	Extended	GBP	GBP 1,000,000	GBP 10	Quarterly	Yes	B3KLNC6	IE 00B3KLNC64
Sterling Class (Accumulating)	Existing	GBP	GBP 1,000,000	-	None	Yes	3173244	IE 0031732443
Swedish Krona Class (Distributing)	Extended	SEK	SEK 10,000,000	SEK 100	Quarterly	Yes	B701XM4	IE 00B701XM49
Swedish Krona Class (Accumulating)	Existing	SEK	SEK 10,000,000	-	None	Yes	3386116	IE 0033861166
Swiss Franc Class (Distributing)	Extended	CHF	CHF 1,000,000	CHF 10	Quarterly	Yes	B6WWQD0	IE 00B6WWQD03
Swiss Franc Class (Accumulating)	Extended	CHF	CHF 1,000,000	CHF 10	None	Yes	B1Y4M19	IE 00B1Y4M195
Taiwan Dollar Class (Distributing)	Extended	TWD	TWD 33,000,000	TWD 300	Quarterly	Yes		
Taiwan Dollar Class (Accumulating)	Extended	TWD	TWD 33,000,000	TWD 300	None	Yes		
Thai Baht Class (Distributing)	Extended	THB	THB 32,000,000	THB 300	Quarterly	Yes		
Thai Baht Class (Accumulating)	Extended	THB	THB 32,000,000	THB 300	None	Yes		
USD Class (Distributing)	Extended	USD	USD 1,000,000	USD 10	Quarterly	N/A	B5Q8LK9	IE 00B5Q8LK99

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
US Dollar Class (Accumulating)	Existing	USD	USD 1,000,000	-	None	N/A	0744007	IE 0007440070
US Dollar Class (Accumulating) - Unhedged	Existing	USD	USD 1,000,000	USD 10	None	No	BGKG612	IE 00BGKG6123

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedge d Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
<b>Payden USD Low Duration Credit Fund</b>		<b>USD</b>						
US Dollar Class (Distributing)	Existing	USD	USD 1,000,000	USD 10	Annually	N/A	BD1NVK5	IE 00BD1NVK53
US Dollar Class (Accumulating)	Existing	USD	USD 1,000,000	-	None	N/A	BD1NVL6	IE 00BD1NVL60
Australian Dollar Class (Distributing)	Extended	AUD	AUD equivalent of USD1,000,000	AUD 10	Annually	Yes	BD1NT45	IE 00BD1NT450
Australian Dollar Class (Accumulating)	Extended	AUD	AUD equivalent of USD1,000,000	AUD 10	None	Yes	BD1NT56	IE 00BD1NT567
Brazilian Real Class (Distributing)	Extended	BRL	BRL equivalent of USD1,000,000	BRL 10	Annually	Yes	BD1NT67	IE 00BD1NT674
Brazilian Real Class (Accumulating)	Extended	BRL	BRL equivalent of USD1,000,000	BRL 10	None	Yes	BD1NT78	IE 00BD1NT781
Canadian Dollar Class (Distributing)	Extended	CAD	CAD equivalent of USD1,000,000	CAD 10	Annually	Yes	BD1NT89	IE 00BD1NT898
Canadian Dollar Class (Accumulating)	Extended	CAD	CAD equivalent of USD1,000,000	CAD 10	None	Yes	BD1NT90	IE 00BD1NT906
Danish Krone Class (Distributing)	Extended	DKK	DKK equivalent of USD1,000,000	DKK 100	Annually	Yes	BD1NTB2	IE 00BD1NTB25
Danish Krone Class (Accumulating)	Extended	DKK	DKK equivalent of USD1,000,000	DKK 100	None	Yes	BD1NTC3	IE 00BD1NTC32
Euro Class (Distributing)	Extended	EUR	EUR equivalent of USD1,000,000	EUR 10	Annually	Yes	BD1NTD4	IE 00BD1NTD49
Euro Class (Accumulating)	Existing	EUR	EUR equivalent of USD1,000,000	EUR 10	None	Yes	BD1NTF6	IE 00BD1NTF62
Hong Kong Dollar Class (Distributing)	Extended	HKD	HKD equivalent of USD1,000,000	HDK 100	Annually	Yes	BD1NTG7	IE 00BD1NTG79
Hong Kong Dollar Class (Accumulating)	Extended	HKD	HKD equivalent of USD1,000,000	HDK 100	None	Yes	BD1NTH8	IE 00BD1NTH86
Icelandic Krona Class (Distributing)	Extended	ISK	ISK equivalent of USD1,000,000	ISK 1,000	Annually	Yes	BD1NTJ0	IE 00BD1NTJ01
Icelandic Krona Class (Accumulating)	Extended	ISK	ISK equivalent of 1000,000	ISK 1,000	None	Yes	BD1NTK1	IE 00BD1NTK16
Japanese Yen Class (Distributing)	Extended	JPY	JPY equivalent of USD1,000,000	JPY 10,000	Annually	Yes	BD1NTL2	IE 00BD1NTL23
Japanese Yen Class (Accumulating)	Extended	JPY	JPY equivalent of USD1,000,000	JPY 10,000	None	Yes	BD1NTM3	IE 00BD1NTM30

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedge d Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
Korean Won Class (Distributing)	Extended	KRW	KRW equivalent of USD1,000,000	KRW 10,000	Annually	Yes	BD1NTN4	IE 00BD1NTN47
Korean Won Class (Accumulating)	Extended	KRW	KRW equivalent of USD1,000,000	KRW 10,000	None	Yes	BD1NTP6	IE 00BD1NTP60
Malaysian Ringgit Class (Distributing)	Extended	MYR	MYR equivalent of USD1,000,000	MYR 50	Annually	Yes	BD1NTQ7	IE 00BD1NTQ77
Malaysian Ringgit Class (Accumulating)	Extended	MYR	MYR equivalent of USD1,000,000	MYR 50	None	Yes	BD1NTR8	IE 00BD1NTR84
New Zealand Dollar Class (Distributing)	Extended	NZD	NZD equivalent of USD1,000,000	NZD 10	Annually	Yes	BD1NTS9	IE 00BD1NTS91
New Zealand Dollar Class (Accumulating)	Extended	NZD	NZD equivalent of USD1,000,000	NZD 10	None	Yes	BD1NTT0	IE 00BD1NTT09
Norwegian Krone Class (Distributing)	Extended	NOK	NOK equivalent of USD1,000,000	NOK 100	Annually	Yes	BD1NTV2	IE 00BD1NTV21
Norwegian Krone Class (Accumulating)	Extended	NOK	NOK equivalent of USD1,000,000	NOK 100	None	Yes	BD1NTW3	IE 00BD1NTW38
Philippine Peso Class (Distributing)	Extended	PHP	PHP equivalent of USD1,000,000	PHP 500	Annually	Yes	BD1NTX4	IE 00BD1NTX45
Philippine Peso Class (Accumulating)	Extended	PHP	PHP equivalent of USD1,000,000	PHP 500	None	Yes	BD1NTY5	IE 00BD1NTY51
Renminbi Class (Distributing)	Extended	CNY	CNY equivalent of USD1,000,000	CNY 100	Annually	Yes	BD1NTZ6	IE 00BD1NTZ68
Renminbi Class (Accumulating)	Extended	CNY	CNY equivalent of USD1,000,000	CNY 100	None	Yes	BD1NV05	IE 00BD1NV050
Russian Ruble Class (Distributing)	Extended	RUB	RUB equivalent of USD1,000,000	RUB 300	Annually	Yes	BD1NV16	IE 00BD1NV167
Russian Ruble Class (Accumulating)	Extended	RUB	RUB equivalent of USD1,000,000	RUB 300	None	Yes	BD1NV27	IE 00BD1NV274
Singapore Dollar Class (Distributing)	Extended	SGD	SGD equivalent of USD1,000,000	SGD 10	Annually	Yes	BD1NV38	IE 00BD1NV381
Singapore Dollar Class (Accumulating)	Extended	SGD	SGD equivalent of USD1,000,000	SGD 10	None	Yes	BD1NV49	IE 00BD1NV498
South African Rand Class (Distributing)	Extended	ZAR	ZAR equivalent of USD1,000,000	ZAR 100	Annually	Yes	BD1NV50	IE 00BD1NV506
South African Rand Class (Accumulating)	Extended	ZAR	ZAR equivalent of USD1,000,000	ZAR 100	None	Yes	BD1NV61	IE 00BD1NV613
Sterling Class (Distributing)	Existing	GBP	GBP equivalent of USD1,000,000	GBP 10	Annually	Yes	BD1NV72	IE 00BD1NV720
Sterling Class (Accumulating)	Existing	GBP	GBP equivalent of USD1,000,000	GBP 10	None	Yes	BD1NV83	IE 00BD1NV837

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedge d Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
Swedish Krona Class (Distributing)	Extended	SEK	SEK equivalent of USD1,000,000	SEK 100	Annually	Yes	BD1NV94	IE 00BD1NV944
Swedish Krona Class (Accumulating)	Extended	SEK	SEK equivalent of USD1,000,000	SEK 100	None	Yes	BD1NVB6	IE 00BD1NVB62
Swiss Franc Class (Distributing)	Extended	CHF	CHF equivalent of USD1,000,000	CHF 10	Annually	Yes	BD1NVC7	IE 00BD1NVC79
Swiss Franc Class (Accumulating)	Extended	CHF	CHF equivalent of USD1,000,000	CHF 10	None	Yes	BD1NVD8	IE 00BD1NVD86
Taiwan Dollar Class (Distributing)	Extended	TWD	TWD equivalent of USD1,000,000	TWD 300	Annually	Yes	BD1NVF0	IE 00BD1NVF01
Taiwan Dollar Class (Accumulating)	Extended	TWD	TWD equivalent of USD1,000,000	TWD 300	None	Yes	BD1NVG1	IE 00BD1NVG18
Thai Baht Class (Distributing)	Extended	THB	THB equivalent of USD1,000,000	THB 300	Annually	Yes	BD1NVH2	IE 00BD1NVH25
Thai Baht Class (Accumulating)	Extended	THB	THB equivalent of USD1,000,000	THB 300	None	Yes	BD1NVJ4	IE 00BD1NVJ49

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
<b>Payden Global Emerging Markets Bond Fund</b>		<b>USD</b>						
Australian Dollar Class (Distributing)	Extended	AUD	AUD 1,000,000	AUD 10	Quarterly	Yes	B7MVB28	IE 00B7MVB283
Australian Dollar Class (Accumulating)	Extended	AUD	AUD 1,000,000	AUD 10	None	Yes	B6TLOP0	IE 00B6TLOP04
Brazilian Real Class (Distributing)	Extended	BRL	BRL 1,000,000	BRL 10	Quarterly	Yes		
Brazilian Real Class (Accumulating)	Extended	BRL	BRL 1,000,000	BRL 10	None	Yes		
Canadian Dollar Class (Distributing)	Extended	CAD	CAD 1,000,000	CAD 10	Monthly	Yes	B5MGJ81	IE 00B5MGJ810
Canadian Dollar Class (Accumulating)	Existing	CAD	CAD 1,000,000	-	None	Yes	B5MGJ14	IE 00B5MGJ141
Danish Krone Class (Distributing)	Extended	DKK	DKK 10,000,000	DKK 100	Quarterly	Yes		
Danish Krone Class (Accumulating)	Extended	DKK	DKK 10,000,000	DKK 100	None	Yes		
Euro Class (Distributing)	Existing	EUR	EUR 1,000,000	-	Annually	Yes	B617N24	IE 00B617N244
Euro Class (Accumulating)	Existing	EUR	EUR 1,000,000	-	None	Yes	B04NLM3	IE0 0B04NLM33
Hong Kong Dollar Class (Distributing)	Extended	HKD	HKD 10,000,000	HDK 100	Quarterly	Yes		
Hong Kong Dollar Class (Accumulating)	Extended	HKD	HKD 10,000,000	HDK 100	None	Yes		
Icelandic Krona Class (Distributing)	Extended	ISK	ISK 500,000	ISK 1,000	Quarterly	Yes		
Icelandic Krona Class (Accumulating)	Extended	ISK	ISK 50,000,000	ISK 1,000	None	Yes	B07QW82	IE 00B07QW821
Japanese Yen Class (Distributing)	Extended	JPY	JPY 100,000,000	JPY 10,000	Quarterly	Yes		
Japanese Yen Class (Accumulating)	Existing	JPY	JPY 100,000,000	-	None	Yes	B04NLR8	IE 00B04NLR87
Korean Won Class (Distributing)	Extended	KRW	KRW 100,000,000	KRW 10,000	Quarterly	Yes		
Korean Won Class (Accumulating)	Extended	KRW	KRW 100,000,000	KRW 10,000	None	Yes		
Malaysian Ringgit Class (Distributing)	Extended	MYR	MYR 3,500,000	MYR 50	Quarterly	Yes		
Malaysian Ringgit Class (Accumulating)	Extended	MYR	MYR 3,500,000	MYR 50	None	Yes		
New Zealand Dollar Class (Distributing)	Extended	NZD	NZD 1,500,000	NZD 10	Quarterly	Yes		



Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
New Zealand Dollar Class (Accumulating)	Extended	NZD	NZD 1,500,000	NZD 10	None	Yes		
Norwegian Krone Class (Distributing)	Extended	NOK	NOK 10,000,000	NOK 100	Quarterly	Yes		
Norwegian Krone Class (Accumulating)	Extended	NOK	NOK 10,000,000	NOK 100	None	Yes	B04NLN4	IE 00B04NLN40
Philippine Peso Class (Distributing)	Extended	PHP	PHP 50,000,000	PHP 500	Quarterly	Yes		
Philippine Peso Class (Accumulating)	Extended	PHP	PHP 50,000,000	PHP 500	None	Yes		
Renminbi Class (Distributing)	Extended	CNY	CNY 500,000	CNY 100	Quarterly	Yes		
Renminbi Class (Accumulating)	Extended	CNY	CNY 7,500,000	CNY 100	None	Yes		
Russian Ruble Class (Distributing)	Extended	RUB	RUB 26,000,000	RUB 300	Quarterly	Yes		
Russian Ruble Class (Accumulating)	Extended	RUB	RUB 26,000,000	RUB 300	None	Yes		
Singapore Dollar Class (Distributing)	Extended	SGD	SGD 1,500,000	SGD 10	Quarterly	Yes	B4LWT50	IE 00B4LWT506
Singapore Dollar Class (Accumulating)	Extended	SGD	SGD 1,500,000	SGD 10	None	Yes	B7MWC62	IE00B7MWC628
South African Rand Class (Distributing)	Extended	ZAR	ZAR 10,000,000	ZAR 100	Quarterly	Yes		
South African Rand Class (Accumulating)	Extended	ZAR	ZAR 10,000,000	ZAR 100	None	Yes		
Sterling Class (Distributing)	Extended	GBP	GBP 1,000,000	GBP 10	Monthly	Yes	B290F10	IE 00B290F105
Sterling Class (Accumulating)	Existing	GBP	GBP 1,000,000	GBP 10	None	Yes	B019X51	IE 00B019X515
Swedish Krona Class (Distributing)	Extended	SEK	SEK 10,000,000	SEK 100	Quarterly	Yes		
Swedish Krona Class (Accumulating)	Extended	SEK	SEK 10,000,000	SEK 100	None	Yes	B04NLP6	IE 00B04NLP63
Swiss Franc Class (Distributing)	Extended	CHF	CHF 1,000,000	CHF 10	Quarterly	Yes		
Swiss Franc Class (Accumulating)	Existing	CHF	CHF 1,000,000	-	None	Yes	B1Y4M42	IE 00B1Y4M427
Taiwan Dollar Class (Distributing)	Extended	TWD	TWD 33,000,000	TWD 300	Quarterly	Yes		
Taiwan Dollar Class (Accumulating)	Extended	TWD	TWD 33,000,000	TWD 300	None	Yes		
Thai Baht Class (Distributing)	Extended	THB	THB 2,000,000	THB 300	Quarterly	Yes		
Thai Baht Class (Accumulating)	Extended	THB	THB 32,000,000	THB 300	None	Yes		
US Dollar Class (Distributing)	Existing	USD	USD 1,000,000	-	Quarterly	N/A	B59JVC1	IE 00B59JVC17

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
US Dollar Class	Existing	USD	USD 1,000,000	-	None	N/A	3092888	IE0030928885
Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
<b>Payden Global High Yield Bond Fund</b>		<b>USD</b>						
Australian Dollar Class (Distributing)	Extended	AUD	AUD 1,000,000	AUD 10	Quarterly	Yes	B4NKS00	IE00B4NKS004
Australian Dollar Class (Accumulating)	Extended	AUD	AUD 1,000,000	AUD 10	None	Yes	B7FC2F8	IE00B7FC2F83
Brazilian Real Class (Distributing)	Extended	BRL	BR 1,000,000	BRL 10	Monthly	Yes	B3KLNJ3	IE00B3KLNJ34
Brazilian Real Class (Accumulating)	Extended	BRL	BRL 1,000,000	BRL 10	None	Yes	B3KLNH1	IE00B3KLNH10
Canadian Dollar Class (Distributing)	Extended	CAD	CAD 1,000,000	CAD 10	Monthly	Yes	B5MGJH0	IE00B5MGJH01
Canadian Dollar Class (Accumulating)	Existing	CAD	CAD 1,000,000	-	None	Yes	B5MP8C5	IE00B5MP8C58
Danish Krone Class (Distributing)	Extended	DKK	DKK 10,000,000	DKK 100	Monthly	Yes		
Danish Krone Class (Accumulating)	Extended	DKK	DKK 10,000,000	DKK 100	None	Yes		
Euro Class (Distributing)	Extended	EUR	EUR 1,000,000	EUR 10	Monthly	Yes		
Euro Class (Accumulating)	Extended	EUR	EUR 1,000,000	EUR 10	None	Yes	3290477	IE0032904777
Hong Kong Dollar Class (Distributing)	Extended	HKD	HKD 10,000,000	HDK 100	Monthly	Yes		
Hong Kong Dollar Class	Extended	HKD	HKD 10,000,000	HDK 100	None	Yes		

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
(Accumulating)								
Icelandic Krona Class (Distributing)	Extended	ISK	ISK 50,000,000	ISK 1,000	Monthly	Yes		
Icelandic Krona Class (Accumulating)	Extended	ISK	ISK 50,000,000	ISK 1,000	None	Yes	B07QWB5	IE00B07QWB52
Japanese Yen Class (Distributing)	Extended	JPY	JPY 100,000,000	JPY 10,000	Monthly	Yes		
Japanese Yen Class (Accumulating)	Extended	JPY	JPY 100,000,000	JPY 10,000	None	Yes	B04NLW3	IE00B04NLW31
Korean Won Class (Distributing)	Extended	KRW	KRW 100,000,000	KRW 10,000	Monthly	Yes		
Korean Won Class (Accumulating)	Extended	KRW	KRW 100,000,000	KRW 10,000	None	Yes		
Malaysian Ringgit Class (Distributing)	Extended	MYR	MYR 3,500,000	MYR 50	Monthly	Yes		
Malaysian Ringgit Class (Accumulating)	Extended	MYR	MYR 3,500,000	MYR 50	None	Yes		
New Zealand Dollar Class (Distributing)	Extended	NZD	NZD 1,500,000	NZD 10	Monthly	Yes		
New Zealand Dollar Class (Accumulating)	Extended	NZD	NZD 1,500,000	NZD 10	None	Yes		
Norwegian Krone Class (Distributing)	Extended	NOK	NOK 10,000,000	NOK 100	Monthly	Yes		
Norwegian Krone Class (Accumulating)	Extended	NOK	NOK 10,000,000	NOK 100	None	Yes	B04NLS9	IE00B04NLS94
Philippine Peso Class (Distributing)	Extended	PHP	PHP 50,000,000	PHP 500	Monthly	Yes		
Philippine Peso	Extended	PHP	PHP 50,000,000	PHP 500	None	Yes		

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
Class (Accumulating)								
Renminbi Class (Distributing)	Extended	CNY	CNY 7,500,000	CNY 100	Monthly	Yes		
Renminbi Class (Accumulating)	Extended	CNY	CNY 7,500,000	CNY 100	None	Yes		
Russian Ruble Class (Distributing)	Extended	RUB	RUB 26,000,000	RUB 300	Monthly	Yes		
Russian Ruble Class (Accumulating)	Extended	RUB	RUB 26,000,000	RUB 300	None	Yes		
Singapore Dollar Class (Distributing)	Extended	SGD	SGD 1,500,000	SGD 10	Quarterly	Yes	B703580	IE 00B7035801
Singapore Dollar Class (Accumulating)	Extended	SGD	SGD 1,500,000	SGD 10	None	Yes	B757V45	IE 00B757V456
South African Rand Class (Distributing)	Extended	ZAR	ZAR 10,000,000	ZAR 100	Monthly	Yes	B3KLN5	IE 00B3KLN55
South African Rand Class (Accumulating)	Extended	ZAR	ZAR 10,000,000	ZAR 100	None	Yes	B3KLNK4	IE 00B3KLNK49
Sterling Class (Distributing)	Extended	GBP	GBP 1,000,000	GBP 10	Monthly	Yes	B1Y4M53	IE 00B1Y4M534
Sterling Class (Accumulating)	Existing	GBP	GBP 1,000,000	-	None	Yes	3290466	IE 0032904660
Swedish Krona Class (Distributing)	Extended	SEK	SEK 10,000,000	SEK 100	Monthly	Yes		
Swedish Krona Class (Accumulating)	Extended	SEK	SEK 10,000,000	SEK 100	None	Yes	B04NLT0	IE 00B04NLT02
Swiss Franc Class (Distributing)	Extended	CHF	CHF 1,000,000	CHF 10	Monthly	Yes		
Swiss Franc Class	Existing	CHF	CHF 1,000,000	-	None	Yes	B1Y4M64	IE 00B1Y4M641

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
(Accumulating)								
Taiwan Dollar Class (Distributing)	Extended	TWD	TWD 33,000,000	TWD 300	Monthly	Yes		
Taiwan Dollar Class (Accumulating)	Extended	TWD	TWD 33,000,000	TWD 300	None	Yes		
Thai Baht Class (Distributing)	Extended	THB	THB 32,000,000	THB 300	Monthly	Yes		
Thai Baht Class (Accumulating)	Extended	THB	THB 32,000,000	THB 300	None	Yes		
US Dollar Class (Distributing)	Extended	USD	USD 1,000,000	USD 10	Monthly	N/A		
US Dollar Class	Existing	USD	USD 1,000,000	-	None	N/A	3062483	IE 0030624831
Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
<b>Payden Absolute Return Bond Fund</b>		<b>USD</b>						
Australian Dollar Class (Distributing)	Extended	AUD	AUD 1,000,000	AUD 10	Monthly	Yes	B9NMM32	IE 00B9NMM325
Australian Dollar Class (Accumulating)	Existing	AUD	AUD 1,000,000	AUD 10	None	Yes	B9NH981	IE 00B9NH9816
Brazilian Real Class (Distributing)	Extended	BRL	BRL 1,000,000	BRL 10	Monthly	Yes	B974X64	IE 00B974X644
Brazilian Real Class (Accumulating)	Extended	BRL	BRL 1,000,000	BRL 10	None	Yes	B972874	IE 00B9728742
Canadian Dollar Class (Distributing)	Extended	CAD	CAD 1,000,000	CAD 10	Monthly	Yes	B9HKZD3	IE 00B9HKZD36
Canadian Dollar Class (Accumulating)	Existing	CAD	CAD 1,000,000	CAD 10	None	Yes	B9NMB79	IE 00B9NMB799
Danish Krone	Extended	DKK	DKK 10,000,000	DKK 100	Monthly	Yes	B9NM8D4	IE 00B9NM8D47

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
Class (Distributing)								
Danish Krone Class (Accumulating)	Extended	DKK	DKK 10,000,000	DKK 100	None	Yes	BGJGFQ2	IE00B9JGFQ21
Euro Class (Distributing)	Extended	EUR	EUR 1,000,000	EUR 10	Monthly	Yes	B9NG8T2	IE00B9NG8T25
Euro Class (Accumulating)	Existing	EUR	EUR 1,000,000	EUR 10	None	Yes	B9NHYK8	IE00B9NHYK84
Hong Kong Dollar Class (Distributing)	Extended	HKD	HKD 10,000,000	HDK 100	Monthly	Yes	B9NF5T8	IE00B9NF5287
Hong Kong Dollar Class (Accumulating)	Extended	HKD	HKD 10,000,000	HDK 100	None	Yes	B9NK5T3	IE00B9NK5T38
Icelandic Krona Class (Distributing)	Extended	ISK	ISK 50,000,000	ISK 1,000	Monthly	Yes	B9NGBF9	IE00B9NGBF97
Icelandic Krona Class (Accumulating)	Extended	ISK	ISK 50,000,000	ISK 1,000	None	Yes	B9ND796	IE00B9ND7962
Japanese Yen Class (Distributing)	Extended	JPY	JPY 100,000,000	JPY 10,000	Monthly	Yes	B9NBVF4	IE00B9NBVF49
Japanese Yen Class (Accumulating)	Existing	JPY	JPY 100,000,000	JPY 10,000	None	Yes	B7TV0V3	IE00B7TV0V37
Korean Won Class (Distributing)	Extended	KRW	KRW 100,000,000	KRW 10,000	Monthly	Yes	B9NNCV3	IE00B9NNCV30
Korean Won Class (Accumulating)	Extended	KRW	KRW 100,000,000	KRW 10,000	None	Yes	B9NNDF4	IE00B9NNDF47
Malaysian Ringgit Class (Distributing)	Extended	MYR	MYR 3,500,000	MYR 50	Monthly	Yes	B8WTC37	IE00B8WTC373
Malaysian Ringgit Class (Accumulating)	Extended	MYR	MYR 3,500,000	MYR 50	None	Yes	B99PW02	IE00B99PW028
New Zealand Dollar	Extended	NZD	NZD 1,500,000	NZD 10	Monthly	Yes	B989V75	IE00B989V752

