

# NORTH AMERICAN GROWTH FINECO AM FUND

## SUPPLEMENT DATED 10 October 2024

This Supplement contains specific information in relation to **NORTH AMERICAN GROWTH FINECO AM FUND** (the "Fund"), a sub-fund of the **FAM SERIES UCITS ICAV** (the "ICAV"), an open-ended umbrella type Irish Collective Asset-management Vehicle with variable capital and segregated liability between sub-funds, authorised by the Central Bank on 1 August 2018 pursuant to the UCITS Regulations.

**This Supplement forms part of and should be read in the context of and in conjunction with the prospectus of the ICAV dated 1 December 2022 and the Addendum thereto (together the "Prospectus").**

**The Fund's Net Asset Value may be subject to increased volatility as a consequence of its investment in equities. Accordingly, an investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

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### Investment Objective and Policies

The investment objective of the Fund is to achieve long-term capital growth.

The Fund seeks to achieve its investment objective by investing principally in equities, equity related securities including preferred stocks equity-linked instruments such as American depositary receipts and global depositary receipts, participation notes, and rights and warrants of primarily large-cap north American growth companies (companies with a market capitalization typically exceeding \$10 billion) conducting the majority of their business activities in North America across any business or market sector.

The equity securities, selected for inclusion in the Fund, are issued by those companies that in the opinion of the Manager are well-managed businesses, as demonstrated by consistent operating histories and financial performance, that have favorable long-term economic prospects as further described below.

The selection of the Fund's investments is carried out by the Manager on the basis of both bottom-up and top-down analysis. The bottom-up analysis focuses on the detailed examination of individual companies, assessing factors such as returns on capital, balance sheet flexibility, revenue growth, earnings consistency, dividend growth potential, innovation and R&D and market leadership i.e. companies with strong competitive advantages and market share. This approach includes evaluating a company's management team, competitive advantages, market position, and financial health to identify companies with strong potential for sustainable growth. The top-down analysis, on the other hand, involves analyzing macroeconomic trends, industry dynamics, and market conditions to identify sectors and themes that are poised for growth and are likely to outperform.

Over full market cycles (i.e. the time period during which the price of equities, equity-linked instruments and equity related securities rise, then fall, then rise again), the investment style is designed with the objective of capturing part of the up market cycles and may offer protection in down market cycles because the Fund's investments, acquired based on the above factors such as operating histories, financial performance, etc. are expected to retain their value relative to market performance, although there is no guarantee that it will do so.

At any time the Fund may invest up to 30% of its Net Asset Value in deposits and hold cash for ancillary purposes provided that no more than 10% of the Net Asset Value of the Fund (or up to 20%

booked on account with the Depository subject to and in accordance with Schedule II of the Prospectus) may be held by a single credit institution. No more than 10% of the Fund's Net Asset Value may be invested in units or shares of Underlying Funds within the meaning of Regulation 68(1)(e) of the UCITS Regulations and the purpose of such investment is to gain exposure to the types of investments described herein.

Other than permitted investment in unlisted securities, the Fund's investments will be limited to securities that are traded on the markets listed in Schedule I of the Prospectus.

### *Benchmark Information*

The Fund is actively managed. The Manager has selected the MSCI North American Growth 10/40 Index (the "Index"), which is used for performance comparison purposes only. The Index ticker is NU758397. The Manager does not intend to replicate the composition of such Index and may at all times exercise total freedom by investing in securities which are not included in the referenced Index, or which are present in different proportions.

### *Use of Financial Derivative instruments (FDI)*

The only type of FDIs that the Fund may use are currency forwards. The Fund will use currency forwards for the purpose of hedging currency exchange risk resulting from investments of the Fund being denominated in currencies other than the Fund's Base Currency or to mitigate the exchange rate risk between the Base Currency of the Fund and the currency designation of particular Share Classes, where relevant. The expected effect of the use of currency forwards will be to reduce inherent risks affecting the Fund's investments. For information in relation to the risks associated with the use of FDIs, please refer to the "Risk Factors" section of the Prospectus.

**Collateral Management:** All assets received by the Fund as collateral in the context of the use of FDI will comply with the criteria for the receipt of such collateral set down by the Central Bank as further detailed under the section of the Prospectus headed "Collateral Policy". In addition, the Fund may be fully collateralised in different transferable securities and money market instruments issued, owned or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong provided that the relevant securities are from at least six different issues and no single issue shall make up more than 30% of the Fund's Net Asset Value.