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
Class (Distributing)								
New Zealand Dollar Class (Accumulating)	Extended	NZD	NZD 1,500,000	NZD 10	None	Yes	B9NNB05	IE 00B9NNB052
Norwegian Krone Class (Distributing)	Extended	NOK	NOK 10,000,000	NOK 100	Monthly	Yes	B97G3R1	IE 00B97G3R16
Norwegian Krone Class (Accumulating)	Existing	NOK	NOK 10,000,000	NOK 100	None	Yes	B96M0L3	IE 009B96M0L31
Philippine Peso Class (Distributing)	Extended	PHP	PHP 50,000,000	PHP 500	Monthly	Yes	B9NFTJ6	IE 00B9NFTJ60
Philippine Peso Class (Accumulating)	Extended	PHP	PHP 50,000,000	PHP 500	None	Yes	B9NG911	IE 00B9NG9114
Renminbi Class (Distributing)	Extended	CNY	CNY 7,500,000	CNY 100	Monthly	Yes	B9NJX52	IE 00B9NJX526
Renminbi Class (Accumulating)	Extended	CNY	CNY 7,500,000	CNY 100	None	Yes	B9NHSC8	IE 00B9NHSC82
Russian Ruble Class (Distributing)	Extended	RUB	RUB 26,000,000	RUB 300	Monthly	Yes	B9NFTZ2	IE 00B9NFTZ29
Russian Ruble Class (Accumulating)	Extended	RUB	RUB 26,000,000	RUB 300	None	Yes	B9C97J5	IE 009B9C97J59
Singapore Dollar Class (Distributing)	Extended	SGD	SGD 1,500,000	SGD 10	Monthly	Yes	B9B4XD7	IE 00B9B4XD76
Singapore Dollar Class (Accumulating)	Extended	SGD	SGD 1,500,000	SGD 10	None	Yes	B9J8WS9	IE 00B9J8WS95
South African Rand Class (Distributing)	Extended	ZAR	ZAR 10,000,000	ZAR 100	Monthly	Yes	B9JL244	IE 00B9JL2449
South African Rand Class (Accumulating)	Extended	ZAR	ZAR 10,000,000	ZAR 100	None	Yes	B9NHHQ5	IE 00B9NHHQ55

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
Sterling Class (Distributing)	Extended	GBP	GBP 1,000,000	GBP 10	Monthly	Yes	B9NG2T0	IE00B9NG2T05
Sterling Class (Accumulating)	Existing	GBP	GBP 1,000,000	-	None	Yes	B973TK7	IE00B973TK71
Swedish Krona Class (Distributing)	Extended	SEK	SEK 10,000,000	SEK 100	Monthly	Yes	B9NHB29	IE00B9NHB294
Swedish Krona Class (Accumulating)	Extended	SEK	SEK 10,000,000	SEK 100	None	Yes	B96DYH0	IE00B96DYH02
Swiss Franc Class (Distributing)	Existing	CHF	CHF 1,000,000	CHF 10	Monthly	Yes	B965WJ4	IE00B965WJ46
Swiss Franc Class (Accumulating)	Existing	CHF	CHF 1,000,000	CHF 10	None	Yes	B895YT8	IE00B895YT88
Taiwan Dollar Class (Distributing)	Extended	TWD	TWD 33,000,000	TWD 300	Monthly	Yes	B7X8NG6	IE00B7X8NG61
Taiwan Dollar Class (Accumulating)	Extended	TWD	TWD 33,000,000	TWD 300	None	Yes	B9GJD04	IE00B9GJD043
Thai Baht Class (Distributing)	Extended	THB	THB 32,000,000	THB 300	Monthly	Yes	B97KSV2	IE00B97KSV28
Thai Baht Class (Accumulating)	Extended	THB	THB 32,000,000	THB 300	None	Yes	B96BRP3	IE00B96BRP37
US Dollar Class (Distributing)	Extended	USD	USD 1,000,000	USD 10	Monthly	N/A	B9NBXJ8	IE00B9NBXJ84
US Dollar Class (Accumulating)	Existing	USD	USD 1,000,000	-	None	N/A	B88XTT8	IE00B88XTT84
Sterling Class (Distributing) (SI)	New. Initial Offer Period 9.00am (Irish time) on 4 May 2023 to 5.00pm (Irish time) on 6 November 2023	GBP	GBP 100,000,000	Prevailing NAV of Sterling Class (Distributing) at the Dealing Day	Monthly	Yes	BN7R532	IE000MFLA6T9
Sterling Class (Accumulating) (SI)	New. Initial Offer Period	GBP	GBP 100,000,000	Prevailing NAV of Sterling Class (Accumulating)	None	Yes	BQD1TY8	IE00027QZ6V3



Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
	9.00am (Irish time) on 4 May 2023 to 5.00pm (Irish time) on 6 November 2023			at the Dealing Day				
US Dollar Class (Distributing) (SI)	New. Initial Offer Period 9.00am (Irish time) on 4 May 2023 to 5.00pm (Irish time) on 6 November 2023	USD	USD 100,000,000	Prevailing NAV of US Dollar Class (Distributing) at the Dealing Day	Monthly	Yes	BN7R5F4	IE000KUWEBG6
US Dollar Class (Accumulating) (SI)	New. Initial Offer Period 9.00am (Irish time) on 4 May 2023 to 5.00pm (Irish time) on 6 November 2023	USD	USD 100,000,000	Prevailing NAV of US Dollar Class (Accumulating) at the Dealing Day	None	Yes	BQD1TZ9	IE000BWGHWZ3
Euro Class (Distributing) (SI)	New. Initial Offer Period 9.00am (Irish time) on 4 May 2023 to 5.00pm (Irish time) on 6 November 2023	EUR	EUR 100,000,000	Prevailing NAV of Euro Class (Distributing) at the Dealing Day	Monthly	Yes	BN7R5K9	IE000D4GW0S8
Euro Class (Accumulating) (SI)	New. Initial Offer Period 9.00am (Irish time) on 4 May 2023 to 5.00pm (Irish time) on 6 November 2023	EUR	EUR 100,000,000	Prevailing NAV of Euro Class (Accumulating) at the Dealing Day	None	Yes	BQDIV08	IE000ZXJ8K90

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
<b>Payden Global Government Bond Index Fund</b>		<b>USD</b>						
Australian Dollar Class (Distributing)	Extended	AUD	AUD 1,000,000	AUD 10	Quarterly	Yes	B2QPGP9	IE 00B2QPGP93
Australian Dollar Class (Accumulating)	Extended	AUD	AUD 1,000,000	AUD 10	None	Yes	B2QPGN7	IE 00B2QPGN79
Brazilian Real Class (Distributing)	Extended	BRL	BRL 1,000,000	BRL 10	Quarterly	Yes		
Brazilian Real Class (Accumulating)	Extended	BRL	BRL 1,000,000	BRL 10	None	Yes		
Canadian Dollar Class (Distributing)	Extended	CAD	CAD 1,000,000	CAD 10	Quarterly	Yes	B2QPGR1	IE 00B2QPGR18
Canadian Dollar Class (Accumulating)	Extended	CAD	CAD 1,000,000	CAD 10	None	Yes	B2QPQG0	IE 00B2QPQG01
Danish Krone Class (Distributing)	Extended	DKK	DKK 10,000,000	DKK 100	Quarterly	Yes	B2QPGW6	IE 00B2QPGW60
Danish Krone Class (Accumulating)	Extended	DKK	DKK 10,000,000	DKK 100	None	Yes	B2QPGV5	IE 00B2QPGV53
Euro Class (Distributing)	Extended	EUR	EUR 1,000,000	EUR 10	Quarterly	Yes	B2QPGY8	I E00B2QPGY84
Euro Class (Accumulating)	Existing	EUR	EUR 1,000,000	EUR 10	None	Yes	B2QPGX7	IE 00B2QPGX77
Hong Kong Dollar Class (Distributing)	Extended	HKD	HKD 10,000,000	HDK 100	Quarterly	Yes	B2QPH01	IE 00B2QPH011
Hong Kong Dollar Class (Accumulating)	Extended	HKD	HKD 10,000,000	HDK 100	None	Yes	B2QPGZ9	IE 00B2QPGZ91
Icelandic Krona Class (Distributing)	Extended	ISK	ISK 50,000,000	ISK 1,000	Quarterly	Yes	B2QPH23	IE 00B2QPH235
Icelandic Krona Class (Accumulating)	Extended	ISK	ISK 50,000,000	ISK 1,000	None	Yes	B2QPH12	IE 00B2QPH128
Japanese Yen Class (Distributing)	Extended	JPY	JPY 100,000,000	JPY 10,000	Quarterly	Yes	B2QPH45	IE 00B2QPH458
Japanese Yen Class (Accumulating)	Extended	JPY	JPY 100,000,000	JPY 10,000	None	Yes	B2QPH34	IE 00B2QPH342
Korean Won Class (Distributing)	Extended	KRW	KRW 100,000,000	KRW 10,000	Quarterly	Yes	B2QPH67	IE 00B2QPH672
Korean Won Class (Accumulating)	Extended	KRW	KRW 100,000,000	KRW 10,000	None	Yes	B2QPH56	IE 00B2QPH565
Malaysian Ringgit Class (Distributing)	Extended	MYR	MYR 3,500,000	MYR 50	Quarterly	Yes	B2QPH89	IE 00B2QPH896
Malaysian Ringgit Class (Accumulating)	Extended	MYR	MYR 3,500,000	MYR 50	None	Yes	B2QPH78	IE 00B2QPH789
New Zealand Dollar Class (Distributing)	Extended	NZD	NZD 1,500,000	NZD 10	Quarterly	Yes	B2QPHB2	IE 00B2QPHB23

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
New Zealand Dollar Class (Accumulating)	Extended	NZD	NZD 1,500,000	NZD 10	None	Yes	B2QPH90	IE 00B2QPH904
Norwegian Krone Class (Distributing)	Extended	NOK	NOK 10,000,000	NOK 100	Quarterly	Yes	B2QPHD4	IE 00B2QPHD47
Norwegian Krone Class (Accumulating)	Existing	NOK	NOK 10,000,000	-	None	Yes	B2QPHC3	IE 00B2QPHC30
Philippine Peso Class (Distributing)	Extended	PHP	PHP 50,000,000	PHP 500	Quarterly	Yes	B2QPHG7	IE 00B2QPHG77
Philippine Peso Class (Accumulating)	Extended	PHP	PHP 50,000,000	PHP 500	None	Yes	B2QPHF6	IE 00B2QPHF60
Renminbi Class (Distributing)	Extended	CNY	CNY 7,500,000	CNY 100	Quarterly	Yes	B2QPHJ0	IE 00B2QPHJ09
Renminbi Class (Accumulating)	Extended	CNY	CNY 7,500,000	CNY 100	None	Yes	B2QPHH8	IE0 00B2QPHH84
Russian Ruble Class (Distributing)	Extended	RUB	RUB 26,000,000	RUB 300	Quarterly	Yes	B2QPHL2	IE 00B2QPHL21
Russian Ruble Class (Accumulating)	Extended	RUB	RUB 26,000,000	RUB 300	None	Yes	B2QPHK1	IE 00B2QPHK14
Singapore Dollar Class (Distributing)	Existing	SGD	SGD 1,500,000	-	Quarterly	Yes	B2QPHN4	IE 00B2QPHN45
Singapore Dollar Class (Accumulating)	Extended	SGD	SGD 1,500,000	SGD 10	None	Yes	B2QPHM3	IE 00B2QPHM38
South African Rand Class (Distributing)	Extended	ZAR	ZAR 10,000,000	ZAR 100	Quarterly	Yes		
South African Rand Class (Accumulating)	Extended	ZAR	ZAR 10,000,000	ZAR 100	None	Yes		
Sterling Class (Distributing)	Existing	GBP	GBP 1,000,000	-	Quarterly	Yes	B2QPHQ7	IE 00B2QPHQ75
Sterling Class (Accumulating)	Existing	GBP	GBP 1,000,000	-	None	Yes	B2QPHP6	IE 00B2QPHP68
Swedish Krona Class (Distributing)	Extended	SEK	SEK 10,000,000	SEK 100	Quarterly	Yes	B2QPHS9	IE 00B2QPHS99
Swedish Krona Class (Accumulating)	Extended	SEK	SEK 10,000,000	SEK 100	None	Yes	B2QPHR8	IE 00B2QPHR82
Swiss Franc Class (Distributing)	Extended	CHF	CHF 1,000,000	CHF 10	Quarterly	Yes	B2QPHV2	IE 00B2QPHV29
Swiss Franc Class (Accumulating)	Existing	CHF	CHF 1,000,000	-	None	Yes	B2QPHT0	IE 00B2QPHT07
Taiwan Dollar Class (Distributing)	Extended	TWD	TW D33,000,000	TWD 300	Quarterly	Yes	B2QPHX4	IE 00B2QPHX43
Taiwan Dollar Class (Accumulating)	Extended	TWD	TWD 33,000,000	TWD 300	None	Yes	B2QPHW3	IE 00B2QPHW36
Thai Baht Class (Distributing)	Extended	THB	THB 32,000,000	THB 300	Quarterly	Yes	B2QPHZ6	IE 00B2QPHZ66
Thai Baht Class (Accumulating)	Extended	THB	THB 32,000,000	THB 300	None	Yes	B2QPHY5	IE 00B2QPHY59
US Dollar Class (Distributing)	Extended	USD	USD 1,000,000	USD 10	Quarterly	N/A	B2QPJ16	IE 00B2QPJ165

<b>Classes available in each Fund</b>	<b>Issue status of Classes</b>	<b>Currency</b>	<b>Minimum Subscription</b>	<b>Initial Offer Price</b>	<b>Dividend</b>	<b>Hedged Share Class</b>	<b>ISE Listing (SEDOL)</b>	<b>ISE Listing (ISIN)</b>
US Dollar Class (Accumulating)	Existing	USD	USD 1,000,000	USD 10	None	N/A	B2QPJ05	IE 00B2QPJ058

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
<b>Payden Global Inflation-Linked Bond Fund</b>		<b>USD</b>						
Australian Dollar Class (Distributing)	Extended	AUD	AU D1,000,000	AUD 10	Quarterly	Yes	B3ZVGD 3	IE 00B3ZVGD30
Australian Dollar Class (Accumulating)	Extended	AUD	AUD 1,000,000	AUD 10	None	Yes	B3ZVFL 4	IE 00B3ZVFL49
Brazilian Real Class (Distributing)	Extended	BRL	BRL 1,000,000	BRL 10	Quarterly	Yes		
Brazilian Real Class (Accumulating)	Extended	BRL	BRL 1,000,000	BRL 10	None	Yes		
Canadian Dollar Class (Distributing)	Extended	CAD	CAD 1,000,000	CAD 10	Quarterly	Yes	B3ZVGR 7	IE 00B3ZVGR75
Canadian Dollar Class (Accumulating)	Extended	CAD	CAD 1,000,000	CAD 10	None	Yes	B3ZVGG 6	IE 00B3ZVGG60
Danish Krone Class (Distributing)	Extended	DKK	DKK 10,000,000	DKK 100	Quarterly	Yes	B3KLK2	IE 00B3KCLK29
Danish Krone Class (Accumulating)	Extended	DKK	DKK 10,000,000	DKK 100	None	Yes	B3ZKLH 9	IE 00B3ZKLH99
Euro Class (Distributing)	Extended	EUR	EUR 1,000,000	EUR 10	Quarterly	Yes	B3ZKMT 8	IE 00B3ZKMT86
Euro Class (Accumulating)	Existing	EUR	EUR 1,000,000	EUR 10	None	Yes	B3ZKLQ 8	IE 00B3ZKLQ80
Hong Kong Dollar Class (Distributing)	Extended	HKD	HKD 10,000,000	HDK 100	Quarterly	Yes	B3ZKNX 9	IE 00B3ZKNX97
Hong Kong Dollar Class (Accumulating)	Extended	HKD	HKD 10,000,000	HDK 100	None	Yes	B3ZKNM 8	IE 00B3ZKNM82
Icelandic Krona Class (Distributing)	Extended	ISK	ISK 50,000,000	ISK 1,000	Quarterly	Yes	B3ZKPY 4	IE 00B3ZKPY45
Icelandic Krona Class (Accumulating)	Extended	ISK	ISK 50,000,000	ISK 1,000	None	Yes	B3ZKPQ 6	IE 00B3ZKPQ60
Japanese Yen Class (Distributing)	Extended	JPY	JPY 100,000,000	JPY 1,000	Quarterly	Yes	B3ZKQT 6	IE 00B3ZKQT66
Japanese Yen Class (Accumulating)	Extended	JPY	JPY 100,000,000	JPY 1,000	None	Yes	B3ZKQR 4	IE 00B3ZKQR43
Korean Won Class (Distributing)	Extended	KRW	KRW 100,000,000	KRW 10,000	Quarterly	Yes		
Korean Won Class (Accumulating)	Extended	KRW	KRW 100,000,000	KRW 10,000	None	Yes		
Malaysian Ringgit Class (Distributing)	Extended	MYR	MYR 3,500,000	MYR 50	Quarterly	Yes		
Malaysian Ringgit Class (Accumulating)	Extended	MYR	MYR 3,500,000	MYR 50	None	Yes		
New Zealand Dollar Class (Distributing)	Extended	NZD	NZD 1,500,000	NZD 10	Quarterly	Yes	B3ZKR1 5	IE 00B3ZKR150

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
New Zealand Dollar Class (Accumulating)	Extended	NZD	NZD 1,500,000	NZD 10	None	Yes	B3ZKQW9	IE 00B3ZKQW95
Norwegian Krone Class (Distributing)	Extended	NOK	NOK 10,000,000	NOK 100	Quarterly	Yes	B3ZKRV5	IE 00B3ZKRV53
Norwegian Krone Class (Accumulating)	Extended	NOK	NOK 10,000,000	NOK 100	None	Yes	B3ZKR37	IE 00B3ZKR374
Philippine Peso Class (Distributing)	Extended	PHP	PHP 50,000,000	PHP 500	Quarterly	Yes		
Philippine Peso Class (Accumulating)	Extended	PHP	PHP 50,000,000	PHP 500	None	Yes		
Renminbi Class (Distributing)	Extended	CNY	CNY 7,500,000	CNY 100	Quarterly	Yes		
Renminbi Class (Accumulating)	Extended	CNY	CNY 7,500,000	CNY 100	None	Yes		
Russian Ruble Class (Distributing)	Extended	RUB	RUB 26,000,000	RUB 300	Quarterly	Yes		
Russian Ruble Class (Accumulating)	Extended	RUB	RUB 26,000,000	RUB 300	None	Yes		
Singapore Dollar Class (Distributing)	Extended	SGD	SGD 1,500,000	SGD 10	Quarterly	Yes	B3ZKS45	IE 00B3ZKS455
Singapore Dollar Class (Accumulating)	Extended	SGD	SGD 1,500,000	SGD 10	None	Yes	B3ZKRX7	IE 00B3ZKRX77
South African Rand Class (Distributing)	Extended	ZAR	ZAR 10,000,000	ZAR 100	Quarterly	Yes		
South African Rand Class (Accumulating)	Extended	ZAR	ZAR 10,000,000	ZAR 100	None	Yes		
Sterling Class (Distributing)	Existing	GBP	GBP 1,000,000	-	Quarterly	Yes	B3ZKT08	IE 00B3ZKT081
Sterling Class (Accumulating)	Existing	GBP	GBP 1,000,000	-	None	Yes	B3ZKS67	I E00B3ZKS679
Sterling Class Unhedged (Distributing)	Existing	GBP	GBP 1,000,000	-	Quarterly	No	B4WZ8Y0	IE 00B4WZ8Y04
Sterling Class Unhedged (Accumulating)	Extended	GBP	GBP 1,000,000	GBP 10	None	No	B4TJFJ9	IE 00B4TJFJ95
Swedish Krona Class (Distributing)	Extended	SEK	SEK 10,000,000	SEK 100	Quarterly	Yes	B3ZKV35	IE 00B3ZKV350
Swedish Krona Class (Accumulating)	Extended	SEK	SEK 10,000,000	SEK 100	None	Yes	B3ZKT97	IE 00B3ZKT974
Swiss Franc Class (Distributing)	Extended	CHF	CHF 1,000,000	CHF 10	Quarterly	Yes	B41T5Z3	IE 00B41T5Z31
Swiss Franc Class (Accumulating)	Extended	CHF	CHF 1,000,000	CHF 10	None	Yes	B3ZKV80	IE 00B3ZKV806
Taiwan Dollar Class (Distributing)	Extended	TWD	TWD 33,000,000	TWD 300	Quarterly	Yes		
Taiwan Dollar Class (Accumulating)	Extended	TWD	TWD 33,000,000	TWD 300	None	Yes		
Thai Baht Class (Distributing)	Extended	THB	THB 32,000,000	THB 300	Quarterly	Yes		

<b>Classes available in each Fund</b>	<b>Issue status of Classes</b>	<b>Currency</b>	<b>Minimum Subscription</b>	<b>Initial Offer Price</b>	<b>Dividend</b>	<b>Hedged Share Class</b>	<b>ISE Listing (SEDOL)</b>	<b>ISE Listing (ISIN)</b>
Thai Baht Class (Accumulating)	Extended	THB	THB 32,000,000	THB 300	None	Yes		
US Dollar Class (Distributing)	Extended	USD	USD 1,000,000	USD 10	Quarterly	N/A	B41T6B6	IE 00B41T6B61
US Dollar Class (Accumulating)	Existing	USD	USD 1,000,000	-	None	N/A	B41T683	IE 00B41T6832

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
<b>Payden Sterling Reserve Fund</b>		<b>GBP</b>						
Australian Dollar Class (Distributing)	Extended	AUD	AUD 1,000,000	AUD 10	Quarterly	Yes		
Australian Dollar Class (Accumulating)	Extended	AUD	AUD 1,000,000	AUD 10	None	Yes		
Brazilian Real Class (Distributing)	Extended	BRL	BRL 1,000,000	BRL 10	Quarterly	Yes		
Brazilian Real Class (Accumulating)	Extended	BRL	BRL 1,000,000	BRL 10	None	Yes		
Canadian Dollar Class (Distributing)	Extended	CAD	CAD 1,000,000	CAD 10	Quarterly	Yes		
Canadian Dollar Class (Accumulating)	Extended	CAD	CAD 1,000,000	CAD 10	None	Yes		
Danish Krone Class (Distributing)	Extended	DKK	DKK 10,000,000	DKK 100	Quarterly	Yes		
Danish Krone Class (Accumulating)	Extended	DKK	DKK 10,000,000	DKK 100	None	Yes		
Euro Class (Distributing)	Extended	EUR	EUR 1,000,000	EUR 10	Quarterly	Yes		
Euro Class (Accumulating)	Extended	EUR	EUR 1,000,000	EUR 10	None	Yes		
Hong Kong Dollar Class (Distributing)	Extended	HKD	HKD 10,000,000	HDK 100	Quarterly	Yes		
Hong Kong Dollar Class (Accumulating)	Extended	HKD	HKD 10,000,000	HDK 100	None	Yes		
Icelandic Krona Class (Distributing)	Extended	ISK	ISK 50,000,000	ISK 1,000	Quarterly	Yes		
Icelandic Krona Class (Accumulating)	Extended	ISK	ISK 50,000,000	ISK 1,000	None	Yes		
Japanese Yen Class (Distributing)	Extended	JPY	JPY 100,000,000	JPY 10,000	Quarterly	Yes		
Japanese Yen Class (Accumulating)	Extended	JPY	JPY 100,000,000	JPY 10,000	None	Yes		
Korean Won Class (Distributing)	Extended	KRW	KRW 100,000,000	KRW 10,000	Quarterly	Yes		
Korean Won Class (Accumulating)	Extended	KRW	KRW 100,000,000	KRW 10,000	None	Yes		
Malaysian Ringgit Class (Distributing)	Extended	MYR	MYR 3,500,000	MYR 50	Quarterly	Yes		
Malaysian Ringgit Class (Accumulating)	Extended	MYR	MYR 3,500,000	MYR 50	None	Yes		
New Zealand Dollar Class (Distributing)	Extended	NZD	NZD 1,500,000	NZD 10	Quarterly	Yes		
New Zealand Dollar Class (Accumulating)	Extended	NZD	NZD 1,500,000	NZD 10	None	Yes		



Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
Norwegian Krone Class (Distributing)	Extended	NOK	NOK 10,000,000	NOK 100	Quarterly	Yes		
Norwegian Krone Class (Accumulating)	Extended	NOK	NOK 10,000,000	NOK 100	None	Yes		
Philippine Peso Class (Distributing)	Extended	PHP	PHP 50,000,000	PHP 500	Quarterly	Yes		
Philippine Peso Class (Accumulating)	Extended	PHP	PHP 50,000,000	PHP 500	None	Yes		
Renminbi Class (Distributing)	Extended	CNY	CNY 7,500,000	CNY 100	Quarterly	Yes		
Renminbi Class (Accumulating)	Extended	CNY	CNY 7,500,000	CNY 100	None	Yes		
Russian Ruble Class (Distributing)	Extended	RUB	RUB 26,000,000	RUB 300	Quarterly	Yes		
Russian Ruble Class (Accumulating)	Extended	RUB	RUB 26,000,000	RUB 300	None	Yes		
Singapore Dollar Class (Distributing)	Extended	SGD	SGD 1,500,000	SGD 10	Quarterly	Yes		
Singapore Dollar Class (Accumulating)	Extended	SGD	SGD 1,500,000	SGD 10	None	Yes		
South African Rand Class (Distributing)	Extended	ZAR	ZAR 10,000,000	ZAR 100	Quarterly	Yes		
South African Rand Class (Accumulating)	Extended	ZAR	ZAR 10,000,000	ZAR 100	None	Yes		
Sterling Class (Distributing)	Existing	GBP	GBP 1,000,000	-	Quarterly	N/A	B5N7VM1	IE 00B5N7VM10
Sterling Class (Accumulating)	Existing	GBP	GBP 1,000,000	-	None	N/A	B5LJ3F6	IE 00B5LJ3F63
Swedish Krona Class (Distributing)	Extended	SEK	SEK 10,000,000	SEK 100	Quarterly	Yes		
Swedish Krona Class (Accumulating)	Extended	SEK	SEK 10,000,000	SEK 100	None	Yes		
Swiss Franc Class (Distributing)	Extended	CHF	CHF 1,000,000	CHF 10	Quarterly	Yes		
Swiss Franc Class (Accumulating)	Extended	CHF	CHF 1,000,000	CHF 10	None	Yes		
Taiwan Dollar Class (Distributing)	Extended	TWD	TWD 33,000,000	TWD 300	Quarterly	Yes		
Taiwan Dollar Class (Accumulating)	Extended	TWD	TWD 33,000,000	TWD 300	None	Yes		
Thai Baht Class (Distributing)	Extended	THB	THB 32,000,000	THB 300	Quarterly	Yes		
Thai Baht Class (Accumulating)	Extended	THB	THB 32,000,000	THB 300	None	Yes		
US Dollar Class (Distributing)	Extended	USD	USD 1,000,000	USD 10	Quarterly	Yes		
US Dollar Class (Accumulating)	Extended	USD	USD 1,000,000	USD 10	None	Yes		

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
<b>Payden Global Equity Income Fund</b>		<b>USD</b>						
Australian Dollar Class (Distributing)	Extended	AUD	AUD 1,000,000	AUD 10	Quarterly	N/A	BYWMV S6	IE00BYWMVS 65
Australian Dollar Class (Accumulating)	Extended	AUD	AUD 1,000,000	AUD 10	None	N/A	BYWMV T7	IE00BYWMVT 72
Canadian Dollar Class (Distributing)	Extended	CAD	CAD 1,000,000	CAD 10	Quarterly	N/A	BYWMV V9	IE00BYWMV V94
Canadian Dollar Class (Accumulating)	Extended	CAD	CAD 1,000,000	CAD 10	None	N/A	BYWMV W0	IE00BYWMV W02
Danish Krone Class (Distributing)	Extended	DKK	DKK 10,000,000	DKK 100	Quarterly	N/A	BYWMV X1	IE00BYWMV X19
Danish Krone Class (Accumulating)	Extended	DKK	DKK 10,000,000	DKK 100	None	N/A	BYWMV Y2	IE00BYWMV Y26
Euro Class (Accumulating)	Extended	EUR	EUR 1,000,000	EUR 10	None	N/A	BYQJ934	IE00BYQJ9340
Euro Class (Distributing)	Extended	EUR	EUR 1,000,000	EUR 10	Quarterly	N/A	BYQJ945	IE00BYQJ9456
Icelandic Krona Class (Distributing)	Extended	ISK	ISK 50,000,000	ISK 1,000	Quarterly	N/A	BYWMV Z3	IE00BYWMV Z33
Icelandic Krona Class (Accumulating)	Extended	ISK	ISK 50,000,000	ISK 1,000	None	N/A	BYWMW 05	IE00BYWMW 058
Japanese Yen Class (Distributing)	Extended	JPY	JPY 100,000,000	JPY 10,000	Quarterly	N/A	BYWMW 16	IE00BYWMW 165
Japanese Yen Class (Accumulating)	Extended	JPY	JPY 100,000,000	JPY 10,000	None	N/A	BYWMW 27	IE00BYWMW 272
Norwegian Krone Class (Distributing)	Extended	NOK	NOK 10,000,000	NOK 100	Quarterly	N/A	BYWMW 38	IE00BYWMW 389
Norwegian Krone Class (Accumulating)	Extended	NOK	NOK 10,000,000	NOK 100	None	N/A	BYWMW 49	IE00BYWMW 496
New Zealand Dollar Class (Distributing)	Extended	NZD	NZD 1,500,000	NZD 10	Quarterly	N/A	BYWMW 50	IE00BYWMW 504
New Zealand Dollar Class (Accumulating)	Extended	NZD	NZD 1,500,000	NZD 10	None	N/A	BYWMW 61	IE00BYWMW 611
Singapore Dollar Class (Distributing)	Extended	SGD	SGD 1,500,000	SGD 10	Quarterly	N/A	BYWMW 72	IE00BYWMW 728
Singapore Dollar Class (Accumulating)	Extended	SGD	SGD 1,500,000	SGD 10	None	N/A	BYWMW 83	IE00BYWMW 835
Sterling Class (Distributing)	Existing	GBP	GBP 1,000,000	GBP 10	Quarterly	N/A	BYQJ956	IE00BYQJ9563
Sterling Class (Accumulating)	Extended	GBP	GBP 1,000,000	GBP 10	None	N/A	BYQJ967	IE00BYQJ9670
South African Rand Class (Distributing)	Extended	ZAR	ZAR 10,000,000	ZAR 100	Quarterly	N/A	BYWMW 94	IE00BYWMW 942
South African Rand Class (Accumulating)	Extended	ZAR	ZAR 10,000,000	ZAR 100	None	N/A	BYWMW B6	IE00BYWMW B63
Swedish Krona Class (Distributing)	Extended	SEK	SEK 10,000,000	SEK 100	Quarterly	N/A	BYWMW C7	IE00BYWMW C70

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
Swedish Krona Class (Accumulating)	Extended	SEK	SEK 10,000,000	SEK 100	None	N/A	BYWMW D8	IE00BYWMW D87
Swiss Franc Class (Distributing)	Extended	CHF	CHF 1,000,000	CHF 10	Quarterly	N/A	BYWMW F0	IE00BYWMW F02
Swiss Franc Class (Accumulating)	Extended	CHF	CHF 1,000,000	CHF 10	None	N/A	BYWMW G1	IE00BYWMW G19
Taiwan Dollar Class (Distributing)	Extended	TWD	TWD 33,000,000	TWD 300	Quarterly	N/A	BYWMW H2	IE00BYWMW H26
Taiwan Dollar Class (Accumulating)	Extended	TWD	TWD 33,000,000	TWD 300	None	N/A	BYWMW J4	IE00BYWMW J40
Thai Baht Class (Distributing)	Extended	THB	THB 32,000,000	THB 300	Quarterly	N/A	BYWMW K5	IE00BYWMW K54
Thai Baht Class (Accumulating)	Extended	THB	THB 32,000,000	THB 300	None	N/A	BYWMX J1	IE00BYWMX J15
US Dollar Class (Distributing)	Extended	USD	USD 1,000,000	USD 10	Quarterly	N/A	BYQJ978	IE00BYQJ9787
US Dollar Class (Accumulating)	Existing	USD	USD 1,000,000	USD 10	None	N/A	BYQJ989	IE00BYQJ9894

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
<b>Payden US Equity Income Fund</b>		<b>USD</b>						
Australian Dollar Class (Distributing)	Extended	AUD	AUD 1,000,000	AUD 10	Quarterly	N/A	BYWMXK 2	IE00BYWM XK20
Australian Dollar Class (Accumulating)	Extended	AUD	AUD 1,000,000	AUD 10	None	N/A	BYWMXL 3	IE00BYWM XL37
Canadian Dollar Class (Distributing)	Extended	CAD	CAD 1,000,000	CAD 10	Quarterly	N/A	BYWMXM 4	IE00BYWM XM44
Canadian Dollar Class (Accumulating)	Extended	CAD	CAD 1,000,000	CAD 10	None	N/A	BYWMXN 5	IE00BYWM XN50
Danish Krone Class (Distributing)	Extended	DKK	DKK 10,000,000	DKK 100	Quarterly	N/A	BYWMPX 7	IE00BYWM XP74
Danish Krone Class (Accumulating)	Extended	DKK	DKK 10,000,000	DKK 100	None	N/A	BYWMXQ 8	IE00BYWM XQ81
Euro Class (Accumulating)	Extended	EUR	EUR 1,000,000	EUR 10	None	N/A	BYQJ990	IE00BYQJ99 02
Euro Class (Distributing)	New	EUR	EUR 1,000,000	EUR 10	Quarterly	N/A	BYQJ9B2	IE00BYQJ9B 28
Icelandic Krona Class (Distributing)	Extended	ISK	ISK 50,000,000	ISK 1,000	Quarterly	N/A	BYWMXR 9	IE00BYWM XR98
Icelandic Krona Class (Accumulating)	Extended	ISK	ISK 50,000,000	ISK 1,000	None	N/A	BYWMXS 0	IE00BYWM XS06
Japanese Yen Class (Distributing)	Extended	JPY	JPY 100,000,000	JPY 10,000	Quarterly	N/A	BYWMXT 1	IE00BYWM XT13
Japanese Yen Class (Accumulating)	Extended	JPY	JPY 100,000,000	JPY 10,000	None	N/A	BYWMXV 3	IE00BYWM XV35
Norwegian Krone Class (Distributing)	Extended	NOK	NOK 10,000,000	NOK 100	Quarterly	N/A	BYWMXW 4	IE00BYWM XW42
Norwegian Krone Class (Accumulating)	Extended	NOK	NOK 10,000,000	NOK 100	None	N/A	BYWMXX 5	IE00BYWM XX58
New Zealand Dollar Class (Distributing)	Extended	NZD	NZD 1,500,000	NZD 10	Quarterly	N/A	BYWMXY 6	IE00BYWM XY65
New Zealand Dollar Class (Accumulating)	Extended	NZD	NZD 1,500,000	NZD 10	None	N/A	BYWMXZ 7	IE00BYWM XZ72
Singapore Dollar Class (Distributing)	Extended	SGD	SGD 1,500,000	SGD 10	Quarterly	N/A	BYWMY0 9	IE00BYWM Y096
Singapore Dollar Class (Accumulating)	Extended	SGD	SGD 1,500,000	SGD 10	None	N/A	BYWMY1 0	IE00BYWM Y104
Sterling Class (Distributing)	Extended	GBP	GBP 1,000,000	GBP 10	Quarterly	N/A	BYQJ9C3	IE00BYQJ9C 35
Sterling Class (Accumulating)	Extended	GBP	GBP 1,000,000	GBP 10	None	N/A	BYQJ9D4	IE00BYQJ9D 42
South African Rand Class (Distributing)	Extended	ZAR	ZAR 10,000,000	ZAR 100	Quarterly	N/A	BYWMY2 1	IE00BYWM Y211
South African Rand Class (Accumulating)	Extended	ZAR	ZAR 10,000,000	ZAR 100	None	N/A	BYWMY3 2	IE00BYWM Y328
Swedish Krona Class (Distributing)	Extended	SEK	SEK 10,000,000	SEK 100	Quarterly	N/A	BYWMY4 3	IE00BYWM Y435

Classes available in each Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
Swedish Krona Class (Accumulating)	Extended	SEK	SEK 10,000,000	SEK 100	None	N/A	BYWMY54	IE00BYWMY542
Swiss Franc Class (Distributing)	Extended	CHF	CHF 1,000,000	CHF 10	Quarterly	N/A	BYWMY65	IE00BYWMY658
Swiss Franc Class (Accumulating)	Extended	CHF	CHF 1,000,000	CHF 10	None	N/A	BYWMY76	IE00BYWMY765
Taiwan Dollar Class (Distributing)	Extended	TWD	TWD 33,000,000	TWD 300	Quarterly	N/A	BYWMY87	IE00BYWMY872
Taiwan Dollar Class (Accumulating)	Extended	TWD	TWD 33,000,000	TWD 300	None	N/A	BYWMY98	IE00BYWMY989
Thai Baht Class (Distributing)	Extended	THB	THB 32,000,000	THB 300	Quarterly	N/A	BYWMYC1	IE00BYWMYC11
Thai Baht Class (Accumulating)	Extended	THB	THB 32,000,000	THB 300	None	N/A	BYWMYD2	IE00BYWMYD28
US Dollar Class (Distributing)	Extended	USD	USD 1,000,000	USD 10	Quarterly	N/A	BYQJ9F6	IE00BYQJ9F65
US Dollar Class (Accumulating)	Extended	USD	USD 1,000,000	USD 10	None	N/A	BYQJ9G7	IE00BYQJ9G72

**For information on the Share Classes for the Payden Global Aggregate Bond Fund and the Payden Global Emerging Markets Bond Fund (Hard Currency), please see the relevant Supplement.**

## PART XII

### DEFINITION OF REGULATED MARKET

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

in relation to any investment which constitutes a transferable security;

- (a) (i) any stock exchange which is:

located in any Member State; or  
located in any of the following countries:

Australia  
Canada  
Japan  
New Zealand  
Norway  
Switzerland  
United Kingdom  
United States of America;  
or

- (ii) Argentina - the stock exchanges in  
Buenos Aires,  
Cordoba,  
La Plata,  
La Plaxa,  
Mendoza,  
Rosano, and  
Rosario;

Bahrain - Bahrain Stock Exchange;

Bangladesh - Chittangong Stock Exchange, Dhaka Stock Exchange;

Bermuda - Bermuda Stock Exchange;

Bosnia and Herzegovina – Sarajevo Stock Exchange, Banja Luka Stock Exchange;

Botswana - Botswana Share Market;

Brazil - the stock exchanges in  
Alagoas,  
Bahia Recife,  
Bahia-Sergipe,  
Bolsa de Valores de Pernambuco e Paraiba,  
Bolsa de Valores de Regional,  
Brasilia,

	Curitiba, Extremo Sul, Fortaleza, Parana, Pernambuco, Porto Alegre, Regional Fortaleza, Rio de Janeiro, Santos and Sao Paulo;
Chile -	the stock exchange in Santiago, Valparaiso Stock Exchange;
China -	the stock exchanges in Shanghai and Shenzhen;
Colombia -	the stock exchange in Bogota; The Medellin Stock Exchange;
Croatia -	Zagreb Stock Exchange;
Egypt -	the stock exchanges in Cairo and Alexandria, Cairo Stock Exchange; Alexandra Stock Exchange;
Ghana -	Ghana Stock Exchange;
Hong Kong -	the stock exchange in Hong Kong;
Iceland -	the stock exchange in Reykjavik;
India -	the stock exchanges in Ahmedabab, Bangalore, Calcutta, Cochin, Delhi, Gauhati, Gawahati Hyderabad, Ludhiana, Madras, Magadh, Mumbai, the National Stock Exchange of India, Pune and Uttar Pradesh;
Indonesia -	the stock exchanges in Jakarta and Surabaya;
Israel -	the Tel Aviv Stock Exchange;
Ivory Coast -	Abidjan Stock Exchange;
Kazakhstan -	Kazakhstan Stock Exchange;

Kenya -	Nairobi Stock Exchange;
Kuwait -	the stock exchange in Kuwait;
Lebanon -	Beirut Stock Exchange;
Malaysia -	the stock exchange in Kuala Lumpur;
Mauritius -	Stock Exchange of Mauritius;
Mexico -	the stock exchange in Mexico City, Bolsa Mexicana de Valores;
Morocco -	Casablanca Stock Exchange;
Namibia -	Namibian Stock Exchange;
Nigeria -	the stock exchanges in Lagos, Kaduna and Port Harcourt;
Oman -	Muscat Securities Market;
Pakistan -	the stock exchange in Karachi, Lahore Stock Exchange;
Peru -	the stock exchange in Lima;
The Philippines -	the stock exchanges in Makati and Manila, the Philippines Stock Exchange;
Qatar -	Doha Stock Exchange;
Russia -	Moscow Exchange MICEX – RTS;
Saudi Arabia -	Riyadh Stock Exchange;
Serbia -	Belgrade Stock Exchange;
Singapore -	the stock exchange in Singapore, SESDAQ;
South Africa -	the stock exchange in Johannesburg;
South Korea -	the Korea Stock Exchange, KOSDAQ;
Sri Lanka -	the stock exchange in Colombo;
Swaziland -	Swaziland Stock Exchange;
Taiwan	the stock exchange in Taipei, TAISDAQ/Gretai Market;
Tanzania -	Dar-es-Salaam Stock Exchange;
Thailand -	the stock exchange in Bangkok, the Stock Exchange of Thailand;
Tunisia -	Bourse des Valeurs Mobilières de Tunis;



- Turkey - the stock exchange in Istanbul;
- United Kingdom - the London Stock Exchange Derivatives Market, the London International Financial Futures and Options Exchange (LIFFE) and the London Securities and Derivatives Exchange;
- Uganda - Uganda Securities Exchange;
- Ukraine - Ukrainian Stock Exchange;
- United Arab Emirates - Dubai Financial Market;
- Uruguay - Montevideo Stock Exchange;
- Venezuela - the stock exchanges in Caracas and Maracaibo;
- Vietnam - Vietnam Stock Exchange;
- Zambia - Lusaka Stock Exchange;
- Zimbabwe - Zimbabwe Stock Exchange.

(iii) any of the following:

- A. the market organised by the International Capital Market Association;
- B. the market conducted by the “listed money market institutions”, as described in the Financial Services Authority publication “The Regulation of the Wholesale Cash and OTC Derivatives Markets”, “The Grey Paper” (as amended from time to time);
- C. the over-the-counter market in the United States conducted by primary and secondary dealers regulated by the Securities and Exchange Commission and by the National Association of Securities Dealers, Inc. and by banking institutions regulated by the US Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation;
- D. the United States National Association of Securities Dealers Automatic Quotations (“NASDAQ”);
- E. the over-the-counter market in Japan regulated by the Securities Dealers Association of Japan;
- F. AIM - The Alternative Investment Market, in the UK, regulated by the London Stock Exchange;
- G. the French market for “Titres de Créance Négociable” (the over-the-counter market in negotiable debt instruments);
- H. NASDAQ Europe;
- I. NASDAQ Japan;

- J. the market in US government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York;
  - K. the over-the-counter market in Canadian government bonds regulated by the Investment Dealers Association of Canada; and
  - L. the market in Irish government bonds conducted by primary dealers recognised by the National Treasury Management Agency of Ireland.
- (b) the investments of any Sub-Fund may comprise in whole or in part financial derivative instruments which are listed, traded or dealt on derivative markets in the European Economic Area or any market organised by the International Capital Market Association or on any of the following stock exchanges;

**Argentina:** MATba Mercado a Termino de Buenos Aires, ROFEX (Rosario Futures Exchange);

**Australia:** Australian Stock Exchange; Sydney Futures Exchange;

**Brazil:** Brazilian Mercantile and Futures Exchange (BM&F), Maringá Mercantile and Futures Exchange;

**Canada:** the over-the-counter market in Canadian government bonds regulated by the Investment Dealers Association of Canada; Montreal Stock Exchange; Toronto Stock Exchange; Winnipeg Commodity Exchange;

**China:** China Financial Futures Exchange (CFFEX); Dalian Commodity Exchange (DCE); Hong Kong Futures Exchange (HKFE); precursor to Hong Kong Exchanges and Clearing; Hong Kong Exchanges and Clearing (HKEx); Shanghai Futures Exchange (SHFE); Zhengzhou Commodity Exchange (ZCE);

**Europe:** Pan-European; Eurex; European Climate Exchange; HEX Integrated Markets;

**India:** Ahmedabad Commodity Exchange Ltd.; Bahtinda Om & Oil Exchange Ltd., Batinda; Bikaner Commodity Exchange Ltd., Bikaner; The Bombay Commodity Exchange Ltd., Mumbai; The Bullion Association Limited, Jaipur; The Central India Commercial Exchange Ltd., Gwalior; The Chamber of Commerce, Hapur; e-Commodities Ltd., New Delhi; The East India Cotton Association Mumbai; The East India Jute & Hessian Exchange Ltd., Calcutta; Esugarindia Limited, Mumbai; First Commodity Exchange of India Ltd., Kochin; Haryana Commodities Ltd., Hissar; India Pepper & Spice Trade Association, Kochi; The Meerut Agro Commodities Exchange Co. Ltd., Meerut; Multi Commodity Exchange of India Ltd, Andheri, Mumbai; National Multi Commodity Exchange of India Limited, Ahemadabad; Rajdhani Oils and Oilseeds Exchange Ltd., Delhi; The Rajkot Seeds, Oil & Bullion Merchants' Association Ltd.; The Spices and Oilseeds Exchange Ltd, Sangli; Surendranagar Cotton oil & Oilseeds Association Ltd.; Vijay Beopar Chamber Ltd., Muzaffarnagar;

**Indonesia:** Jakarta Futures Exchange (JFX);

**Iran:** International Oil Bourse;

**Japan:** the over-the-counter market in Japan regulated by the Securities Dealers Association of Japan; Central Japan Commodity Exchange (C-COM); Kansai Commodities Exchange (KEX); Osaka Mercantile Exchange (OME); Osaka Securities Exchange; Tokyo Commodity Exchange (TOCOM); Tokyo International Financial Futures Exchange; Tokyo Grain Exchange (TGE); Tokyo Finance Exchange (TFX); Tokyo Stock Exchange; Yokohama Commodity Exchange (Y-COM);

**Malaysia:** Bursa Malaysia Derivatives Behad;

**Mexico:** Bolsa Mexicana de Valores; Mexican Derivatives Exchange (MexDer);

**Nepal:** Commodities and Metal Exchange Nepal (COMEN);

**New Zealand:** New Zealand Exchange; New Zealand Futures and Options Exchange;

**Pakistan:** National Commodity Exchange Limited (NCEL);

**Russia:** Moscow Exchange MICEX-RTS;

**Singapore:** Singapore Commodity Exchange (SICOM); Singapore International Monetary Exchange (SIMEX), precursor to Singapore Stock Exchange (SGX);

**South Africa:** South Africa Futures Exchange (SAFEX);

**South Korea:** Korean Stock Exchange (KRX), formed from the merger of Korean Stock Exchange (KSE); Korean Futures and Options Exchange (KOFEX); KOSDAQ;

**Switzerland:** SOFFEX (Swiss Options & Financial Futures Exchange);

**Taiwan:** Taiwan Futures Exchange (TAIFEX);

**Turkey:** Turkish Derivatives Exchange;

**United Arab Emirates:** Dubai International Financial Exchange (DIFX), Dubai Gold and Commodities Exchange (DGCX);

**United States of America:** the over-the-counter market in the United States conducted by primary and secondary dealers regulated by the Securities and Exchange Commission and by the National Association of Securities Dealers, Inc. and by banking institutions regulated by the US Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation; the American Stock Exchange; Chicago Board of Trade; Chicago Board Options Exchange (CBOE); Chicago Butter and Egg Board, precursor to the Chicago Mercantile Exchange; (CME); Chicago Climate Exchange; the Coffee, Sugar and Cocoa Exchange; the Commodity Exchange Inc. (COMEX); now a division of NYMEX; Intercontinental Exchange (ICE); the International Monetary Exchange; International Monetary Market (IMM), part of the Chicago Mercantile Exchange (CME); Minneapolis Grain Exchange (MGEX); Kansas City Board of Trade; the National Association of Securities Dealers Automated Quotations System (NASDAQ); New York Board of Trade (NYBOT); New York Futures Exchange; New York Mercantile Exchange; New York Stock Exchange; OneChicago, LLC; Pacific Stock Exchange; Philadelphia Board of Trade, Philadelphia Stock Exchange; US Futures Exchange (USFE); any Swap

Execution Facility (SEF) regulated by the CTFC and Securities Exchange Commission;

The markets and exchanges above are set out herein in accordance with the requirements of the Central Bank which does not issue a list of approved markets.

## PART XIII

### INVESTMENT TECHNIQUES AND FINANCIAL DERIVATIVE INSTRUMENTS

#### Permitted Financial Derivative Instruments (“FDI”)

1. A Fund may invest in FDI provided that:
  - 1.1 the relevant reference items or indices consist of one or more of the following: instruments referred to in the Central Bank Rules including financial instruments having one or several characteristics of those assets; financial indices; interest rates; foreign exchange rates or currencies;
  - 1.2 the FDI do not expose the Fund to risks which it could not otherwise assume (e.g. gain exposure to an instrument/issuer/currency to which the Fund cannot have a direct exposure); and
  - 1.3 the FDI do not cause the Fund to diverge from its investment objectives;
  - 1.4 the reference in 1.1 above to financial indices shall be understood as a reference to indices which fulfil the following criteria and the provisions of the Central Bank Rules:
    - (a) they are sufficiently diversified, in that the following criteria are fulfilled:
      - (i) the index is composed in such a way that price movements or trading activities regarding one component do not unduly influence the performance of the whole index;
      - (ii) where the index is composed of assets referred to in Regulation 68(1) of the Regulations, its composition is at least diversified in accordance with Regulation 71 of the Regulations;
      - (iii) where the index is composed of assets other than those referred to in Regulation 68(1) of the Regulations, it is diversified in a way which is equivalent to that provided for in Regulation 71 of the Regulations;
    - (b) they represent an adequate benchmark for the market to which they refer, in that the following criteria are fulfilled:
      - (i) the index measures the performance of a representative group of underlyings in a relevant and appropriate way;
      - (ii) the index is revised or rebalanced periodically to ensure that it continues to reflect the markets to which it refers following criteria which are publicly available;
      - (iii) the underlyings are sufficiently liquid, which allows users to replicate the index, if necessary;
    - (c) they are published in an appropriate manner, in that the following criteria are fulfilled:
      - (i) their publication process relies on sound procedures to collect prices and to calculate and to subsequently publish the index value, including pricing procedures for components where a market price is not available;

- (ii) material information on matters such as index calculation, rebalancing methodologies, index changes or any operational difficulties in providing timely or accurate information is provided on a wide and timely basis.

Where the composition of assets which are used as underlyings by FDI does not fulfil the criteria set out in (a), (b) or (c) above, those FDI shall, where they comply with the criteria set out in Regulation 68(1)(g) of the Regulations, be regarded as FDI on a combination of the assets referred to in Regulation 68(1)(g)(i) of the Regulations, excluding financial indices; and

- 1.5 where a Fund enters into a total return swap or invests in other financial derivative instruments with similar characteristics, the assets held by the Fund must comply with Regulation 70, 71, 72, 73 and 74 of the Regulations.

## 2. **Credit derivatives**

Credit derivatives are permitted where:

- (i) they allow the transfer of the credit risk of an asset as referred to in paragraph 1.1 above, independently from the other risks associated with that asset;
- (ii) they do not result in the delivery or in the transfer, including in the form of cash, of assets other than those referred to in Regulations 68(1) and (2) of the Regulations;
- (iii) they comply with the criteria for OTC derivatives set out in paragraph 4 below; and
- (iv) their risks are adequately captured by the risk management process of the Fund, and by its internal control mechanisms in the case of risks of asymmetry of information between the Fund and the counterparty to the credit derivative resulting from potential access of the counterparty to non-public information on firms the assets of which are used as underlyings by credit derivatives. The Fund must undertake the risk assessment with the highest care when the counterparty to the FDI is a related party of the Fund or the credit risk issuer.

- 3. FDI must be dealt in on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State. Restrictions in respect of individual stock exchanges and markets may be imposed by the Central Bank on a case by case basis.
- 4. A Fund may invest in FDI dealt in over-the-counter ("OTC derivatives") in accordance with the Central Bank Rules and provided that the counterparties to the OTC derivatives are Eligible Counterparties.
- 5. Collateral received must, at all times, meet with the specific criteria outlined in the Central Bank Regulations as further provided in paragraphs 25-32 below.
- 6. Collateral passed to an OTC derivative counterparty by or on behalf of a Fund must be taken into account in calculating exposure of the Fund to counterparty risk as referred to in Regulation 70(1)(c) of the Regulations. Collateral passed may be taken into account on a net basis only if the Fund is able to legally enforce netting arrangements with this counterparty.

## **Global exposure; Calculation of issuer concentration risk and counterparty exposure risk**

7. A Fund using the commitment approach must ensure that its global exposure does not exceed its total Net Asset Value. The Fund may not therefore be leveraged in excess of 100% of its Net Asset Value. A Fund using the VaR approach must employ back testing and stress testing and comply with other regulatory requirements regarding the use of VaR. The VaR method is detailed in the relevant Fund's risk management procedures for FDI which are described below under "Risk Management Process and Reporting".

Each Fund must calculate issuer concentration limits as referred to in Regulation 70 of the Regulations on the basis of the underlying exposure created through the use of FDI pursuant to the commitment approach.

8. The risk exposures to a counterparty arising from OTC FDI transactions and efficient portfolio management techniques must be combined when calculating the OTC counterparty limit as referred to in Regulation 70(1)(c) of the Regulations.
9. A Fund must calculate exposure arising from initial margin posted to, and variation margin receivable from, a broker relating to exchange-traded or OTC derivative, which is not protected by client money rules or other similar arrangements to protect the Fund against the insolvency of the broker, within the OTC derivative counterparty limit referred to in Regulation 70(1)(c) of the Regulations.
10. The calculation of issuer concentration limits as referred to in Regulation 70 of the Regulations must take account of any net exposure to a counterparty generated through a stocklending or repurchase agreement. Net exposure refers to the amount receivable by a UCITS less any collateral provided by the UCITS. Exposures created through the reinvestment of collateral must also be taken into account in the issuer concentration calculations.
11. When calculating exposures for the purposes of Regulation 70 of the Regulations, a UCITS must establish whether its exposure is to an OTC counterparty, a broker or a clearing house.
12. Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities, money market instruments or collective investment schemes when combined, where relevant, with positions resulting from direct investments, may not exceed the investment limits set out in Regulations 70 and 73 of the Regulations. When calculating issuer-concentration risk, the FDI (including embedded FDI) must be looked through in determining the resultant position exposure. This position exposure must be taken into account in the issuer concentration calculations. Issuer concentration must be calculated using the commitment approach when appropriate or the maximum potential loss as a result of default by the issuer if more conservative. It must also be calculated by all Funds, regardless of whether they use VaR for global exposure purposes.

This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in Regulation 71(1) of the Regulations.

13. A transferable security or money market instrument embedding a FDI shall be understood as a reference to financial instruments which fulfil the criteria for transferable securities or money market instruments set out in Regulation 69(5)(a) of the Regulations and which contain a component which fulfils the following criteria:
  - (a) by virtue of that component some or all of the cash flows that otherwise would be required by the transferable security or money market instrument which functions as host contract can be modified according to a specified interest rate, financial instrument price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, and therefore vary in a way similar to a stand-alone derivative;

- (b) its economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract; and
  - (c) it has a significant impact on the risk profile and pricing of the transferable security or money market instrument.
14. A transferable security or a money market instrument shall not be regarded as embedding a FDI where it contains a component which is contractually transferable independently of the transferable security or the money market instrument. Such a component shall be deemed to be a separate financial instrument.

#### **Cover requirements**

15. A Fund must, at any given time, be capable of meeting all its payment and delivery obligations incurred by transactions involving FDI.
16. Monitoring of FDI transactions to ensure they are adequately covered must form part of the risk management process of the Fund.
17. A transaction in FDI which gives rise, or may give rise, to a future commitment on behalf of a Fund must be covered as follows:
- (i) in the case of FDI which automatically, or at the discretion of the Fund, are cash settled, a Fund must hold, at all times, liquid assets which are sufficient to cover the exposure; and
  - (ii) in the case of FDI which require physical delivery of the underlying asset, the asset must be held at all times by a Fund. Alternatively a Fund may cover the exposure with sufficient liquid assets where:
    - (A) the underlying assets consists of highly liquid fixed income securities; and/or
    - (B) the Fund considers that the exposure can be adequately covered without the need to hold the underlying assets, the specific FDI are addressed in the risk management process, which is described below, and details are provided in the Prospectus.

#### **Risk management process and reporting**

18. A Fund must provide the Central Bank with details of its proposed risk management process vis-à-vis its FDI (including Securities Financing Transaction) activity. The initial filing is required to include information in relation to:
- permitted types of FDI, including embedded derivatives in transferable securities and money market instruments;
  - details of the underlying risks;
  - relevant quantitative limits and how these will be monitored and enforced; and
  - methods for estimating risks.

Material amendments to the initial filing must be filed with the Central Bank. The Central Bank may object to the amendments notified to it and amendments and/or associated activities objected to by the Central Bank may not be made.



19. The Company must submit a report to the Central Bank on its FDI positions on an annual basis. The report, which must include information which reflects a true and fair view of the types of FDI used by the Funds, the underlying risks, the quantitative units and the methods used to estimate those risks, must be submitted with the annual report of the Company. The Company must, at the request of the Central Bank, provide this report at any time.

**Techniques and Instruments, including Repurchase/Reverse Repurchase Agreements and Stocklending, for the purposes of efficient portfolio management**

20. A Fund may employ techniques and instruments relating to transferable securities and money market instruments subject to the Regulations and to conditions imposed by the Central Bank. The use of these techniques and instruments should be in line with the best interests of the Fund.
21. Techniques and instruments which relate to transferable securities or money market instruments and which are used for the purpose of efficient portfolio management shall be understood as a reference to techniques and instruments which fulfil the following criteria:
- (i) they are economically appropriate in that they are realised in a cost-effective way;
  - (ii) they are entered into for one or more of the following specific aims:
    - (a) reduction of risk;
    - (b) reduction of cost;
    - (c) generation of additional capital or income for the Fund with a level of risk which is consistent with the risk profile of the Fund and the risk diversification rules set out in the Regulations;
  - (iii) their risks are adequately captured by the risk management process of the Fund, and
  - (iv) they cannot result in a change to the Fund's declared investment objective or add substantial supplementary risks in comparison to the general risk policy as described in its sales documents.
22. Financial derivative instruments used for efficient portfolio management, in accordance with paragraph 21, must also comply with the provisions of the Central Bank Rules.

**Repurchase/reverse repurchase agreements and stock lending**

23. Repurchase/reverse repurchase agreements and stock lending may only be effected in accordance with normal market practice and subject to the conditions and limits set out in the Central Bank Rules and SFTR.
24. All assets received by a Fund in the context of efficient portfolio management techniques and Securities Financing Transactions should be considered as collateral and should comply with the criteria set down in paragraph 25 below.
25. Collateral must, at all times, meet with the specific criteria outlined in the Central Bank Regulations. In particular, the Investment Manager, on behalf of each Fund, shall apply suitably conservative haircuts to assets being received as collateral where appropriate on the basis in particular, the Investment Manager, on behalf of each Fund, shall apply suitably conservative haircuts to assets being received as collateral where appropriate on the basis of an assessment of the characteristics of the assets such as the credit standing or the price volatility, as well as the outcome of any stress tests performed as referred to above. The Investment Manager has determined that generally if issuer or issue credit quality of the collateral is not of the necessary quality or the collateral carries a significant level of price volatility with regard to residual maturity or other factors, a conservative haircut must be applied in accordance with more specific guidelines as will be maintained in writing by the Investment Manager on an ongoing basis. To the extent that a Fund avails of the increased issuer exposure facility in section 5(ii) of Schedule 3 of the Central Bank Regulations, such increased issuer exposure may be to any of the issuers listed in section 2.12 of Part III to the Prospectus. All assets received by a Fund in the context of Securities Financing Transactions shall

be considered as collateral and must comply with the terms of the Company's collateral policy. Non-cash collateral cannot be sold, pledged or re-invested.

26. Risks linked to the management of collateral, such as operational and legal risks, should be identified, managed and mitigated by the risk management process of the Fund.
27. Any non-cash assets received by a Fund from a counterparty on a title transfer basis (whether in respect of a Securities Financing Transaction, an OTC derivative transaction or otherwise) should be held by the Depository or a duly appointed sub-custodian. Assets provided by a Fund on a title transfer basis shall no longer belong to the Fund and shall pass outside the custodial network. The counterparty may use those assets at its discretion. For other types of collateral arrangement, the collateral can be held by a third party depository which is subject to prudential supervision, and which is unrelated to the provider of the collateral.
28. Non-cash collateral cannot be sold, pledged or re-invested.
29. Cash collateral may not be invested other than in the following:
  - (i) deposits with Relevant Institutions;
  - (ii) high-quality government bonds;
  - (iii) reverse repurchase agreements provided the transactions are with credit institutions subject to prudential supervision and the Fund is able to recall at any time the full amount of cash on an accrued basis;
  - (iv) short-term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds (ref CESR/10-049).
30. Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash collateral. Cash collateral may not be placed on deposit with the relevant counterparty or a related entity. Exposure created through the reinvestment of collateral must be taken into account in determining risk exposures to a counterparty. Re-investment of cash collateral in accordance with the provisions above can still present additional risk for the Fund. Please refer to the section entitled "Risk Factors; Reinvestment of Cash Collateral Risk" for more details.
31. Collateral posted to a counterparty by or on behalf of the Fund must be taken into account when calculating counterparty risk exposure. Collateral posted to a counterparty and collateral received by such counterparty may be taken into account on a net basis provided the Fund is able to legally enforce netting arrangements with the counterparty.
32. Fund receiving collateral for at least 30 per cent. of its assets should have an appropriate stress testing policy in place to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to enable the Fund to assess the liquidity risk attached to the collateral. The liquidity stress testing policy should at least prescribe the components set out in Regulation 24 paragraph (8) of the Central Bank Regulations.
33. A Fund should ensure that it is able at any time to recall any security that has been lent out or terminate any stock lending agreement into which it has entered.
34. A Fund that enters into a reverse repurchase agreement should ensure that it is able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement should be used for the calculation of the net asset value of the Fund.
35. A Fund that enters into a repurchase agreement should ensure that it is able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered.

36. Repurchase/reverse repurchase agreements or stock lending do not constitute borrowing or lending for the purposes of Regulation 103 and Regulation 111 of the Regulations respectively.
37. A Fund should disclose in the prospectus the policy regarding direct and indirect operational costs/fees arising from Securities Financing Transactions and efficient portfolio management techniques that may be deducted from the revenue delivered to the Fund. These costs and fees should not include hidden revenue. The Fund should disclose the identity of the entity(ies) to which the direct and indirect costs and fees are paid and indicate if these are related parties to the management company or the trustee.
38. All the revenues arising from Securities Financing Transactions and efficient portfolio management techniques, net of direct and indirect operational costs, should be returned to the Fund.

**PAYDEN GLOBAL EMERGING MARKETS BOND FUND (HARD CURRENCY)**

**a sub-fund of**

**PAYDEN GLOBAL FUNDS PLC**

**Supplement to the Prospectus dated 1 October, 2021**

**for Payden Global Funds plc**

**An umbrella Fund with segregated liability between sub-funds**

This Supplement contains specific information in relation to Payden Global Emerging Markets Bond Fund (Hard Currency) (the “**Fund**”), a sub-fund of Payden Global Funds plc (the “**Company**”) an umbrella type open-ended investment company with variable capital and segregated liability between sub-funds governed by the laws of Ireland and authorised by the Central Bank of Ireland (the “**Central Bank**”).

**This Supplement forms part of and should be read in conjunction with the Prospectus dated 1 October, 2021.**

The Directors of Payden Global Funds plc, 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.

Dated: 1 October, 2021

## **Introduction:**

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

**The Fund may invest in financial derivative instruments for investment and efficient portfolio management purposes.**

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

**Shareholders should note that the Net Asset Value of the Fund may be subject to increased volatility as a consequence of the Fund's investment in below Investment Grade debt instruments and securities of issuers located in Emerging Markets.**

## **Profile of a Typical Investor**

The Fund is suitable for medium to long-term investors seeking capital growth (in the case of Accumulating Shares) and capital growth and income (in the case of Distributing Shares).

## **Investment Objective:**

The Fund will seek to maximise total return. The performance of the Fund will be measured relative to the J.P. Morgan EMBI Global Diversified Index.

## **Investment Policy and Types of Investments:**

In order to achieve its objective, the Fund may invest on a long and/or short basis (as further described below under the section entitled "Financial Derivative Instruments") in a wide variety of securities (as further described below).

Such securities may be (i) below Investment Grade (ii) Investment Grade; and/or (iii) income-producing. In all such cases the securities will be listed and/or traded on Regulated Markets.

Investments will primarily consist of securities of issuers located in the Emerging Markets of Latin America, Africa, Asia, the Middle East and Europe.

Under normal market conditions, the Fund will invest at least 80% of its Net Asset Value in Government Securities of Emerging Markets (or economically linked with securities of Emerging Markets be it by revenue source, profitability or economic activities in that Emerging Market), and securities of corporations organised or headquartered in Emerging Markets.

Investments will consist of, but will not be limited to;

- Emerging Market debt securities (in the form of a bond) which may be rated or unrated, fixed rate or floating rate;
- corporate bonds which may be rated or unrated, fixed or floating rate and securitised loans (securitised loans will not form more than 5% of the assets of the Fund); and
- Government Securities which may be rated or unrated, fixed rate or floating rate and may be issued or guaranteed by the U.S. Government, foreign governments and their agencies and instrumentalities, political subdivisions of foreign governments (such as provinces and municipalities), quasi government entities and supranational organisations (such as The World Bank).

While the focus of the Fund is Emerging Markets debt securities, there may be occasions where for tactical and efficient strategy purposes, the below-listed instruments may be used where the Fund is not fully invested in such Emerging Markets debt securities, to the extent that the instruments are available and are consistent with the investment objective of the Fund. For the avoidance of doubt, these instruments will not form a primary focus of the Fund:

- mortgage-backed securities;
- asset-backed securities;
- collateralised bond obligations (CBOs), being a type of structured debt security which has investment grade bonds as the underlying assets backed by the receivables on high-yield bonds;
- preferred stock;
- convertible bonds (which may embed derivatives), being a type of debt security that provides an investor with a right or an obligation to exchange the bond for a predetermined number of shares;
- contingent convertible bonds (or "CoCos"), being a form of convertible debt security that are intended to automatically and permanently convert into equity securities of the issuing entity upon the occurrence of certain 'triggers' linked to regulatory capital thresholds or where the continued viability of the entity as a going-concern is in question. CoCos have unique conversion features which are tailored to the issuing entity and its regulatory requirements. The Fund will not be leveraged as a result of an investment in CoCos. Investments (if any) in CoCos will be limited and not expected to form more than 5% of the portfolio.
- dividend-paying convertible securities;
- money-market securities, which include but are not limited to:
  - commercial paper issued by corporate entities;
  - certificates of deposit (CDs);
  - bankers' acceptances;
  - debt securities of banks and their holding companies;
  - Treasury bills;
  - agency discount notes;
  - short corporate bonds (securities with less than one year to maturity);
  - money market funds.

Investments will be primarily denominated in US Dollars and other hard currencies which will include Sterling, Euro, Canadian Dollar, Australian Dollar and Japanese Yen. The Fund may also invest in securities denominated in local currency units of the relevant Emerging Markets. Emerging Markets securities denominated in local currency will not form more than 20% of the assets of the Fund.

The Fund may hold cash deposits as ancillary liquid assets and engage in foreign exchange transactions. The Fund is denominated in USD but will hold assets denominated in other currencies. Hence, the Net Asset Value may fall and rise purely as a result of exchange rate fluctuations. Further details in relation to the use of foreign exchange transactions is set out in Part IV of the Prospectus, entitled "**Use of Techniques and Derivatives**".

The Fund will invest in debt securities of any maturity and there is no limit on the Fund's maximum average portfolio maturity.

The Fund may invest up to 10% of its net assets in units or shares of open-ended collective investment schemes within the meaning of Regulation 68 of the Regulations. The collective investment schemes in which the Fund invests will have similar investment objectives and policies to the Fund and may include exchange-traded funds.

Subject to the provisions of the Companies Acts and the Central Bank Rules, the Fund may also cross invest in other Funds of the Company provided that investment may not be made in a Fund of the Company that itself holds shares in other Funds of the Company. No management, investment management, subscription or redemption fees will be payable in respect of any such cross investment and the aggregate that may be invested in collective investment schemes, whether through external or cross investment will not exceed 10% of the Fund's net assets. Please see "Cross-Investment" for further details.

### Investment Strategy

The Investment Manager's approach is based on fundamental analysis and research. Fundamental analysis includes assessing the following factors on a country by country basis: economic growth, monetary policy, fiscal policy, and external accounts (consisting of balance of payments and the international investment position). These are the factors that the Investment Manager considers to be of significant importance in determining a country's future fundamental trajectory.

As part of the security selection, the Investment Manager will take into account environmental, social and governance ("ESG") factors. The ESG considerations are a critical component of the Investment Manager's

investment process. In considering the governance element of ESG considerations, the Investment Manager focuses on government effectiveness, institutional efficiency, rule of law, political rights/civil liberties, policy trajectory and perception/control of corruption. The Investment Manager considers factors such as human/knowledge capital, access to education, labour freedom and ease of doing business when assessing the social aspect of ESG considerations. When assessing the environmental aspect, the Investment Manager considers energy resources availability/management, water/land availability, natural disaster exposure and climate change. In addition to such fundamental analysis, the Investment Manager may also consider valuation factors including an analysis of relative value of specific security versus securities rated equivalent by Moody's or S&P or other ratings agencies.

Based on the fundamental analysis and research, the Investment Manager will determine whether the Fund will invest directly in such securities and/or use derivative instruments to obtain both long and/or short exposures. Where the Investment Manager believes that a security is undervalued, it may cause the Fund to purchase such security, either directly or through derivatives. In addition, if the Investment Manager believes that a security is overvalued, it may cause the Fund to sell such security, either directly or through derivatives.

#### Currency strategy

The currency strategy of the Fund will be implemented by both direct investment in Emerging Markets debt securities and also via the use of derivatives (including forward currency contracts, currency futures, currency options and currency swaps) as further described below.

The Fund may gain exposure to currencies via derivatives and/or by investing directly in currencies of Emerging Markets and/or through the acquisition of debt securities denominated in the currencies of Emerging Markets in order to allow the Fund to benefit from perceived mispricing of such currencies against the Base Currency. As with the other asset classes of the Fund, if the Investment Manager believes that a currency is undervalued, it may cause the Fund to purchase such currency, either directly or through derivatives. In addition, if the Investment Manager believes that a currency is overvalued, it may cause the Fund to sell such currency, either directly or through derivatives. Use of these instruments and the implementation techniques employed are more fully described in "Financial Derivative Instruments" below.

#### Financial Derivative Instruments:

The Fund may employ the following investment techniques and instruments which may be exchange-traded or over-the-counter derivatives: futures, forwards, options, swaps (including credit default swaps and total return swaps), caps, floors and fully-funded (i.e. unleveraged) credit-linked notes. Such derivative instruments may be used for (i) hedging purposes, (ii) efficient portfolio management, and/or (iii) investment purposes, subject to the Central Bank Rules. The derivatives will assist in achieving the investment objective of the Fund by allowing for the adjustment of risk (including credit, currency and interest rate risk) and by implementing trades in a more efficient and cost effective manner. Futures, options, calls and forwards may allow the Fund to hedge against market risk, modify exposure to the underlying market and/or take investment positions. Swaps (including total return swaps) will offer the Fund independent profit opportunities as well as the possibility to hedge existing long positions. Caps and floors will be used by the Fund to minimise loss for the buyer in a volatile interest rate environment or to maximise gains for the seller from the premium received in a stable interest rate environment. Credit linked notes may be used to gain access to debt markets that would otherwise be unavailable to the Fund but will not be used by the Fund to achieve economic exposure greater than would otherwise be achieved if executed in the cash market. It can be noted that the counterparties to total return swaps must be approved by the Investment Manager in accordance with normal market practice and the Central Bank Rules. Counterparties to such transactions shall (1) be entities regulated, approved, registered or supervised in their home jurisdiction, (2) be located in a jurisdiction containing a Regulated Market, and (3) have a minimum credit rating of investment grade (BBB- or equivalent) by any one rating agency, which will constitute the Company's criteria to select counterparties.

Subject to the Investment Restrictions and the specific restrictions set out below, the Fund may use financial derivative instruments (including spot and forward currency contracts, futures, options and swaps) for hedging or investment purposes including to gain exposure to the securities markets and currency exposure of Emerging Markets. The Fund may use derivative instruments (including forward currency contracts, currency futures, currency options and currency swaps) for the purposes of hedging currency risks associated with underlying assets denominated in a non-base currency. The aim of such transactions will be to alter the currency

characteristics of the relevant assets held by the Fund. In addition, the Fund may have unhedged currency exposure through the ownership of securities denominated in currencies other than US Dollars.

- **Futures:** Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset, instrument or index) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. Futures contracts allow the Investment Manager to hedge against market risk or gain exposure to the underlying market. Since these contracts are marked-to-market daily, the Investment Manager may, by closing out its position, exit from its obligation to buy or sell the underlying assets prior to the contract's delivery date. Futures may also be used by the Investment Manager to equitise cash balances, both pending investment of a cash flow and with respect to fixed cash targets. Frequently, using futures to achieve a particular strategy instead of using the underlying or related security or index results in lower transaction costs being incurred.
- **Spot and forward currency contracts:** A forward contract locks-in the price at which an index or asset may be purchased or sold on a future date. In currency forward contracts, the contract holders are obligated to buy or sell the currency at a specified price, at a specified quantity and on a specified future date, whereas an interest rate forward determines an interest rate to be paid or received on an obligation beginning at a start date sometime in the future. Forward contracts may be cash settled between the parties. These contracts cannot be transferred. The Fund's use of forward foreign exchange contracts may include, but is not limited to, altering the currency exposure of securities held, hedging against exchange risks, shifting exposure to currency fluctuations from one currency to another and hedging classes denominated in a currency (other than the Base Currency) to the Base Currency. Whilst hedging strategies are designed to reduce the losses to a Shareholder's investment if the currencies of assets which are denominated in currencies other than the Base Currency fall against that of the Base Currency, the use of hedging strategies may substantially limit holders of Shares from benefiting if the Base Currency falls against the currency in which the assets of the Fund are denominated. To the extent that hedging transactions are successful, Shareholders in the hedged Share class will not be affected if the value of the hedged class rises or falls against the Base Currency and/or currencies in which the assets of the Fund are denominated. For further information please see the "Hedged Classes" section of the Prospectus.
- The Fund may employ forward currency exchange contracts to purchase or sell a specific currency at a future date at a price set at the time of the contract and/or to gain an exposure within the limits laid down by the Central Bank. "Spot" settlement means that delivery of the currency amounts normally takes place two business days in both relevant centres after the trade is executed.

The Fund may use derivative instruments to obtain both long and short exposures for investment and hedging purposes and in circumstances where the Investment Manager determines that the use of derivative instruments is more efficient or cost effective than direct investment. A short position is created when the Fund sells an asset which it does not own with the intention of buying it back in the future. If the shorted asset falls in price, then the value of the position increases and vice-versa. A long position is created by purchasing an asset. Although the Regulations prohibit the short selling of physical securities, they allow the creation of synthetic short positions (synthetic in this context meaning essentially achieving the same economic outcome without actually selling short) through the use of derivative instruments, such as options and swaps.

It is intended that the Fund will be managed to operate in normal circumstances within a range of between 90% and 175% long exposure and 0% and 75% short exposure. Having the facility to take synthetic short exposures in certain investments through the use of derivative instruments gives the Fund the ability to profit when the associated investments fall in value.

The Investment Manager anticipates using financial derivative instruments, which means that the Fund may have a gross exposure greater than its Net Asset Value. As the Fund will engage in financial derivative instruments to the extent that the commitment approach does not adequately capture the global exposure of the portfolio, the Investment Manager considers that the Value at Risk ("VaR") methodology is an appropriate methodology to calculate the Fund's global exposure and market risk, taking into account the investment objectives and policies of the Fund and the complexity of the financial derivative instruments used. VaR is the advanced risk measurement methodology used to assess the Fund's market risk. This leverage effect entails greater risk for investors.



The Fund will use the absolute VaR model whereby VaR shall not exceed 20% of the Net Asset Value of the Fund. The absolute VaR model is considered appropriate as the Fund does not define the investment target in relation to a benchmark.

The Fund will regularly monitor its gross exposure. Using the sum of the notionals methodology the level of leverage in the Fund is expected to be 50% of the Net Asset Value of the Fund. Under some market conditions it is possible that there may be a higher leverage level of 150% of the Net Asset Value of the Fund. It should be noted that these figures are not an indicator of economic leverage within the Fund. A figure for leverage based on the sum of the notionals of the derivatives used (the “sum of the notionals approach”) may appear high as it does not take into account the effect of any netting or hedging arrangements that the Fund has in place even though these netting and hedging arrangements may reduce risk and exposure. A large sum of the notionals figure is essentially indicative of a larger volume of derivatives being held in the portfolio. Accordingly, whether or not a derivative is used to increase economic risk or reduce economic risk, it will increase the sum of notionals figure. It should also be noted that often the economic exposure under a derivative may not be the notional value but a significantly lower mark-to-market or daily margin value.

The risk of loss arising from this strategy will be monitored daily using the absolute VaR model where VaR shall not exceed 4.47% of the Net Asset Value of the Fund based on a 1 day time horizon, a "one-tailed" 99% confidence interval and a 1 year observation period. These criteria relating to the measurement of global exposure are prescribed in the Central Bank Rules. In practice VaR will run at a level below the maximum allowable.

In accordance with CFTC Regulation 4.13(a)(3), the Fund’s commodity interest positions (which for CFTC purposes include, but are not limited to, futures contracts, options on futures contracts and swaps), whether or not entered into for bona fide hedging purposes, will be limited such that either: (a) the aggregate initial margin, premiums and required minimum security deposit for retail forex transactions required to establish such positions will be limited to 5% of the liquidation value of the Fund’s portfolio, after taking into account unrealized profits and unrealized losses on any such positions it has entered into; or (b) the aggregate net notional value (as described below) of such positions, determined at the time the most recent position was established, does not exceed 100% of the liquidation value of the Fund’s portfolio, after taking into account unrealized profits and unrealized losses on any positions it has entered into. For futures contracts positions, notional value is calculated by multiplying the number of contracts by the size of the contract, in contract units (taking into account any multiplier specified in the contract), by the current market price per unit. For commodity options, notional value is calculated by multiplying the number of contracts by the size of the contract, adjusted by its delta, in contract units (taking into account any multiplier specified in the contract), by the strike price per unit. For a retail forex transaction, notional value is calculated as the value in US Dollars of such transaction, at the time the transaction was established, excluding for this purpose the value in US Dollars of the offsetting long and short transactions, if any. For cleared and uncleared swaps, the notional value is generally the notional amount. In determining aggregate net notional value, the Fund may net futures contracts and options on futures with the same underlying commodity across designated contract markets and foreign boards of trade and may net swaps cleared on the same derivatives clearing organization. *For the avoidance of doubt, in accordance with the requirements of the Central Bank, such commodity interest positions will not provide the Fund with exposure to commodities as understood by the Central Bank.*

### **ESG Factors in Security Selection Process**

Please see section of the Prospectus entitled Part II.II of the Prospectus entitled “ESG Factors in the Security Selection Process for Each Fund.

### **Investment Restrictions**

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

### **Borrowings**

In accordance with the general provisions set out in the Prospectus, the Fund may borrow up to 10% of its total Net Asset Value on a temporary basis and not for speculative purposes.

### **Risk Warnings**

The general risk factors are set out under the heading **Risk Warnings** in the Prospectus shall apply.

In addition, the following risk factors shall apply:

*Contingent Convertible Bonds Risk:*

- Unpredictable nature of the conversion events - the occurrence of a conversion event is inherently unpredictable and depends on a number of factors, many of which will be outside the issuer's control. Because of the inherent uncertainty regarding the determination of whether a conversion event will occur, it may be difficult to predict when, if at all, a CoCo will be converted. Accordingly, trading behaviour in CoCos is not necessarily expected to follow trading behaviour associated with other types of convertible or exchangeable debt securities;
- Subordinated instruments - CoCos will in the majority of circumstances be issued in the form of subordinated, convertible debt instruments in order to provide the appropriate regulatory capital treatment prior to a conversion. Accordingly, in the event of liquidation, dissolution or winding-up of an issuer prior to a conversion having occurred, the rights and claims of the holders of the CoCos against the issuer in respect of or arising under the terms of the CoCos shall generally rank junior to the claims of all holders of unsubordinated obligations of the issuer. In addition, if the CoCos are converted into the issuer's underlying equity securities following a conversion event, each holder will be subordinated due to their conversion from being the holder of a debt instrument to being the holder of an equity instrument.
- Market value will fluctuate based on unpredictable factors - the value of CoCos is unpredictable and will be influenced by many factors including, without limitation, (i) the trading price of the relevant issuer's underlying equity securities; (ii) the creditworthiness of the issuer and/or fluctuations in such issuer's applicable capital ratios; (iii) supply and demand for the CoCos; and (iv) economic, financial and political events that affect the issuer, its particular market or the financial markets in general.

Additionally, CoCo investors may suffer losses prior to investors in the same financial institution holding equities or bonds ranking pari passu or junior to the CoCo bond holders. CoCos terms may vary from issuer to issuer and bond to bond and may expose investors to:

- trigger risk in the event that (i) the issuer falls below pre-determined capital ratio threshold levels or (ii) at the request of a financial regulator with supervisory authority causing CoCos to convert into equity or to be permanently written down. In the first case, the trigger event calculations may also be affected by changes in applicable accounting rules, the accounting policies of the issuer or its group and the application of these policies. In the event of a security being converted to equity, investors may suffer a loss depending on the conversion rate. Were the securities to be written down, the principal may be fully lost with no payment to be recovered. Some CoCos may be written back up to par over time, but the issuer may be under no obligation to fully do so. Following a trigger event, losses may not reflect the waterfall of subordination and in some circumstances CoCo bond holders may suffer losses prior to investors in the same financial institution holding equity or bonds ranking pari passu or junior to the CoCo instruments. Independent from the trigger risk, a financial regulator with supervisory authority may at any time deem the issuer to have reached a point of non-viability, meaning that public intervention would be needed to keep the issuer out of bankruptcy, causing losses across the capital structure for equity and bondholders alike. Under these circumstances CoCo bondholders would suffer losses in line with the subordination of the CoCo host instrument.
- extension risk as there may be no incentive, in the form of a coupon step-up, for the issuer to redeem the securities issued. This would cause the securities' duration to lengthen and to expose investors to higher interest rate risk; and
- coupon payment risk whereby coupon payments may be indefinitely deferred or cancelled with no interest accumulation and potentially no restriction on the issuer to pay dividends to equity holders or coupons to bond holders which rank pari passu or junior to the CoCo bond holders.

**Dividend Policy**

Please see the "**Dividend Policy**" section of the Prospectus for further details.

## **Hedging Policy**

Any additional risk introduced to the Fund through the use of currency hedging for a given Share Class should be mitigated and monitored appropriately. Accordingly, in accordance with the Central Bank Rules, the operational provisions as detailed in the Prospectus in the section entitled "Currency Hedging" will apply to any currency hedging transactions. Hedged positions will be kept under review on an ongoing basis, at least at the same valuation frequency of the Fund, to ensure that under hedged positions do not fall short of 95% of the portion of the Net Asset Value of the relevant Class which is to be hedged against currency risk and the Fund will keep any under-hedged positions under review to ensure it is not carried forward month to month.

## **Charges and Expenses**

For further information in relation to the charges and expenses payable by the Fund, please refer to the Charges and Expenses section of the Prospectus.

## **Investment Management Fees**

The Investment Manager will receive a quarterly fee of 0.50% of the Net Asset Value per annum, which shall be payable in arrears based on the average daily Net Asset Value of a Fund as at the relevant Valuation Point in relation to the Fund.

## **Total Operating Expenses**

If the total operating expenses of the Fund exceeds 0.63% of the average daily Net Asset Value of the Fund, the Investment Manager agrees to pay to the Company for the account of the Fund such amount as is necessary to enable the Fund to pay such expenses without further recourse to the Fund's assets. Further details are provided in the section entitled "Total Operating Expenses" in the Prospectus.

## **Establishment Costs:**

All fees and expenses relating to the establishment and organisation of the Fund as detailed in the section of the Prospectus entitled "General Expenses" shall be borne by the Fund and amortised in accordance with the provisions of the Prospectus. Such fees are estimated to amount to €20,000.

## **Use of an index under the Benchmark Regulation**

As detailed above, the Fund uses the J.P. Morgan EMBI Global Diversified Index (the "**Index**") to measure the performance of the Fund. The Index operates as a reference benchmark, the performance of which the Fund seeks to outperform. Where an index is used for this purposes it will not constitute 'use' of an index within the meaning of Article 3 (1)(7)(e) of the Benchmarks Regulation on the basis that the Fund does not track the return of the Index and the Index does not determine stock allocation of the portfolio of the Fund.

The Index is an unmanaged, market-capitalization weighted, total-return index tracking the traded market for U.S. dollar denominated Brady bonds, Eurobonds, traded loans and local market debt instruments issued by sovereign and quasi-sovereign entities.

The Index is provided by an administrator not yet included in the register referred to in Article 36 of the Benchmark Regulation and who is availing of the transitional provisions under Article 51 of the Benchmark Regulation.

Shareholders should note that the Company and/or its distributors may from time to time refer to other indices in marketing literature or other communications purely for financial or risk comparison purposes. However, unless such indices are referred to as such in the Fund they are not formal benchmarks against which the Fund is managed.

## **Key Information For Subscribing And Redeeming**

### **Share Classes**

Institutional Shares

## Base Currency

US Dollar

## Business Day

Any day on which banks are open for business in Ireland, the UK and the US or such other days as the Director may determine and notify in advance to Shareholders

## Dealing Day

Such Business Day or Business Days as the Directors from time to time may determine (and notify Shareholders in advance), provided that in respect of the Fund, unless otherwise determined, each Business Day shall be a Dealing Day and, provided that in any event there shall be at least one Dealing Day per fortnight.

## Dealing Deadline

12.00 noon Dublin time on the relevant Dealing Day to which the dealing relates.

## Valuation Point

5 pm New York time on a Dealing Day.

## Subscription Fee

The Company does not currently charge a Subscription Fee on the issue of Shares.

## Redemption Charge

The redemption price will be the Net Asset Value of the Shares less any redemption fee (up to 3% of the Net Asset Value of the Shares which may be applied at the discretion of the Investment Manager).

## List of Share Classes

The column of the table below entitled “Issue status of Classes” specifies: (i) “existing” where a Class has been issued; and (ii) “extended” where a Class has been created but has not currently launched and the Initial Offer Period is being extended. The Initial Offer Period for all Classes which are described as extended will continue until 4 April 2022 or such other date or dates as the Directors may determine and notify to the Central Bank. The launch and listing of various Classes of the Company’s Shares may occur at different times. For further information in this regard the most recent interim and annual reports of the Company will be made available to potential investors upon request.

Classes available in the Fund	Issue status of Classes	Currency	Minimum Subscription	Initial Offer Price	Dividend	Hedged Share Class	ISE Listing (SEDOL)	ISE Listing (ISIN)
<b>Payden Global Emerging Markets Bond Fund (Hard Currency)</b>		<b>USD</b>						
Australian Dollar Class (Distributing)	Extended	AUD	AUD 1,000,000	AUD 10	Quarterly	Yes		
Australian Dollar Class (Accumulating)	Extended	AUD	AUD 1,000,000	AUD 10	None	Yes		

<b>Classes available in the Fund</b>	<b>Issue status of Classes</b>	<b>Currency</b>	<b>Minimum Subscription</b>	<b>Initial Offer Price</b>	<b>Dividend</b>	<b>Hedged Share Class</b>	<b>ISE Listing (SEDOL)</b>	<b>ISE Listing (ISIN)</b>
Brazilian Real Class (Distributing)	Extended	BRL	BRL 1,000,000	BRL 10	Quarterly	Yes		
Brazilian Real Class (Accumulating)	Extended	BRL	BRL 1,000,000	BRL 10	None	Yes		
Canadian Dollar Class (Distributing)	Extended	CAD	CAD 1,000,000	CAD 10	Quarterly	Yes		
Canadian Dollar Class (Accumulating)	Extended	CAD	CAD 1,000,000	CAD 10	None	Yes		
Danish Krone Class (Distributing)	Extended	DKK	DKK 10,000,000	DKK 100	Quarterly	Yes		
Danish Krone Class (Accumulating)	Extended	DKK	DKK 10,000,000	DKK 100	None	Yes		
Euro Class (Distributing)	Extended	EUR	EUR 1,000,000	EUR 10	Quarterly	Yes		
Euro Class (Accumulating)	Extended	EUR	EUR 1,000,000	EUR 10	None	Yes		
Hong Kong Dollar Class (Distributing)	Extended	HKD	HKD 10,000,000	HKD 100	Quarterly	Yes		
Hong Kong Dollar Class (Accumulating)	Extended	HKD	HKD 10,000,000	HKD 100	None	Yes		
Icelandic Krona Class (Distributing)	Extended	ISK	ISK5 0,000,000	ISK 1,000	Quarterly	Yes		
Icelandic Krona Class (Accumulating)	Extended	ISK	ISK5 0,000,000	ISK 1,000	None	Yes		
Japanese Yen Class (Distributing)	Extended	JPY	JPY 100,000,000	JPY 1,000	Quarterly	Yes		

<b>Classes available in the Fund</b>	<b>Issue status of Classes</b>	<b>Currency</b>	<b>Minimum Subscription</b>	<b>Initial Offer Price</b>	<b>Dividend</b>	<b>Hedged Share Class</b>	<b>ISE Listing (SEDOL)</b>	<b>ISE Listing (ISIN)</b>
Japanese Yen Class (Accumulating)	Extended	JPY	JPY 100,000,000	JPY 1,000	None	Yes		
Korean Won Class (Distributing)	Extended	KRW	KRW 100,000,000	KRW 10,000	Quarterly	Yes		
Korean Won Class (Accumulating)	Extended	KRW	KRW 100,000,000	KRW 10,000	None	Yes		
Malaysian Ringgit Class (Distributing)	Extended	MYR	MYR 3,500,000	MYR 50	Quarterly	Yes		
Malaysian Ringgit Class (Accumulating)	Extended	MYR	MYR 3,500,000	MYR 50	None	Yes		
New Zealand Dollar Class (Distributing)	Extended	NZD	NZD 1,500,000	NZD 10	Quarterly	Yes		
New Zealand Dollar Class (Accumulating)	Extended	NZD	NZD 1,500,000	NZD 10	None	Yes		
Norwegian Krone Class (Distributing)	Extended	NOK	NOK 10,000,000	NOK 100	Quarterly	Yes		
Norwegian Krone Class (Accumulating)	Extended	NOK	NOK 10,000,000	NOK 100	None	Yes		
Philippine Peso Class (Distributing)	Extended	PHP	PHP 50,000,000	PHP 500	Quarterly	Yes		
Philippine Peso Class (Accumulating)	Extended	PHP	PHP 50,000,000	PHP 500	None	Yes		
Renminbi Class (Distributing)	Extended	CNY	CNY 7,500,000	CNY 100	Quarterly	Yes		
Renminbi Class (Accumulating)	Extended	CNY	CNY 7,500,000	CNY 100	None	Yes		

<b>Classes available in the Fund</b>	<b>Issue status of Classes</b>	<b>Currency</b>	<b>Minimum Subscription</b>	<b>Initial Offer Price</b>	<b>Dividend</b>	<b>Hedged Share Class</b>	<b>ISE Listing (SEDOL)</b>	<b>ISE Listing (ISIN)</b>
Russian Ruble Class (Distributing)	Extended	RUB	RUB 26,000,000	RUB 300	Quarterly	Yes		
Russian Ruble Class (Accumulating)	Extended	RUB	RUB 26,000,000	RUB 300	None	Yes		
Singapore Dollar Class (Distributing)	Extended	SGD	SGD 1,500,000	SGD 10	Quarterly	Yes		
Singapore Dollar Class (Accumulating)	Extended	SGD	SGD 1,500,000	SGD 10	None	Yes		
South African Rand Class (Distributing)	Extended	ZAR	ZAR 10,000,000	ZAR 100	Quarterly	Yes		
South African Rand Class (Accumulating)	Extended	ZAR	ZAR 10,000,000	ZAR 100	None	Yes		
Sterling Class (Distributing)	Extended	GBP	GBP 1,000,000	GBP 10	Quarterly	Yes		
Sterling Class (Accumulating)	Existing	GBP	GBP 1,000,000	GBP 10	None	Yes		
Swedish Krona Class (Distributing)	Extended	SEK	SEK 10,000,000	SEK 100	Quarterly	Yes		
Swedish Krona Class (Accumulating)	Extended	SEK	SEK 10,000,000	SEK 100	None	Yes		
Swiss Franc Class (Distributing)	Extended	CHF	CHF 1,000,000	CHF 10	Quarterly	Yes		
Swiss Franc Class (Accumulating)	Extended	CHF	CHF 1,000,000	CHF 10	None	Yes		
Taiwan Dollar Class (Distributing)	Extended	TWD	TWD 33,000,000	TWD 300	Quarterly	Yes		

<b>Classes available in the Fund</b>	<b>Issue status of Classes</b>	<b>Currency</b>	<b>Minimum Subscription</b>	<b>Initial Offer Price</b>	<b>Dividend</b>	<b>Hedged Share Class</b>	<b>ISE Listing (SEDOL)</b>	<b>ISE Listing (ISIN)</b>
Taiwan Dollar Class (Accumulating)	Extended	TWD	TWD 33,000,000	TWD 300	None	Yes		
Thai Baht Class (Distributing)	Extended	THB	THB 32,000,000	THB 300	Quarterly	Yes		
Thai Baht Class (Accumulating)	Extended	THB	THB3 2,000,000	THB 300	None	Yes		
US Dollar Class (Distributing)	Extended	USD	USD 1,000,000	USD 10	Quarterly	N/A		
US Dollar Class (Accumulating)	Extended	USD	USD 1,000,000	USD 10	None	N/A		



# **PAYDEN GLOBAL AGGREGATE BOND FUND**

**a sub-fund of**

**PAYDEN GLOBAL FUNDS PLC**

**Supplement to the Prospectus dated 1 October 2021**

**for Payden Global Funds plc**

**An umbrella Fund with segregated liability between sub-funds**

This Supplement contains specific information in relation to Payden Global Aggregate Bond Fund (the “**Fund**”), a sub-fund of Payden Global Funds plc (the “**Company**”) an umbrella type open-ended investment company with variable capital and segregated liability between sub-funds governed by the laws of Ireland and authorised by the Central Bank of Ireland (the “**Central Bank**”).

**This Supplement forms part of and should be read in conjunction with the Prospectus dated 1 October, 2021** and includes all information required to be disclosed by the Code of Listing Requirements of Euronext Dublin and comprise listing particulars for the purpose of the listing of all of the Shares (the “**Shares**”) of the Fund on Euronext Dublin (“**Listing Particulars**”). The Company has prepared the Listing Supplement solely for the purpose of its application to list the Shares of the Fund on the regulated market of Euronext Dublin.

The Directors of Payden Global Funds plc, 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.

Neither the admission of the Shares to the Official List and to trading on the regulated market of Euronext Dublin nor the approval of the listing particulars pursuant to the listing requirements of Euronext Dublin shall constitute a warranty or representation by Euronext Dublin as to the competence of the service providers to or any other party connected with the Company, the adequacy of information contained in the listing particulars or the suitability of the Company for investment purposes.

Application has been made to Euronext Dublin for the all of the Shares of the Fund set out under “List of Share Classes” on page 14 of this Supplement to be admitted to the Official List and trading on the regulated market of Euronext Dublin. The Directors do not anticipate that an active secondary market will develop in the Shares.

As at the date of this Supplement, the Company does not have any loan capital (including term loans) outstanding or created but unissued, nor any mortgages, charges, debentures or other borrowings or indebtedness in the nature of borrowings, including bank overdrafts, liabilities under acceptances or acceptance credits, finance leases, hire purchase commitments, guarantees, other commitments or contingent liabilities.

At the date of this Supplement, none of the Directors or any persons closely associated have any interests, either beneficial or non-beneficial, nor any options, in the share capital of the Fund.

Dated: 1 October, 2021

### **Introduction:**

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

The Fund may invest in financial derivative instruments for investment and efficient portfolio management purposes.

As the Fund may at any one time invest more than 20% of its Net Asset Value in emerging markets an investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

Shareholders should note that the Net Asset Value of the Fund may be subject to increased volatility as a consequence of the Fund's investment in below Investment Grade debt securities and securities of issuers located in Emerging Markets.

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

The Fund is suitable for medium to long-term investors seeking capital growth (in the case of Accumulating Shares) and capital growth and income (in the case of Distributing Shares).

### **Investment Objective:**

The Fund will seek to maximise total return by investing primarily in a portfolio of investment grade debt securities, both fixed and floating rate.

### **Investment Policy and Types of Investments:**

In order to achieve its objective the Fund will invest in primarily, though not exclusively, in investment grade debt securities (described further below) traded on Regulated Markets worldwide, that the Investment Manager believes offer attractive risk-adjusted value. The Fund may invest up to 20% of its total assets in debt securities rated below investment grade. In any event, the overall credit quality of the Fund will remain investment grade.

The Fund may invest in debt securities of any maturity, and there is no limit on the Fund's maximum average portfolio maturity.

While the Fund may invest in debt securities of issuers located in any geographic region, it may invest a substantial portion of its Net Asset Value in debt securities of issuers organised or headquartered in Emerging Markets. The Fund may invest up to 30% in Emerging Markets at any one time including up to 15% in CNY denominated bonds.

Investments will generally consist of:

- Bonds of Governments or their agencies, including developed and Emerging Market countries,
- Debt securities (including, debentures, notes, bonds, municipal bonds and certificates of deposit) guaranteed by such Governments or their agencies,
- Debt securities (including debentures, notes, bonds) of supranational and supranational entities, corporate entities, including corporate bonds. The latter include covered bonds, backed by packages of loans, debt securities secured by a pool of mortgage loans or public-sector debt which investors have a preferential claim in the event of default.
- Securities subject to the Securities and Exchange Commission Rule 144A and Regulation S. For the avoidance of doubt, only securities issued by way of 144A and Regulation S that may be sold by the Fund on any given day are selected by the Investment Manager for investment in the Fund. It is estimated that the Fund may hold Rule 144A and Regulation S Securities up to 20% in excess of the Index's (defined below) holding of Rule 144A and Regulation S Securities at any time, though it is likely that circa 20% of the Fund will be held in those investments in normal market circumstances.
- Agency Mortgage-backed securities ("MBS") where "Agency refers to The Government National Mortgage Association (GNMA or Ginnie Mae), the Federal National Mortgage Association (FNMA or

Fannie Mae), or the Federal Home Loan Mortgage Corporation (Freddie Mac) (“Agency-Backed ABS (each an “Agency”).

- Non-Agency-backed MBS up to 20% of the NAV of the Fund;
- Asset-backed securities (“ABS”) which are transferable securities structured into multiple classes, often referred to as “credit tranches”, with each class bearing a different stated maturity and entitled to a different schedule for payments of principal and interest, including pre-payments). Up to 20% of the Fund may be invested at any time in ABS.
- No more than 20% of the NAV of the Fund may be invested in a combination of ABS and Non-Agency MBS at any time.
- Loan participation notes provided they are transferable securities traded on a daily basis on regulated markets as defined in appendix XII of the Prospectus;  
The Fund will not hold more than 10% of NAV in loan participation notes or such lower amount as may be permitted by the rules of the Central Bank from time to time,
- High Yield Securities up to 20% of the Net Asset Value of the Fund.
- Money-market instruments, including but not limited to repos, reverse repos, certificates of deposits, bankers’ acceptances and commercial paper,
- Municipal securities,
- Financial derivative instruments (as further described below),
- Convertible bonds,
- Equity and equity-like instruments. No more than 10% of assets will be held in equity and equity-like instruments comprising dividend-paying convertible stocks, preferred stocks and equity securities resulting from convertible stocks (pending divestment),
- The Fund may invest up to 10% of its net assets in aggregate in units of other UCITS offering exposure to some or all of the above listed securities.

Investment grade debt securities are securities rated within the four highest grade bands by at least one of the major rating agencies such as Standard & Poor’s (at least BBB-), Moody’s (at least Baa3) or Fitch (at least BBB-), or are securities the Investment Manager determines to be of comparable quality.

The Fund may use derivative instruments as described in “Financial Derivative Instruments” below. The Fund may use derivative instruments to obtain both long and short exposures for investment and hedging purposes and in circumstances where the Investment Manager determines that the use of derivative instruments is more efficient or cost effective than direct investment.

In addition to other UCITS described above, the Fund may invest up to 10% of its net assets in units or shares of open-ended collective investment schemes within the meaning of Regulation 68 of the Regulations including money market funds and open-ended exchange traded funds. Such collective investment schemes offer exposure to some or all of the above listed securities and will be invested in in circumstances where, in the opinion of the Sub-Investment Manager, this is more beneficial to the Fund than direct investment in such securities.

Save for exceptions permitted in Part III of the Prospectus, entitled “Investment Restrictions”, the Fund may invest only in securities which are traded on a Regulated Market. To the extent that the Fund invests in securities of issuers that are listed or traded in Russia (which investment is not expected to exceed 3% of the Fund’s net asset value), such investment will only be made in securities that are listed or traded on the Moscow Exchange.

Subject to the provisions of the Companies Acts and the Central Bank Rules, the Fund may also cross invest in other Funds of the Company provided that investment may not be made in a Fund of the Company that itself holds shares in other Funds of the Company. No investment management, subscription or redemption fees will be payable in respect of any such cross investment and the aggregate that can be invested in collective investment schemes, whether through external or cross investment, will not exceed 10% of the Fund’s net assets. Save for exceptions permitted in Part III of the Prospectus, entitled “Investment Restrictions”, the Fund may invest only in securities which are traded on a Regulated Market.

The Fund is suitable for medium to long-term investors seeking capital growth (in the case of Accumulating Shares) and capital growth and income (in the case of Distributing Shares).

The Fund may hold cash deposits and money market funds as liquid assets and engage in foreign exchange transactions for either or both investment or/and hedging purposes. The Fund is denominated in USD but will

hold assets denominated in other currencies. Hence, the Net Asset Value may fall and rise purely as a result of exchange rate fluctuations. Further details in relation to the use of foreign exchange transactions is set out in Part IV of the Prospectus, entitled “Use of Techniques and Derivatives”.

### Investment Strategy

In implementing the investment strategy, although it does not use the Index (defined below) to compose the investment universe of the Fund, the Investment Manager may cause the Fund to gain exposure to securities contained in the Index whilst investing in a broader range of securities than those contained in the Index. The Investment Manager operates an investment strategy such that the Fund invests in a diversified portfolio of global government, corporate, securitized, and Emerging Market debt, without any sectoral concentration. The Investment Manager moves the investments of the Fund dynamically among sectors and individual securities with the aim of measuring its performance against the relevant index for performance comparison purposes (being, at the date of this Supplement, Bloomberg Barclays Global Aggregate Index (currency hedged) (the “**Index**”) over a medium-term time horizon. For the avoidance of doubt, for hedged Share Classes, performance will be measured against the currency hedged equivalent index for that class. For the avoidance of doubt, the Investment Manager does not employ a defined strategy to align with the Index or any other benchmark.

The Investment Manager takes advantage of its own broad investment resources by engaging with each research and investment team at the Investment Manager to evaluate the risk and return characteristics of the investment. The Investment Manager will then select securities that are attractively valued relative to competing alternatives proposed by each research and investment team at the Investment Manager through the selection process described further below and consistent with the Fund’s investment objective.

In selecting investments of the Fund from the universe contained in the Index and the broader range of securities in the Fund’s universe of global securities, the Investment Manager also places emphasis on risk management and mitigating downside potential. When selecting securities for inclusion in the Fund’s portfolio, the Investment Manager carefully considers the contribution of each security to the portfolio’s risk characteristics on a standalone basis but also taking into account its correlation with other parts of the portfolio. Before selecting a security for purchase, the Investment Manager assesses the security’s risk, return, and liquidity characteristics to ensure it meets the Fund’s investment objective. The Investment Manager employs a combination of quantitative tools (such as duration, duration times spread, spread duration, Value at Risk or stress testing) and judgement based on experience to evaluate the market and liquidity risk of each holding in the Fund. This risk management approach is implemented at every stage of the investment process:

- Risks are evaluated on a standalone basis when analysts research potential new securities to buy in the Fund
- Portfolio strategists assess how each new security would help mitigate other sources of risk in the Fund portfolio
- The independent risk management team at the Investment Manager reports to the Investment Manager’s senior leadership the market risk and liquidity at the security and aggregate portfolio level.

### ESG Factors in Security Selection Process

As part of the security selection process, the Investment Manager will take into account environmental, social and governance (“ESG”) factors. The ESG considerations are a critical component of the Investment Manager’s investment process.

### ESG Factors

The Fund invests primarily in debt instruments issued by sovereigns, quasi-sovereigns and corporates globally. In its investment approach the Sub-Investment Manager promotes Environmental, Social and Governance (“ESG”) factors as described below.

When assessing environmental factors, the Sub-Investment Manager considers Government policy stance, energy resources availability/management, energy diversification and intensity, emissions, water/land availability, natural disaster exposure and climate change. For corporate issuers, the Sub-Investment Manager's research process includes evaluation of pollution impact, supply chain management and climate change policy.

In regards to the social aspect of ESG considerations for sovereign issuers, the Sub-Investment Manager considers factors such as human/knowledge capital, access to education and health care, income inequality, labour freedoms and opportunities freedom of political expression and human rights and ease of doing business. For corporate issuers, the Sub-Investment Manager includes evaluation of labour relations and working conditions, health and safety records and corporate social responsibility policy.

The governance characteristics promoted by the Fund comprise fundamental analysis of government effectiveness, institutional efficiency, rule of law, political rights/civil liberties, policy trajectory and perception/control of corruption, and in respect of corporate issuers include transparency and disclosure, board independence, executive compensation and reputation.

The management of sustainability risk (being the risk that the value of the Fund could be materially negatively impacted by an ESG Event, defined below) ("**Sustainability Risk**") forms part of the due diligence process implemented by the Investment Manager for the Fund.

To the extent that it is assessing the sustainability risk associated with underlying investments, the Investment Manager is assessing the risk that the value of such underlying investments could be materially negatively impacted by an environmental, social or governance event or condition ("**ESG Event**").

To the extent that it is assessing the Sustainability Risk associated with underlying investments, Sustainability Risk is identified, monitored and managed by the Investment Manager in the following manner using both quantitative and qualitative processes:

Prior to acquiring investments on behalf of the Fund, the Investment Manager uses (a) the reporting standards published by the Sustainability Accounting Standards Board (SASB); (b) ESG metrics of third party data providers ("Data Providers") such as MSCI ESG Research; and (c) Bloomberg in order to screen the relevant investment against Sustainability Risk and to identify whether it is vulnerable to such risk. The Investment Manager also conducts fundamental analysis on each potential investment in order to allow it to assess the adequacy of ESG programmes and practices of an issuer to manage the Sustainability Risk it faces.

During the life of the investment, Sustainability Risk is monitored through review of ESG data published by the issuer (where relevant) or selected Data Providers to determine whether the level of Sustainability Risk has changed since the initial assessment has been conducted. This review is conducted on an ongoing basis.

#### Investment Process: ESG Factors

In identifying investments which allow the Fund to promote environmental or social characteristics, the Investment Manager has adopted an investment process that integrates ESG data provided by third party service providers together with proprietary scorecard analysis and percentile ranking. The Investment Manager systematically collates information using best-in-class data, positive screening tools, and exclusion strategies.

The Investment Manager explicitly incorporates ESG in the fundamental evaluation of corporates, sovereigns, quasi sovereigns, and securitised assets and applies a proprietary framework dependent on the nature of the issuer of the securities under evaluation. The Investment Manager does not employ automatic or mandatory exclusion lists or negative screening other than exclusion of tobacco products, but instead combines ESG analysis with factors specific to each investment's fundamental analysis to form an overall investment thesis integrating environmental, social and governance factors. For sovereign issuers, a multi-factor framework is utilised based on factors, sub-factors, and a qualitative assessment of sub-factors. In the case of emerging countries, the Investment Manager employs a proprietary scorecard incorporating weighting and score. For emerging market sovereign issuers, the Investment Manager utilizes country scores to evaluate willingness to invest or continue investing in a particular country. ESG factors on the scorecard receive a weight of between 20-40%, ensuring they play a key role alongside traditional economic analysis.

## Monitoring and Engagement

The Investment Manager monitors investments and engages with issuers in relation to relevant ESG factors through attendance at sovereign and corporate issuer roadshows, as well as during country research trips. The Investment Manager also engages on ESG developments through participation in conferences with government policymakers and corporate management teams. The securities in the investment universe generally have limited voting rights. Where votes may be cast in relation to underlying securities, the Investment Manager observes the Company's Issuer Engagement Policy.

## Principal Adverse Impacts

Principal adverse impacts that are relevant to sovereign issuers are considered, such as those in the areas of human rights and anti-corruption. These are incorporated in the social factors component of the Investment Manager's country scorecard or six factor framework as applicable.

For the Fund's corporate investments, the Investment Manager considers a broader array of principal adverse impacts, including those focused on climate/pollution, labor rights, worker health and safety, and compliance. The views of the Investment Manager on materiality may differ by sector.

## Exclusions

The Investment Manager does not systematically exclude issuers from the investable universe on ESG criteria on the basis that exclusion lists are often not optimal given that ESG dynamics can be fluid and nuanced, as economic cycles, corporate leadership, political regimes, social circumstances or environmental conditions evolve.

## Data Providers

The Investment Manager's primary external ESG data provider is MSCI ESG Research; this service is used to assist with both portfolio level and issuer level data and analytics. The Investment Manager also utilises Haver Analytics, Bloomberg L.P., in particular to evaluate Green Bond issuance, issuer level analytics, carbon footprint and industry-based exclusion screening. Blackrock's Aladdin tool is used to integrate ESG data and assist with benchmark ESG comparability. The Investment Manager's use of these and other external data providers may vary from time to time, including selection and deselection of relevant data providers.

For sovereign ESG research, the Investment Manager makes use of publicly available surveys and indices published by global non-profits, think-tanks and multilateral institutions. The Investment Manager seeks to source data that can be used to compare across a broad range of emerging markets and developed countries.

For corporate ESG research, the Investment Manager uses the body of 77 industry specific ESG reporting standards published by the Sustainability Accounting Standards Board (SASB), of which Payden & Rygel is a member. The Investment Manager structures its approach in a top-down fashion, by first looking at the whole asset class, then focusing on each sector, and finally on each issuer.

## Use of Benchmark

The Fund has designated as its reference benchmark Bloomberg Barclays Global Aggregate Index (currency hedged) (i) as a universe from which to select or hold securities; and (ii) to measure performance of the Fund (the "Reference Benchmark"). The Reference Benchmark is not specifically aligned with the environmental or social characteristics being promoted by the Fund. In implementing the strategy of the Fund to promote social and environmental factors, amongst other factors, the Fund may depart materially from the Reference Benchmark.

## **Currency strategy of the Fund**

The Fund will typically be hedged to its Base Currency. The currency strategy of the Fund will be implemented by the Investment Manager by both direct investment in debt securities and also via the use of derivatives (including forward currency contracts, currency futures, currency options and currency swaps) as further described below.

The Fund may gain active currency exposure via derivatives and/or by investing directly in currencies through the acquisition of debt securities in order to allow the Fund to benefit from perceived mispricing of such currencies. When seeking to identify mispricing of a currency, the Investment Manager will take into account the liquidity and volatility of such currency against other currencies. The Investment Manager takes advantage of its broad investment resources to identify investment opportunities in currencies.

Assets of the Fund may be denominated in a currency other than the Base Currency and changes in the exchange rate between the Base Currency and the currency of the assets may lead to a depreciation of the value of the Fund's assets as expressed in the Base Currency. The aim of this currency hedging will be to reduce the Fund's level of risk and to hedge the currency exposure of the Fund's underlying securities into the Base Currency. No assurance however can be given that such mitigation will be successful. Any such transactions shall be carried out at normal commercial rates. Investors should note that further information is set out in the Prospectus at the section entitled "**Foreign Currency Exposure Risk**", "**Currency Exchange Risks**", "**Currency of Assets/Base Currency**" and "**Base Currency /Denominated Currency of Classes**".

Use of these instruments and the implementation techniques employed are more fully described in "Financial Derivative Instruments" below.

Investors should also note that the hedging strategies implemented by the Investment Manager at Fund level are distinct from any currency hedging strategies that the Investment Manager may implement in respect of Hedged Share Classes, information on which is set out below under Part IV of the Prospectus entitled "**Currency Hedging**".

### **Financial Derivative Instruments**

The Fund may employ the following investment techniques and instruments which may be exchange-traded or over-the-counter derivatives: futures, forwards, "to-be-announced" US Agency securities which are forward contracts on mortgage -backed securities issued by Government-Sponsored-Entities (GSE) or Ginnie Mae, options, swaps (including credit default swaps, interest rate swaps, and total return swaps), caps, floors and fully-funded (i.e. unleveraged) credit-linked notes. Such derivative instruments are described in Part IV of the Prospectus and further below and may be used for (i) hedging purposes, (ii) efficient portfolio management, and/or (iii) investment purposes, subject to the Central Bank Rules. Foreign Exchange forward contract and currency futures may also be used for the purposes of hedging currency risks associated with underlying assets denominated in a non-base currency. This hedging strategy is described in further detail above in the paragraph entitled "Currency Strategy of the Fund". The aim of such transactions will be to alter the currency characteristics of the relevant assets held by the Fund. In addition, the Fund may have unhedged currency exposure through the ownership of securities denominated in currencies other than US Dollars.

The derivatives will assist in achieving the investment objective of the Fund by allowing for the adjustment of risk (including credit, currency and interest rate risk) and by implementing trades in a more efficient and cost effective manner. Futures, options, calls and forwards may allow the Fund to hedge against market risk, modify exposure to the underlying market and/or take investment positions. Swaps (including total return swaps) will offer the Fund independent profit opportunities as well as the possibility to hedge existing long positions. Caps and floors (described in Part IV of the Prospectus) will be used by the Fund to minimise loss for the buyer in a volatile interest rate environment or to maximise gains for the seller from the premium received in a stable interest rate environment. Credit linked notes may be used to gain access to debt markets that would otherwise be unavailable to the Fund but will not be used by the Fund to achieve economic exposure greater than would otherwise be achieved if executed in the cash market. It can be noted that the counterparties to total return swaps must be approved by the Investment Manager in accordance with normal market practice and the Central Bank Rules. Counterparties to such transactions shall (1) be entities regulated, approved, registered or supervised in their home jurisdiction, (2) be located in a jurisdiction containing a Regulated Market, and (3) have a minimum credit rating of investment grade (BBB- or equivalent) by any one rating agency, which will constitute the Company's criteria to select counterparties.

- Futures: Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset, instrument or index) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. Futures contracts allow the Investment Manager to hedge against market risk or gain exposure to the underlying market. Since these

contracts are marked-to-market daily, the Investment Manager may, by closing out its position, exit from its obligation to buy or sell the underlying assets prior to the contract's delivery date. Futures may also be used by the Investment Manager to utilise cash balances, both pending investment of a cash flow and with respect to fixed cash targets. Frequently, using futures to achieve a particular strategy instead of using the underlying or related security or index results in lower transaction costs being incurred.

- Forward contracts: A forward contract locks-in the price at which an index or asset may be purchased or sold on a future date. In currency forward contracts, the contract holders are obligated to buy or sell the currency at a specified price, at a specified quantity and on a specified future date, whereas an interest rate forward determines an interest rate to be paid or received on an obligation beginning at a start date sometime in the future. Forward contracts may be cash settled between the parties. These contracts cannot be transferred. The Fund's use of forward foreign exchange contracts may include, but is not limited to, altering the currency exposure of securities held, hedging against exchange risks, shifting exposure to currency fluctuations from one currency to another and hedging classes denominated in a currency (other than the Base Currency) into the currency of the share class. Whilst hedging strategies are designed to reduce the losses to a Shareholder's investment if the currencies of assets which are denominated in currencies other than the Base Currency fall against that of the Base Currency, the use of hedging strategies may substantially limit holders of Shares from benefiting if the Base Currency falls against the currency in which the assets of the Fund are denominated. To the extent that share class currency hedging is successful, the performance of the relevant class is likely to move in line with the performance of the underlying assets and consequently Shareholders in the hedged Share class will not benefit if the class currency falls against the Base Currency and/or currencies in which the assets of the Fund are denominated. For further information please see the "Hedged Classes" section of the Prospectus.
- The Fund may employ forward currency exchange contracts to purchase or sell a specific currency at a future date at a price set at the time of the contract and/or to gain an exposure within the limits laid down by the Central Bank. "Spot" settlement means that delivery of the currency amounts normally takes place two business days in both relevant centres after the trade is executed.

The Fund may use derivative instruments to obtain both long and short exposures for investment and hedging purposes as described in "Investment Policy and Types of Investments" above. Where the Investment Manager believes it appropriate to do so as a result of detailed investment analysis, the Fund may use derivatives to create synthetic short positions. A short position is created when the Fund sells an asset which it does not own with the intention of buying it back in the future. A long position is created by purchasing an asset. A short position will be taken by the Fund on the basis of the Investment Manager's assessment that a security is overvalued by the market in relation to its potential value and that the Investment Manager can create value in the position for the benefit of the Fund by selling it at current market value and buying it back at the future value. If the shorted asset falls in price, then the value of the position increases and vice-versa. Although the Regulations prohibit the short selling of physical securities, they allow the creation of synthetic short positions (synthetic in this context meaning essentially achieving the same economic outcome without actually selling short) through the use of derivative instruments, such as options and swaps.

The proportion of long to short exposure in the Fund will depend on the market conditions at any given time. The degree to which the Fund is net short is determined by the extent of the investment opportunities identified as being either undervalued or overvalued by the market in relation to its potential value. It is intended that the Fund will be managed to operate in normal circumstances within a range of between 90% and 300% long exposure and 0% and 200% short exposure. Such positions may be taken across various asset classes contemplated under the investment policy of the Fund as set out herein. Having the facility to take synthetic short exposures in certain investments through the use of derivative instruments gives the Fund the ability to profit when the associated investments fall in value.

The Fund will regularly monitor its gross exposure. Using the sum of the notionals methodology the level of leverage in the Fund is expected to average around 125% of the Net Asset Value of the Fund. Under some market conditions it is possible that there may be a higher leverage level of 300% of the Net Asset Value of the Fund. It should be noted that these figures are not an indicator of economic leverage within the Fund. A figure for leverage based on the sum of the notionals of the derivatives used (the "sum of the notionals approach") may appear high as it includes positions implemented to adjust existing positions as a result of market movements or subscription/redemption activity and does not take into account the effect of any netting or hedging arrangements that the Fund has in place even though these netting and hedging arrangements may reduce risk



and exposure and are entered into for the purposes of risk reduction. A large sum of the notionals figure is essentially indicative of a larger volume of derivatives being held in the portfolio. Accordingly, whether or not a derivative is used to increase economic risk or reduce economic risk, it will increase the sum of notionals figure. It should also be noted that often the economic exposure under a derivative may not be the notional value but a significantly lower mark-to-market or daily margin value.

As the Fund will engage in financial derivative instruments to the extent that the commitment approach does not adequately capture the global exposure of the portfolio, the Investment Manager considers that the Value at Risk (“VaR”) methodology is an appropriate methodology to calculate the Fund’s global exposure and market risk, taking into account the investment objectives and policies of the Fund and the complexity of the financial derivative instruments used. VaR is the advanced risk measurement methodology used to assess the Fund’s market risk.

The risk of loss arising from this strategy will be monitored daily using the absolute VaR approach to measure the maximum potential loss due to market risk at a given confidence level over a specified time period under prevailing market conditions. The risk of loss of the Fund will be calculated daily to ensure that the VaR of the Fund shall not exceed 4.47% based on a 1 day time horizon, a “one-tailed” 99% confidence interval and an observation period of at least 1 year. These criteria relating to the measurement of global exposure are prescribed in the Central Bank Rules. In practice VaR will run at a level below the maximum allowable. The VaR approach uses a historical observation period and thus the VaR result may be biased if abnormal market conditions are not prevalent or are omitted from the historical observation period. Accordingly, investors could suffer significant financial losses in abnormal market conditions. The Investment Manager will attempt to minimize such risks by conducting regular back testing and stress testing of the VaR model in accordance with Central Bank requirements.

In accordance with CFTC Regulation 4.13(a)(3), the Fund’s commodity interest positions (which for CFTC purposes include, but are not limited to, futures contracts, options on futures contracts and swaps), whether or not entered into for bona fide hedging purposes, will be limited such that either: (a) the aggregate initial margin, premiums and required minimum security deposit for retail forex transactions required to establish such positions will be limited to 5% of the liquidation value of the Fund’s portfolio, after taking into account unrealized profits and unrealized losses on any such positions it has entered into; or (b) the aggregate net notional value (as described below) of such positions, determined at the time the most recent position was established, does not exceed 100% of the liquidation value of the Fund’s portfolio, after taking into account unrealized profits and unrealized losses on any positions it has entered into. For futures contracts positions, notional value is calculated by multiplying the number of contracts by the size of the contract, in contract units (taking into account any multiplier specified in the contract), by the current market price per unit. For commodity options, notional value is calculated by multiplying the number of contracts by the size of the contract, adjusted by its delta, in contract units (taking into account any multiplier specified in the contract), by the strike price per unit. For a retail forex transaction, notional value is calculated as the value in US Dollars of such transaction, at the time the transaction was established, excluding for this purpose the value in US Dollars of the offsetting long and short transactions, if any. For cleared and uncleared swaps, the notional value is generally the notional amount. In determining aggregate net notional value, the Fund may net futures contracts and options on futures with the same underlying commodity across designated contract markets and foreign boards of trade and may net swaps cleared on the same derivatives clearing organization. For the avoidance of doubt, in accordance with the requirements of the Central Bank, such commodity interest positions will not provide the Fund with exposure to commodities as understood by the Central Bank.

### **Use of Index**

The Company will seek to measure its performance against the Index but will not otherwise ‘use’ the index within the meaning of Article 3 (1)(7)I of the Benchmarks Regulation on the basis that the Fund does not track the return of the Index and the Index does not determine stock allocation of the portfolio of the Fund.

The Company may at any time change the Index referred to in the Investment Policy where, for reasons outside its control, that index has been replaced or discontinued, or another index may reasonably be considered by the Company to have become the appropriate standard for the relevant measurement of the performance of the Fund. In such circumstances, any change in index will be disclosed in the annual or half-yearly report of the Fund issued subsequent to such change and the Supplement relating to the Fund will be updated promptly upon such a change.

Whilst the Investment Manager does not employ a defined strategy to align with the Index or any other benchmark, during periods of volatility it will take account of market environment and perceived risks at any given time and will employ its investment discretion as described in the investment policy accordingly.

### **Investment Restrictions**

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

### **Borrowings**

In accordance with the general provisions set out in the Prospectus, the Fund may borrow up to 10% of its total Net Asset Value on a temporary basis and not for speculative purposes.

### **Risk Warnings**

The general risk factors are set out under the heading **Risk Warnings** in the Prospectus shall apply including Emerging Markets Risk.

In addition, the following risk factors shall apply:

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

The value of some mortgage- or asset-backed securities may be particularly sensitive to changes in prevailing interest rates. For example, early repayment of principal on some mortgage-related securities may expose the Fund to a lower rate of return upon reinvestment of principal. When interest rates rise, the value of a mortgage-related security generally will decline; however, when interest rates are declining, the value of mortgage-related securities with prepayment features may not increase as much as other debt and fixed income securities. The rate of prepayments on underlying mortgages will affect the price and volatility of a mortgage-related security, and may shorten or extend the effective maturity of the security beyond what was anticipated at the time of purchase. If unanticipated rates of prepayment on underlying mortgages increase the effective maturity of a mortgage-related security, the volatility of the security can be expected to increase. The value of these securities may fluctuate in response to the market's perception of the creditworthiness of the issuers. Additionally, although mortgages and mortgage-related securities are generally supported by some form of government or private guarantee and/or insurance and/or collateral, there is no assurance that private guarantors or insurers will meet their obligations or that any collateral backing the security will cover the debt.

#### *Loan Participation Notes Risk*

Loan participations typically represent direct participation in a loan to a corporate borrower, and generally are offered by banks or other financial institutions or lending syndicates. When purchasing loan participations, the Fund assumes the economic risk associated with the corporate borrower and the credit risk associated with an interposed bank or other financial intermediary.

Such loan participation notes may be secured or unsecured. Loan participation notes that are fully secured offer the Fund more protection than an unsecured loan participation notes in the event of non-payment of scheduled interest or principal. However, there is no assurance that the liquidation of collateral from a secured loan would satisfy the corporate borrower's obligation. In addition, investments in loans through a direct assignment include the risk that if a loan participation note is terminated, the Fund could become part owner of any collateral, and would bear the costs and liabilities associated with owning and disposing of the collateral.

A loan participation note is often administered by an agent bank acting as agent for all holders. Unless, under the terms of the loan or other indebtedness, the Fund has direct recourse against the corporate borrower, the Fund may have to rely on the agent bank or other financial intermediary to apply appropriate credit remedies against a corporate borrower.

The loan participation notes in which the Fund intends to invest may not be rated by any internationally recognised rating service.

### *Corporate Debt Securities Risk*

Corporate debt securities include corporate bonds, debentures, notes (which are transferable securities listed or traded on a Regulated Market) and also include convertible securities. Debt securities may be acquired with warrants attached. Corporate income-producing securities may also include forms of preferred or preference stock. The rate of interest on a corporate debt security may be fixed, floating or variable, and may vary inversely with respect to a reference rate. See “**Variable and Floating Rate Securities**” below. The rate of return or return of principal on some debt obligations may be linked or indexed to the level of exchange rates between the USD and a different currency or currencies.

Corporate debt securities are subject to the risk of the issuer’s inability to meet principal and interest payments on the obligation and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity. When interest rates rise, the value of corporate debt securities can be expected to decline. Debt securities with longer maturities tend to be more sensitive to interest rate movements than those with shorter maturities. In addition, corporate debt securities may be highly customised and as a result may be subject to, among others, liquidity and pricing transparency risks.

Company defaults can impact the level of returns generated by corporate debt securities. An unexpected default can reduce income and the capital value of a corporate debt security. Furthermore, market expectations regarding economic conditions and the likely number of corporate defaults may impact the value of corporate debt securities.

Corporate debt securities may be subject to illiquidity risk, as they may be difficult to purchase or sell in different market conditions. For further information, see the section headed “Liquidity Risk” in “**General Risk Factors**”.

### *China Investment Risk*

Investing in the securities markets in mainland China is subject to the risks of investing in emerging markets generally and the risks specific to the China market in particular.

Companies in mainland China are required to follow the Chinese accounting standards and practice which, to a certain extent, follow international accounting standards. However, there may be significant differences between financial statements prepared by accountants following the Chinese accounting standards and practice and those prepared in accordance with international accounting standards.

Both the Shanghai and Shenzhen securities markets are in the process of development and change. This may lead to trading volatility, difficulty in the settlement and recording of transactions and difficulty in interpreting and applying the relevant regulations.

Under the prevailing tax policy in mainland China, there are certain tax incentives available to foreign investment. There can be no assurance, however, that the aforesaid tax incentives will not be abolished in the future.

### *China Emerging Market Risk*

It should be appreciated that, due to the emerging nature of the financial markets in China, the equity and other investment trading markets are of a less developed nature than established markets in other geographical areas. This gives rise to various special risk factors.

Investors are advised that, compared with other more mature markets, liquidity in certain areas of emerging financial markets may be more limited. Accumulation and disposal of certain investments may, therefore, be difficult or not possible at the time when the Fund would wish to deal and may involve dealing at unfavorable prices. It should be appreciated that the political environment of certain emerging markets may vary significantly from more established economies. Accordingly, political risks may, from time to time, manifest themselves in a way which could seriously affect investment prices and hence the value of any investment in the Fund.

Clearing, settlement and share registration processes and procedures also vary widely from company to company and from market to market as the case may be and this may affect the Fund’s valuation and the liquidity of the

Fund. Inability to dispose of a security on a timely basis due to settlement problems could result in losses to the Fund. Moreover, counterparty risk is greater when registration and settlement may be achieved by way of physical delivery of certificates and registration forms.

Disclosure and regulatory standards in emerging markets may be less stringent than those in other more established international markets, with a lower level of monitoring and regulation of the market and market participants, and limited and uneven enforcement of existing regulations. Consequently, the prices at which the Fund may acquire investments may be affected by other market participants' anticipation of the Fund's investing and by trading by persons with material non-public information. There may be less publicly available information about an issuer in an emerging market than would be available in more developed markets, and the issuer may not be subject to accounting, auditing and financial reporting standards comparable to those of companies in more developed markets.

The use of nominees in certain instances represents additional counterparty risk, although these rules may be mitigated by the application of additional operational procedures. In addition, there may be instances, where the purchase of investments through nominees or otherwise on behalf of the Fund may not be possible and this may restrict investment opportunities available to the Fund.

### **Dividend Policy**

Please see the "**Dividend Policy**" section of the Prospectus for further details.

### **Hedging Policy**

Any additional risk introduced to the Fund through the use of currency hedging for a given Share Class should be mitigated and monitored appropriately. Accordingly, in accordance with the Central Bank Rules, the operational provisions as detailed in the Prospectus in the section entitled "Currency Hedging" will apply to any currency hedging transactions. Hedged positions will be kept under review on an ongoing basis, at least at the same valuation frequency of the Fund, to ensure that over-hedged positions do not exceed 105% and under hedged positions do not fall short of 95% of the portion of the Net Asset Value of the relevant Class which is to be hedged against currency risk and the Fund will keep any under-hedged positions under review to ensure it is not carried forward month to month.

### **Charges and Expenses**

For further information in relation to the charges and expenses payable by the Fund, please refer to the Charges and Expenses section of the Prospectus.

### **Investment Management Fees**

The Investment Manager will receive a quarterly fee of 0.30% of the Net Asset Value per annum, which shall be accrued daily and payable in arrears based on the average daily Net Asset Value of a Fund as at the relevant Valuation Point in relation to the Fund.

### **Total Operating Expenses**

If the total operating expenses of the Fund accrued daily exceeds 0.35% of the average daily Net Asset Value of the Fund on an annualised basis, the Investment Manager agrees to pay to the Company for the account of the Fund such amount as is necessary to enable the Fund to pay such expenses without further recourse to the Fund's assets. Further details are provided in the section entitled "Total Operating Expenses" in the Prospectus.

### **Establishment Costs:**

All fees and expenses relating to the establishment and organisation of the Fund as detailed in the section of the Prospectus entitled "General Expenses" shall be borne by the Fund and amortised in accordance with the provisions of the Prospectus. Such fees are estimated to amount to €35,000.

## **Key Information For Subscribing And Redeeming**

### **Share Classes**

Institutional Shares

### **Base Currency**

US Dollar

### **Business Day**

Any day on which banks are open for business in Ireland, the UK and the US or such other days as the Director may determine and notify in advance to Shareholders

### **Dealing Day**

Such Business Day or Business Days as the Directors from time to time may determine (and notify Shareholders in advance), provided that in respect of the Fund, unless otherwise determined, each Business Day shall be a Dealing Day and, provided that in any event there shall be at least one Dealing Day per fortnight.

### **Dealing Deadline**

12.00 noon Dublin time on the relevant Dealing Day to which the dealing relates.

### **Valuation Point**

5 pm New York time on a Dealing Day.

### **Subscription Fee**

The Company does not currently charge a Subscription Fee on the issue of Shares.

### **Redemption Charge**

No redemption fee will be charged in respect of the Fund.

### **List of Share Classes**

The column of the table below entitled “Issue status of Classes” specifies: (i) “existing” where a Class has been issued; and (ii) “extended” where a Class has been created but has not currently launched and the Initial Offer Period is being extended. The Initial Offer Period for all Classes which are described as extended will continue until 4 April 2022 or such other date or dates as the Directors may determine and notify to the Central Bank.

The launch and listing of various Classes of the Company’s Shares may occur at different times. For further information in this regard the most recent interim and annual reports of the Company will be made available to potential investors upon request.

<b>Classes available in the Fund</b>	<b>Issue status of Classes</b>	<b>Currency</b>	<b>Minimum Subscription</b>	<b>Initial Offer Price</b>	<b>Hedged Class</b>	<b>Share</b>	<b>Reference Index for performance measurement purposes only.</b>
<b>Payden Global Aggregate Bond Fund</b>		<b>USD</b>					
Australian Dollar Class (Distributing)	Extended	AUD	AUD 1,000,000	AUD 10	Yes		Bloomberg Barclays Global Aggregate Index

<b>Classes available in the Fund</b>	<b>Issue status of Classes</b>	<b>Currency</b>	<b>Minimum Subscription</b>	<b>Initial Offer Price</b>	<b>Hedged Class</b>	<b>Share</b>	<b>Reference Index for performance measurement purposes only.</b>
							(currency hedged)
Australian Dollar Class (Accumulating)	Extended	AUD	AUD 1,000,000	AUD 10	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Brazilian Real Class (Distributing)	Extended	BRL	BRL 1,000,000	BRL 10	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Brazilian Real Class (Accumulating)	Extended	BRL	BRL 1,000,000	BRL 10	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Canadian Dollar Class (Distributing)	Extended	CAD	CAD 1,000,000	CAD 10	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Canadian Dollar Class (Accumulating)	Extended	CAD	CAD 1,000,000	CAD 10	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Danish Krone Class (Distributing)	Extended	DKK	DKK 10,000,000	DKK 100	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Danish Krone Class (Accumulating)	Extended	DKK	DKK 10,000,000	DKK 100	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Euro Class (Distributing)	Extended	EUR	EUR 1,000,000	EUR 10	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Euro Class (Accumulating)	Existing	EUR	EUR 1,000,000	EUR 10	Yes		Bloomberg Barclays Global Aggregate Index

<b>Classes available in the Fund</b>	<b>Issue status of Classes</b>	<b>Currency</b>	<b>Minimum Subscription</b>	<b>Initial Offer Price</b>	<b>Hedged Class</b>	<b>Share</b>	<b>Reference Index for performance measurement purposes only.</b>
							(currency hedged)
Hong Kong Dollar Class (Distributing)	Extended	HKD	HKD 10,000,000	HKD 100	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Hong Kong Dollar Class (Accumulating)	Extended	HKD	HKD 10,000,000	HKD 100	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Icelandic Krona Class (Distributing)	Extended	ISK	ISK5 10,000,000	ISK 1,000	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Icelandic Krona Class (Accumulating)	Extended	ISK	ISK5 10,000,000	ISK 1,000	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Japanese Yen Class (Distributing)	Extended	JPY	JPY 100,000,000	JPY 1,000	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Japanese Yen Class (Accumulating)	Extended	JPY	JPY 100,000,000	JPY 1,000	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Korean Won Class (Distributing)	Extended	KRW	KRW 100,000,000	KRW 10,000	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Korean Won Class (Accumulating)	Extended	KRW	KRW 100,000,000	KRW 10,000	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Malaysian Ringgit Class (Distributing)	Extended	MYR	MYR 3,500,000	MYR 50	Yes		Bloomberg Barclays Global Aggregate Index

<b>Classes available in the Fund</b>	<b>Issue status of Classes</b>	<b>Currency</b>	<b>Minimum Subscription</b>	<b>Initial Offer Price</b>	<b>Hedged Class</b>	<b>Share</b>	<b>Reference Index for performance measurement purposes only.</b>
							(currency hedged)
Malaysian Ringgit Class (Accumulating)	Extended	MYR	MYR 3,500,000	MYR 50	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
New Zealand Dollar Class (Distributing)	Extended	NZD	NZD 1,500,000	NZD 10	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
New Zealand Dollar Class (Accumulating)	Extended	NZD	NZD 1,500,000	NZD 10	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Norwegian Krone Class (Distributing)	Extended	NOK	NOK 10,000,000	NOK 100	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Norwegian Krone Class (Accumulating)	Existing	NOK	NOK 10,000,000	NOK 100	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Philippine Peso Class (Distributing)	Extended	PHP	PHP 50,000,000	PHP 500	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Philippine Peso Class (Accumulating)	Extended	PHP	PHP 50,000,000	PHP 500	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Renminbi Class (Distributing)	Extended	CNY	CNY 7,500,000	CNY 100	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Renminbi Class	Extended	CNY	CNY 7,500,000	CNY 100	Yes		Bloomberg Barclays Global Aggregate Index



<b>Classes available in the Fund</b>	<b>Issue status of Classes</b>	<b>Currency</b>	<b>Minimum Subscription</b>	<b>Initial Offer Price</b>	<b>Hedged Class</b>	<b>Share</b>	<b>Reference Index for performance measurement purposes only.</b>
(Accumulating)							(currency hedged)
Russian Ruble Class (Distributing)	Extended	RUB	RUB 26,000,000	RUB 300	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Russian Ruble Class (Accumulating)	Extended	RUB	RUB 26,000,000	RUB 300	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Singapore Dollar Class (Distributing)	Extended	SGD	SGD 1,500,000	SGD 10	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Singapore Dollar Class (Accumulating)	Extended	SGD	SGD 1,500,000	SGD 10	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
South African Rand Class (Distributing)	Extended	ZAR	ZAR 10,000,000	ZAR 100	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
South African Rand Class (Accumulating)	Extended	ZAR	ZAR 10,000,000	ZAR 100	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Sterling Class (Distributing)	Extended	GBP	GBP 1,000,000	GBP 10	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Sterling Class (Accumulating)	Existing	GBP	GBP 1,000,000	GBP 10	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Swedish Krona Class (Distributing)	Extended	SEK	SEK 10,000,000	SEK 100	Yes		Bloomberg Barclays Global Aggregate Index

<b>Classes available in the Fund</b>	<b>Issue status of Classes</b>	<b>Currency</b>	<b>Minimum Subscription</b>	<b>Initial Offer Price</b>	<b>Hedged Class</b>	<b>Share</b>	<b>Reference Index for performance measurement purposes only.</b>
							(currency hedged)
Swedish Krona Class (Accumulating)	Extended	SEK	SEK 10,000,000	SEK 100	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Swiss Franc Class (Distributing)	Extended	CHF	CHF 1,000,000	CHF 10	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Swiss Franc Class (Accumulating)	Extended	CHF	CHF 1,000,000	CHF 10	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Taiwan Dollar Class (Distributing)	Extended	TWD	TWD 33,000,000	TWD 300	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Taiwan Dollar Class (Accumulating)	Extended	TWD	TWD 33,000,000	TWD 300	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Thai Baht Class (Distributing)	Extended	THB	THB 32,000,000	THB 300	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
Thai Baht Class (Accumulating)	Extended	THB	THB3 2,000,000	THB 300	Yes		Bloomberg Barclays Global Aggregate Index (currency hedged)
US Dollar Class (Distributing)	Extended	USD	USD 1,000,000	USD 10	N/A		Bloomberg Barclays Global Aggregate Index (currency hedged)

<b>Classes available in the Fund</b>	<b>Issue status of Classes</b>	<b>Currency</b>	<b>Minimum Subscription</b>	<b>Initial Offer Price</b>	<b>Hedged Share Class</b>	<b>Reference Index for performance measurement purposes only.</b>
US Dollar Class (Accumulating)	Existing	USD	USD 1,000,000	USD 10	N/A	Bloomberg Barclays Global Aggregate Index (currency hedged)

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: PAYDEN EURO LIQUIDITY FUND Legal entity identifier: 549300TKGUQ4DICENV19

## Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Does this financial product have a sustainable investment objective?** *[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]*

<p><input checked="" type="radio"/> <input checked="" type="radio"/> <input type="checkbox"/> <b>Yes</b></p> <p><input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective: ___%</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <p><input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective: ___%</b></p>	<p><input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> <b>No</b></p> <p><input type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 0% of sustainable investments</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <p><input checked="" type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b></p>
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**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**What environmental and/or social characteristics are promoted by this financial product?** *[indicate the environmental and/or social characteristics promoted by the financial product and whether a reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product]*

This relates to Payden Euro Liquidity Fund, the (“**Fund**”). KBA Consulting Management Limited (the “**Manager**”), in consultation with Payden Global Funds Plc (the “**Company**”), has classified the Fund as a financial product subject to Article 8 of SFDR. The Fund promotes (i) the goal of climate change mitigation through the application of carbon metrics and climate scores, (ii) restrictions on activities that could be deemed harmful to society or the environment through the application of the Payden ESG Investment Exclusion Policy, and (iii) Good Governance through the application of the Payden ESG Good Governance Policy.

The Fund shall conduct ESG engagement as part of its stewardship commitment as outlined in the Payden ESG Engagement Policy. Please see “Where can I find more product specific information online?” below.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Fund.

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

Below are the sustainability indicators used to measure the attainment of the E/S Characteristics of the Fund. The sustainability indicators are binding criteria relating to (i) climate change mitigation, (ii) exclusions and (iii) good governance. These sustainability indicators are expressed as the degree to which the Fund aims to compare E/S Characteristics with that of the relevant ESG Universe (defined below), where appropriate. Each component of the E/S Characteristics is set in respect to the Fund and updated from time to time as set out in this document.

- (a) Climate Change Mitigation: The Fund promotes certain environmental characteristics focusing on climate change mitigation (“**Climate Change Mitigation**”). Climate Change Mitigation is measured via greenhouse gas intensity data and climate score of the underlying securities of the Fund. The Fund portfolio’s greenhouse gas intensity is compared to the relevant comparable investment universe (“**ESG Universe**”) which is representative of the broad portfolio allocation for the Fund. Below are the sustainability indicators used by the Fund to measure Climate Change Mitigation where data is available:

Corporate GHG Intensity	Sovereign GHG Intensity	Percent of ESG Universe	
✓	--	50%	1-5 year portion of the Bloomberg Euro Aggregate Corporate Bond Index
--	✓	40%	1-3 year portion of the Bloomberg Euro Aggregate Treasury Bond Index
✓	✓	10%	1-5 year portion of the JP Morgan EMBI Global Diversified Bond Index, Investment Grade Only

For comparative purposes, the Climate Change Mitigation of the ESG Universe is derived from the Corporate GHG Intensity and Sovereign GHG Intensity of each of the relevant components of the ESG Universe, weighted by the percentages detailed in the table above. Where one or more elements of the ESG Universe is not included in this calculation (due to a lack of corporates or sovereigns in that component), the Corporate GHG Intensity and Sovereign GHG Intensity of that ESG Universe are grossed up to sum to 100%. The calculation is done separately for corporates and sovereigns. The ESG Universe greenhouse gas intensity metrics will be updated from time to time as more data becomes available.

- I. Corporate Investments: The Fund will seek to maintain a greenhouse gas intensity of investee companies (“**Corporate GHG Intensity**”) that is less than the Corporate GHG Intensity of the ESG Universe calculated as described above. The Fund’s Corporate GHG Intensity is measured as the weighted average carbon emissions in-line with Principal Adverse Impacts (“**PAIs**”)

pursuant to Article 7 under SFDR (PAI 3: Green House Gas (GHG) emissions - scope 1, 2 and 3 normalized by sales in euros).

- II. Sovereign Investments: The Fund will seek to maintain a greenhouse gas intensity of investee countries (“**Sovereign GHG Intensity**”) that is no greater than the Sovereign GHG Intensity of the ESG Universe calculated as described above. The Fund’s Sovereign GHG Intensity is measured as the greenhouse gas relative to gross domestic product (GHG/GDP) in-line with PAIs (PAI 15: Green House Gas (GHG) emissions – scope 1, 2 and 3).
- III. Securitized Investments: U.S. Commercial Mortgage-Backed Securities (CMBS) and Residential Mortgage-Backed Securities (RMBS) are considered to promote Climate Change Mitigation if they have a below average “**Climate Score**.” Securities held in the Fund that have a below average Climate Score are considered in the E/S promotion of the Fund.

The applicable ESG Universe for the Fund is selected by the Sub-Investment Manager on the basis of the ESG Universe (i) providing reliable and verifiable ESG metrics data and (ii) having an investment universe relevant to the Fund. Securities held in the Fund that have Corporate GHG Intensity and Sovereign GHG Intensity data and below average Climate Score are considered in the E/S Characteristics of the Fund.

- (b) ESG Investment Exclusions: The Fund seeks to attain E/S Characteristics through restrictions and exclusions (“**ESG Exclusions**”) on activities that could be deemed harmful to society or the environment. This includes both environmental and social screens across corporate and sovereign issuers. ESG Exclusions are outlined in the Payden ESG Investment Exclusion Policy. Please see “Where can I find more product specific information online?” below. As at the date of this document, such exclusions include securities relating to weapons and tobacco manufacturing, for profit prisons, as well as additional social and environmental screens.
- (c) Good Governance: The Governance Assessment (“**Governance Assessment**”) evaluates corporate issuers based on available, quantitative information in order to evaluate a broad and global investment universe. The Governance Assessment determines which corporate issuers may comprise the investable universe. The Governance Assessment is outlined in the Payden ESG Good Governance Policy. Please see “Where can I find more product specific information online?” below.

The elements described above are binding elements of the Fund, used in the investment selection process to attain these goals. Each component of the E/S Characteristics is set in respect to the Fund and updated from time to time and published on the Payden website. Please see “Where can I find more product specific information online?” below.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?** *[include, for financial products that make sustainable investments, a description of the objectives and how the sustainable investments contribute to the sustainable investment objective. For the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852, list the environmental objectives set out in Article 9 of that Regulation to which the sustainable investment underlying the financial product contributes]*

N/A

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

● **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?** *[include a description for the financial product that partially intends to make sustainable investments]*

N/A

— **How have the indicators for adverse impacts on sustainability factors been taken into account?** *[include an explanation of how the indicators for adverse impacts in Table 1 of Annex I and any relevant indicators in Tables 2 and 3 of Annex I, are taken into account]*

N/A

— **How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?** *Details: [include an explanation on the alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights]*

N/A

*[Include statement for financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]*  
**The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.**

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

**Any other sustainable investments must also not significantly harm any**



**Does this financial product consider principal adverse impacts on sustainability factors?**

**X** Yes, \_\_\_\_\_ *[if the financial product considers principal adverse impacts on sustainability factors, include a clear and reasoned explanation of how it considers principal adverse impacts on sustainability factors. Indicate where, in the information to be disclosed pursuant to Article 11(2) of Regulation (EU) 2019/2088, the information on principal adverse impacts on sustainability factors is available]*

Yes, the Fund considers PAIs for investment in Corporate and Sovereign securities. The fund considers PAI 3 and PAI 15 in its promotion of Climate Change Mitigation as outlined in question “What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?” The Fund considers PAIs in accordance with

Payden ESG Principal Adverse Impacts Statement. Please see “Where can I find more product specific information online?” below. Information on the extent to which environmental or social characteristics are met are included in the annual report of the Fund. The Fund considers PAIs through both the promotion of E/S Characteristics as described above and through engagement. The Payden ESG Engagement Policy contains information on Payden’s approach to engagement as it relates to PAIs as well as other initiatives undertaken with investee companies. Please see “Where can I find more product specific information online?” below

No



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

**What investment strategy does this financial product follow?** *[provide a description of the investment strategy and indicate how the strategy is implemented in the investment process on a continuous basis]*

The general investment policy and investment strategy of the Fund is set out in detail in the Prospectus.

In selecting securities for investment by the Fund, the Sub-Investment Manager observes the E/S Characteristics of the Fund as described in response to the question "What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?" above.

The Fund promotes E/S Characteristics on a continuous basis through (i) the goal of Climate Change Mitigation through application of metrics described in this document (ii) the application of the Payden ESG Investment Exclusion Policy, and (iii) the application of the Payden ESG Good Governance Policy.

The Fund shall conduct ESG engagement as part of its stewardship commitment as outlined in the Payden ESG Engagement Policy.

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The binding elements of the investment strategy of the Fund are (i) Climate Change Mitigation metrics, (ii) ESG Exclusions and (iii) Governance Assessment, each as detailed above.

- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?** *[include an indication of the rate, where there is a commitment to reduce the scope of investments by a minimum rate]*

There is no committed minimum rate to reduce the scope of investments. A reduction of the investible universe is achieved with the application of the ESG Exclusion criteria and the Governance Assessment. Please see “Where can I find more product specific information online?” below.

- **What is the policy to assess good governance practices of the investee companies?** *[include a short description of the policy to assess good governance practices of the investee companies]*

The Governance Assessment pursuant to the Payden ESG Good Governance Policy encompasses an assessment of corporate issuers based on available quantitative information. The Governance Assessment determines which corporate issuers may comprise the investable universe. The Governance Assessment is outlined in the Payden ESG Good Governance Policy. Please see “Where can I find more product specific information online?” below.





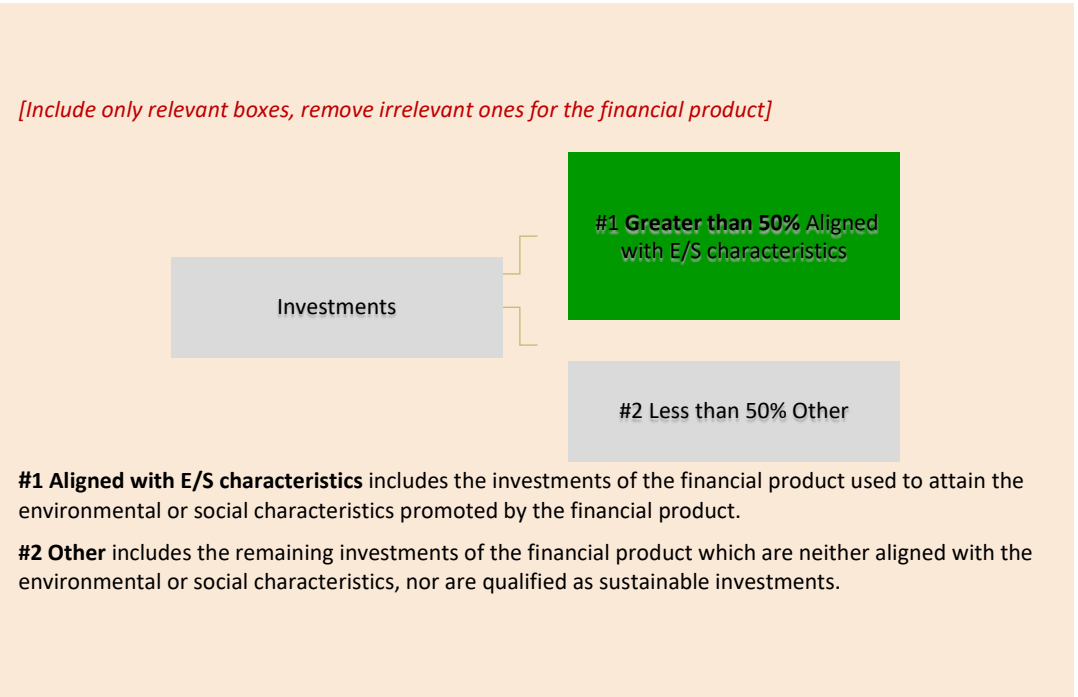
**Asset allocation** describes the share of investments in specific assets.

*[include note only for financial products referred to in Article 6 of Regulation (EU) 2020/852*

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g., for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

**What is the asset allocation planned for this financial product?** *[include a narrative explanation of the investments of the financial product, including the minimum proportion of the investments of the financial product used to meet the environmental or social characteristics promoted by the financial product in accordance with the binding elements of the investment strategy, including the minimum proportion of sustainable investments of the financial product where that financial products commits to making sustainable investments, and the purpose of the remaining proportion of the investments, including a description of any minimum environmental or social safeguards]*



Typical investments in the Fund’s asset allocation is as follows:

**#1 Aligned with E/S characteristics: greater than 50%.** This is the portion of assets in the Fund which will promote E/S Characteristics through (i) the goal of Climate Change Mitigation, (ii) the application of the Payden ESG Investment Exclusion Policy, and (iii) the application of the Payden ESG Good Governance Policy.

**#2 Other: less than 50%**

Changes from the current asset allocation will be based on availability of data sources as well as the types of securities held in the Fund, which will change from time to time. Securities within the #2 Other category may be held for various reasons. Examples of include, but are not limited to, investments in (i) securities that lack ESG data, (ii) securities without a relevant E/S Universe comparator, (iii) cash or cash equivalents, or (iv) derivatives.

Payden monitors the development of additional data sources and providers to assess if additional areas of the market have reliable and relevant data coverage. Please find more information on Payden data disclosure in the Payden ESG Data Policy. Please see “Where can I find more product specific information online?” below.

● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?** *[for financial products that use derivatives as defined in Article 2(1), point (29), of Regulation (EU) No 600/2014 to attain the environmental or social characteristics they promote, describe how the use of those derivatives meets those characteristics]*

The use of derivatives is not intended to promote an environmental or social characteristic. Rather, derivatives are typically used to hedge positions from time to time. As such, derivatives are not

included in the portfolio market value calculation of securities aligned with environmental or social objectives. The Investment Manager may use derivatives in the management of the Fund. Examples include, but are not limited to, the use of derivatives tied to interest rates, currencies, market indices, or individual securities.

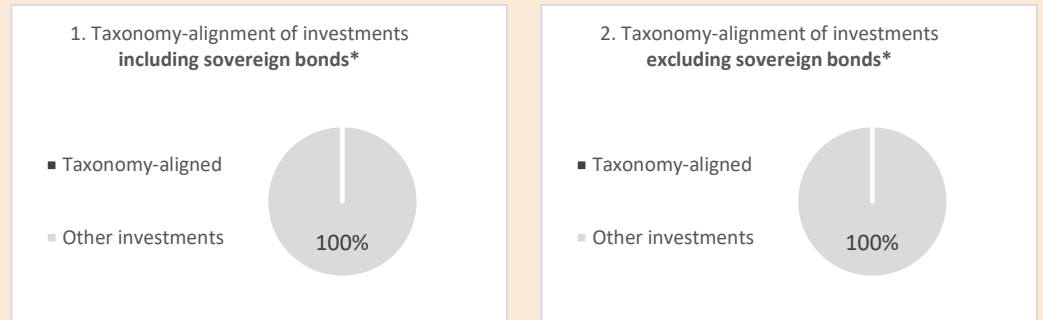
*[include note only for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852*

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?** *[include a section for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 and include the graphical representation referred to in Article 15(1), point (a), of this Regulation, the description referred to in Article 15(1), point (b), of this Regulation, a clear explanation as referred to in Article 15(1), point (c), of this Regulation, a narrative explanation as referred to in Article 15(1), point (d), of this Regulation and the information referred to in Article 15(3) of this Regulation]*

**The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.**



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

*[include note for financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 that invest in environmental economic activities that are not environmentally sustainable economic activities]*

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



**What is the minimum share of investments in transitional and enabling activities?** *[include section for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]*

0%

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?** *[include section only for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 where the financial product invests in economic activities that are not environmentally sustainable economic activities and explain why the financial product invests in sustainable investments with an environmental objective in economic activities that are not Taxonomy-aligned]*

0%



**What is the minimum share of socially sustainable investments?** *[include section only where the financial product includes sustainable investments with a social objective]*

N/A



**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

Securities within the #2 Other category may be held for various reasons. Examples of include, but are not limited to, investments in (i) securities that lack ESG data, (ii) securities without a relevant ESG Universe comparator, (iii) cash or cash equivalents, or (iv) derivatives.

Payden monitors the development of additional data sources and providers to assess if additional areas of the market have reliable and relevant data coverage. Please find more information on Payden data disclosure in the Payden ESG Data Policy. Please see “Where can I find more product specific information online?” below.

The sub-investment manager may use cash and derivatives in the management of the Fund. Cash may be used for liquidity purposes and is not intended to promote E/S Characteristics. In addition, the use of derivatives is not intended to promote an E/S Characteristic. Rather, derivatives are typically used to hedge positions from time to time. As such, cash and derivatives are not included in the portfolio market value calculation of securities aligned with environmental or social objectives.

The Fund’s minimum safeguards are the ESG Investment Exclusions and Governance Assessment outlined in the Payden ESG Investment Exclusion Policy and Payden ESG Good Governance Policy. Please see “Where can I find more product specific information online?” below.



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?** *[include section where an index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product and indicate where the methodology used for the calculation of the designated index can be found]*

No

- **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

N/A

- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

N/A

- **How does the designated index differ from a relevant broad market index?**

N/A

- **Where can the methodology used for the calculation of the designated index be found?**

N/A

*[include note for financial products where an index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product]*

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



**Where can I find more product specific information online?**

**More product-specific information can be found on the website:** *[include a hyperlink to the website referred to in Article 23 of this Regulation]*

More information can be found at [www.payden.com](http://www.payden.com).

ANNEX II

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: PAYDEN US DOLLAR LIQUIDITY FUND Legal entity identifier: 5493003BC0P4IOHC4X17

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

## Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?** *[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]*



**Yes**



**No**



It will make a minimum of **sustainable investments with an environmental objective:** \_\_\_\_%



in economic activities that qualify as environmentally sustainable under the EU Taxonomy



in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



It will make a minimum of **sustainable investments with a social objective:** \_\_\_\_%



It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 0% of sustainable investments



with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy



with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



with a social objective



It promotes E/S characteristics, but **will not make any sustainable investments**



**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**What environmental and/or social characteristics are promoted by this financial product?** *[indicate the environmental and/or social characteristics promoted by the financial product and whether a reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product]*

This relates to Payden US Dollar Liquidity Fund, the (“**Fund**”). KBA Consulting Management Limited (the “**Manager**”), in consultation with Payden Global Funds Plc (the “**Company**”), has classified the Fund as a financial product subject to Article 8 of SFDR. The Fund promotes (i) the goal of climate change mitigation through the application of carbon metrics and climate scores, (ii) restrictions on activities that could be deemed harmful to society or the environment through the application of the Payden ESG Investment Exclusion Policy, and (iii) Good Governance through the application of the Payden ESG Good Governance Policy.

The Fund shall conduct ESG engagement as part of its stewardship commitment as outlined in the Payden ESG Engagement Policy. Please see “Where can I find more product specific information online?” below.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Fund.

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

Below are the sustainability indicators used to measure the attainment of the E/S Characteristics of the Fund. The sustainability indicators are binding criteria relating to (i) climate change mitigation, (ii) exclusions and (iii) good governance. These sustainability indicators are expressed as the degree to which the Fund aims to compare E/S Characteristics with that of the relevant ESG Universe (defined below), where appropriate. Each component of the E/S Characteristics is set in respect to the Fund and updated from time to time as set out in this document.

(d) Climate Change Mitigation: The Fund promotes certain environmental characteristics focusing on climate change mitigation (“**Climate Change Mitigation**”). Climate Change Mitigation is measured via greenhouse gas intensity data and climate score of the underlying securities of the Fund. The Fund portfolio’s greenhouse gas intensity is compared to the relevant comparable investment universe (“**ESG Universe**”) which is representative of the broad portfolio allocation for the Fund. Below are the sustainability indicators used by the Fund to measure Climate Change Mitigation where data is available:

Corporate GHG Intensity	Percent of ESG Universe	ESG Universe
✓	100%	1-5 Year portion of the Bloomberg US Aggregate Corporate Bond Index

For comparative purposes, the Climate Change Mitigation of the ESG Universe is derived from the Corporate GHG Intensity of the relevant components of the ESG Universe, weighted by the percentages detailed in the table above. Where one or more elements of the ESG Universe is not included in this calculation (due to a lack of corporates in that component), the Corporate GHG Intensity of that ESG Universe is grossed up to sum to 100%. The calculation is done solely for corporates. No calculation is made for sovereign securities in this Fund. The ESG Universe greenhouse gas intensity metrics will be updated from time to time as more data becomes available.

IV. Corporate Investments: The Fund will seek to maintain a greenhouse gas intensity of investee companies (“**Corporate GHG Intensity**”) that is less than the Corporate GHG Intensity of the ESG Universe calculated as described above. The Fund’s Corporate GHG Intensity is measured as the weighted average carbon emissions in-line with Principal Adverse Impacts (“**PAIs**”)

pursuant to Article 7 under SFDR (PAI 3: Green House Gas (GHG) emissions - scope 1, 2 and 3 normalized by sales in euros).

- V. Securitized Investments: U.S. Commercial Mortgage-Backed Securities (CMBS) and Residential Mortgage-Backed Securities (RMBS) are considered to promote Climate Change Mitigation if they have a below average “Climate Score.” Securities held in the Fund that have a below average Climate Score are considered in the E/S promotion of the Fund.

The applicable ESG Universe for the Fund is selected by the Sub-Investment Manager on the basis of the ESG Universe (i) providing reliable and verifiable ESG metrics data and (ii) having an investment universe relevant to the Fund. Securities held in the Fund that have Corporate GHG Intensity data and below average Climate Score are considered in the E/S Characteristics of the Fund.

- (e) ESG Investment Exclusions: The Fund seeks to attain E/S Characteristics through restrictions and exclusions (“ESG Exclusions”) on activities that could be deemed harmful to society or the environment. This includes both environmental and social screens across corporate and sovereign issuers. ESG Exclusions are outlined in the Payden ESG Investment Exclusion Policy. Please see “Where can I find more product specific information online?” below. As at the date of this document, such exclusions include securities relating to weapons and tobacco manufacturing, for profit prisons, as well as additional social and environmental screens.
- (f) Good Governance: The Governance Assessment (“Governance Assessment”) evaluates corporate issuers based on available, quantitative information in order to evaluate a broad and global investment universe. The Governance Assessment determines which corporate issuers may comprise the investable universe. The Governance Assessment is outlined in the Payden ESG Good Governance Policy. Please see “Where can I find more product specific information online?” below.

The elements described above are binding elements of the Fund, used in the investment selection process to attain these goals. Each component of the E/S Characteristics is set in respect to the Fund and updated from time to time and published on the Payden website. Please see “Where can I find more product specific information online?” below.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?** *[include, for financial products that make sustainable investments, a description of the objectives and how the sustainable investments contribute to the sustainable investment objective. For the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852, list the environmental objectives set out in Article 9 of that Regulation to which the sustainable investment underlying the financial product contributes]*

N/A

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

**How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?** *[include a description for the financial product that partially intends to make sustainable investments]*

N/A

**How have the indicators for adverse impacts on sustainability factors been taken into account?** *[include an explanation of how the indicators for adverse impacts in Table 1 of Annex I and any relevant indicators in Tables 2 and 3 of Annex I, are taken into account]*

N/A

**How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:** *[include an explanation on the alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights]*

N/A

*[Include statement for financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]*

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives*



**Does this financial product consider principal adverse impacts on sustainability factors?**

**X** Yes, \_\_\_\_\_ *[if the financial product considers principal adverse impacts on sustainability factors, include a clear and reasoned explanation of how it considers principal adverse impacts on sustainability factors. Indicate where, in the information to be disclosed pursuant to Article 11(2) of Regulation (EU) 2019/2088, the information on principal adverse impacts on sustainability factors is available]*

Yes, the Fund considers PAIs for investment in Corporate and Sovereign securities. The fund considers PAI 3 in its promotion of Climate Change Mitigation as outlined in question “What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?” The Fund considers PAIs in accordance with Payden ESG Principal



Adverse Impacts Statement. Please see “Where can I find more product specific information online?” below. Information on the extent to which environmental or social characteristics are met are included in the annual report of the Fund. The Fund considers PAIs through both the promotion of E/S Characteristics as described above and through engagement. The Payden ESG Engagement Policy contains information on Payden’s approach to engagement as it relates to PAIs as well as other initiatives undertaken with investee companies. Please see “Where can I find more product specific information online?” below

No



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

**What investment strategy does this financial product follow?** *[provide a description of the investment strategy and indicate how the strategy is implemented in the investment process on a continuous basis]*

The general investment policy and investment strategy of the Fund is set out in detail in the Prospectus.

In selecting securities for investment by the Fund, the Sub-Investment Manager observes the E/S Characteristics of the Fund as described in response to the question "What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?" above.

The Fund promotes E/S Characteristics on a continuous basis through (i) the goal of Climate Change Mitigation through application of metrics described in this document (ii) the application of the Payden ESG Investment Exclusion Policy, and (iii) the application of the Payden ESG Good Governance Policy.

The Fund shall conduct ESG engagement as part of its stewardship commitment as outlined in the Payden ESG Engagement Policy.

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The binding elements of the investment strategy of the Fund are (i) Climate Change Mitigation metrics, (ii) ESG Exclusions and (iii) Governance Assessment, each as detailed above.

- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?** *[include an indication of the rate, where there is a commitment to reduce the scope of investments by a minimum rate]*

There is no committed minimum rate to reduce the scope of investments. A reduction of the investible universe is achieved with the application of the ESG Exclusion criteria and the Governance Assessment. Please see “Where can I find more product specific information online?” below.

- **What is the policy to assess good governance practices of the investee companies?** *[include a short description of the policy to assess good governance practices of the investee companies]*

The Governance Assessment pursuant to the Payden ESG Good Governance Policy encompasses an assessment of corporate issuers based on available quantitative information. The Governance Assessment determines which corporate issuers may comprise the investable universe. The Governance Assessment is outlined in the Payden ESG Good Governance Policy. Please see “Where can I find more product specific information online?” below.



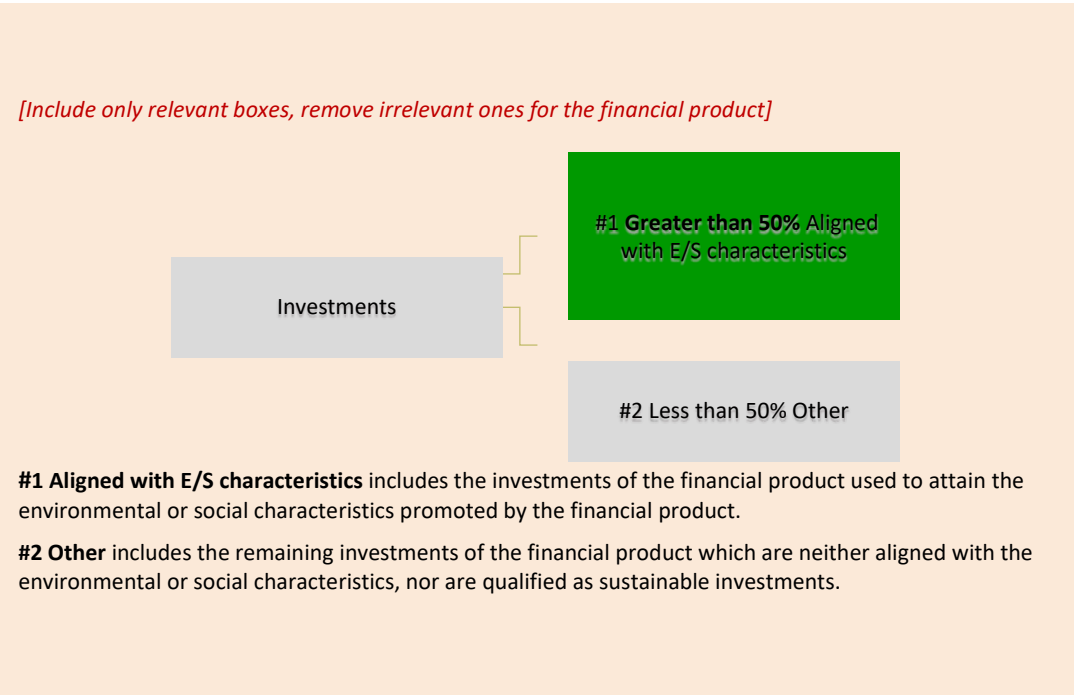
**Asset allocation** describes the share of investments in specific assets.

*[include note only for financial products referred to in Article 6 of Regulation (EU) 2020/852*

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g., for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

**What is the asset allocation planned for this financial product?** *[include a narrative explanation of the investments of the financial product, including the minimum proportion of the investments of the financial product used to meet the environmental or social characteristics promoted by the financial product in accordance with the binding elements of the investment strategy, including the minimum proportion of sustainable investments of the financial product where that financial products commits to making sustainable investments, and the purpose of the remaining proportion of the investments, including a description of any minimum environmental or social safeguards]*



Typical investments in the Fund’s asset allocation is as follows:

**#1 Aligned with E/S characteristics: greater than 50%.** This is the portion of assets in the Fund which will promote E/S Characteristics through (i) the goal of Climate Change Mitigation, (ii) the application of the Payden ESG Investment Exclusion Policy, and (iii) the application of the Payden ESG Good Governance Policy.

**#2 Other: less than 50%**

Changes from the current asset allocation will be based on availability of data sources as well as the types of securities held in the Fund, which will change from time to time. Securities within the #2 Other category may be held for various reasons. Examples of include, but are not limited to, investments in (i) securities that lack ESG data, (ii) securities without a relevant E/S Universe comparator, (iii) cash or cash equivalents, or (iv) derivatives.

Payden monitors the development of additional data sources and providers to assess if additional areas of the market have reliable and relevant data coverage. Please find more information on Payden data disclosure in the Payden ESG Data Policy. Please see “Where can I find more product specific information online?” below.

● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?** *[for financial products that use derivatives as defined in Article 2(1), point (29), of Regulation (EU) No 600/2014 to attain the environmental or social characteristics they promote, describe how the use of those derivatives meets those characteristics]*

The use of derivatives is not intended to promote an environmental or social characteristic. Rather, derivatives are typically used to hedge positions from time to time. As such, derivatives are not

included in the portfolio market value calculation of securities aligned with environmental or social objectives. The Investment Manager may use derivatives in the management of the Fund. Examples include, but are not limited to, the use of derivatives tied to interest rates, currencies, market indices, or individual securities.

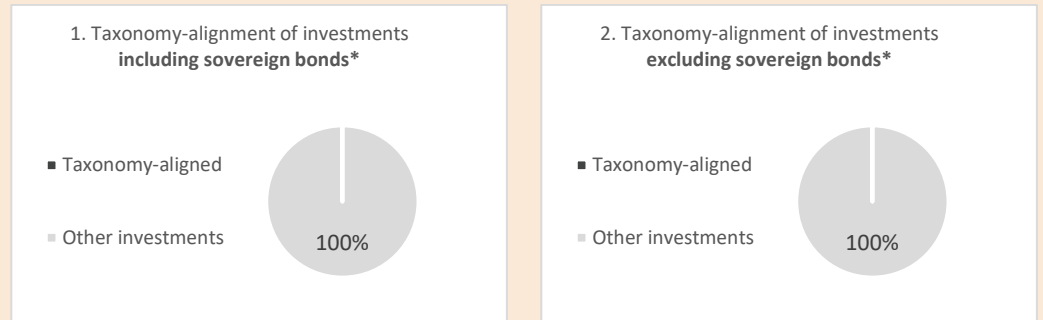
*[include note only for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852*

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?** *[include a section for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 and include the graphical representation referred to in Article 15(1), point (a), of this Regulation, the description referred to in Article 15(1), point (b), of this Regulation, a clear explanation as referred to in Article 15(1), point (c), of this Regulation, a narrative explanation as referred to in Article 15(1), point (d), of this Regulation and the information referred to in Article 15(3) of this Regulation]*

**The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.**



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

*[include note for financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 that invest in environmental economic activities that are not environmentally sustainable economic activities]*

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



**What is the minimum share of investments in transitional and enabling activities?** *[include section for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]*

0%

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?** *[include section only for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 where the financial product invests in economic activities that are not environmentally sustainable economic activities and explain why the financial product invests in sustainable investments with an environmental objective in economic activities that are not Taxonomy-aligned]*

0%

**What is the minimum share of socially sustainable investments?** *[include section only where the financial product includes sustainable investments with a social objective]*



N/A



**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

Securities within the #2 Other category may be held for various reasons. Examples of include, but are not limited to, investments in (i) securities that lack ESG data, (ii) securities without a relevant ESG Universe comparator, (iii) cash or cash equivalents, or (iv) derivatives.

Payden monitors the development of additional data sources and providers to assess if additional areas of the market have reliable and relevant data coverage. Please find more information on Payden data disclosure in the Payden ESG Data Policy. Please see “Where can I find more product specific information online?” below.

The sub-investment manager may use cash and derivatives in the management of the Fund. Cash may be used for liquidity purposes and is not intended to promote E/S Characteristics. In addition, the use of derivatives is not intended to promote an E/S Characteristic. Rather, derivatives are typically used to hedge positions from time to time. As such, cash and derivatives are not included in the portfolio market value calculation of securities aligned with environmental or social objectives.

The Fund’s minimum safeguards are the ESG Investment Exclusions and Governance Assessment outlined in the Payden ESG Investment Exclusion Policy and Payden ESG Good Governance Policy. Please see “Where can I find more product specific information online?” below.



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?** *[include section where an index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product and indicate where the methodology used for the calculation of the designated index can be found]*

No

- **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

N/A

- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

N/A

- **How does the designated index differ from a relevant broad market index?**

N/A

- **Where can the methodology used for the calculation of the designated index be found?**

N/A

*[include note for financial products where an index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product]*

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



**Where can I find more product specific information online?**

**More product-specific information can be found on the website:** *[include a hyperlink to the website referred to in Article 23 of this Regulation]*

More information can be found at [www.payden.com](http://www.payden.com).

## ADDITIONAL INFORMATION FOR INVESTORS IN SWITZERLAND

### 1. **Representative in Switzerland**

The representative in Switzerland is **REYL & CIE SA.**, 4, rue de Rhône, 1204 Geneva, Switzerland

### 2. **Paying Agent in Switzerland**

The paying agent in Switzerland is **BANQUE CANTONALE DE GENÈVE**, 17, quai de l'Ile, 1204 Geneva, Switzerland.

### 3. **Place where the relevant documents may be obtained**

The Prospectus and the key information document, the Memorandum and Articles of association as well as the annual and semi-annual reports of the Company may be obtained free of charge from the Representative.

### 4. **Publications**

4.1 Publications in respect of the Company shall be made on [www.fundinfo.com](http://www.fundinfo.com).

4.2 The issue and redemption prices or the net asset value together with a footnote stating "excluding commissions" must be published each time Shares are issued or redeemed on [www.fundinfo.com](http://www.fundinfo.com). The prices are published daily.

### 5. **Payment of retrocessions and rebates**

5.1 Retrocessions

The Company and its agents do not pay retrocessions, defined as payments and other soft commissions paid by the Company and its affiliates to eligible third parties for distribution activities in respect of fund Shares in Switzerland.

5.2 Rebates

In the case of distribution activity in Switzerland, the Company and its agents may pay, upon request, rebates directly to investors. The purpose of rebates is to reduce the fees or costs incurred by the investor in question. Rebates are permitted provided that:

- they are paid from fees received from the Company and therefore do not represent an additional charge on the fund assets,
- they are granted on the basis of objective criteria, and
- all investors who meet these objective criteria and demand rebates are also granted these within the same timeframe and to the same extent.

The objective criteria for the granting of rebates by the Company are as follows:

- the volume subscribed by the investor or the total volume they hold in the collective investment scheme or, where applicable, in the product range of the promoter ;the amount of the fees generated by the investor;
- the investment behavior shown by the investor (e.g. expected investment period);
- the investor's willingness to provide support in the launch phase of a collective investment scheme.

At the request of an investor, the Company must disclose the amounts of such rebates free of charge.

**6. Place of performance and Place of jurisdiction**

In respect of the Shares offered in Switzerland, the place of performance is at the registered office of the Swiss representative. The place of jurisdiction is the registered office of the Swiss representative or the registered office or place of residence of the investor.

Dated 1 February 2024