### *Long/Short Exposure*

The expected maximum level of long derivative positions which the Fund may hold is 100% of its Net Asset Value, measured on a gross basis using the sum of notionals of the derivatives held by the Fund. The expected maximum level of short derivative positions which the Fund may hold is 100% of its Net Asset Value, measured on a gross basis using the sum of notionals of the derivatives held by the Fund. Any long or short derivative positions taken by the Fund will be limited to the use of currency forwards, solely for the purpose of hedging foreign exchange exposure.

### *Risk Measurement – Global Exposure and Leverage*

Market risk created through the use of derivatives will be measured daily using the relative value at risk (VaR) approach. VaR is a risk measurement technique designed to estimate the potential loss in the Fund's portfolio over a set period at a certain confidence level, and is based on statistical analysis of historical price trends and volatilities. The VaR of the Fund's portfolio is calculated daily and is measured relative to the VaR of the Index, which the Manager considers is a comparable benchmark to the Fund's portfolio. In compliance with the UCITS Regulations, the relative VaR of the Fund's portfolio shall not exceed twice the VaR of the Index, as determined daily using a one-tailed confidence interval of 99%, a holding period of one month and a historical observation period

of at least 1 year. The level of gross leverage, calculated based on the sum of the absolute value of notional amounts of the derivatives used, in accordance with the requirements of the Central Bank, is expected to be 100% of the Fund's Net Asset Value. There is a possibility of higher leverage levels than this expected level. The expected level of leverage is calculated based on the sum of the absolute value of notional amounts of the derivatives used, does not take into account any netting and hedging arrangements and therefore is not a risk-adjusted method of measuring leverage.

*Securities Lending Agreements:* Securities lending is the temporary transfer of securities by a lender to a borrower, with agreement by the borrower to return equivalent securities to the lender at pre-agreed time. These agreements will only be used for efficient portfolio management to enhance overall returns to the Fund through the receipt of finance charges for the lending by the Fund of securities that it may acquire in accordance with its investment policy and are subject to the conditions and limits set out in the Central Bank UCITS Regulations. The Fund will only act as a lender under securities lending transactions and exposure to securities lending transactions is expected to be 5% of the Fund's Net Asset Value, subject to a maximum exposure of 30% of the Fund's Net Asset Value.

### **Investor Profile**

The Fund is suitable for investors who seek capital appreciation over a long-term horizon but who are prepared to accept a medium to high level of volatility from time to time. The Fund is not designed for investors who need current income.

**SFDR Classification:** Article 6 Fund

### **SFDR Disclosure**

The investments underlying the Fund do not take into account the EU criteria for environmentally sustainable economic activities. The classification of the Fund as an Article 6 Fund means that the Fund does not promote environmental or social characteristics in a way that meets the specific criteria contained in Article 8 of SFDR or have Sustainable Investment as its objective in a way that meets the specific criteria contained in Article 9 of SFDR.

When assessing the Sustainability Risk associated with the Fund's underlying investments, the Manager is attempting to understand the likelihood of the risk that the value of such underlying investments could be materially negatively impacted by an environmental, social or governance event or condition (see definition of Sustainability Risk in the main body of the Prospectus). **While the Manager integrates Sustainability Risk into the Fund's investment decision making process as described below, the output of such Sustainability Risk integration is not the determining factor, nor potentially even among the most prominent factors, considered in the investment decisions of the Manager in respect of the assets which the Fund may buy and/or hold. Accordingly, the Manager may buy and/or hold assets which may expose the Fund to high or low levels of Sustainability Risk.**

The Fund integrates Sustainability Risk into its investment decision making process using both quantitative and qualitative processes as summarised below:

- (i) Prior to acquiring investments on behalf of the Fund, the Manager uses Sustainability Risk metrics of a third party data service provider and/or Sustainability Risk metrics based on internal research, in order to assess the relevant investment against Sustainability Risk factors and to identify how vulnerable the investment is to such risks; and
- (ii) The Manager also applies its basic exclusion policy whereby potential investments are removed from the prospective investment universe on the basis that they pose a too great Sustainability Risk.

It has been determined that the Fund may have a higher prospect of being impacted by Sustainability Risk given that the Fund does not promote environmental or social characteristics nor does it have

Sustainable Investment as its investment objective To the extent that a Sustainability Risk occurs, there may be a sudden, material negative impact on the value of an investment, and hence there may be a material negative impact on the Net Asset Value of the Fund. Such negative impacts may result in an entire loss of value of an investment. The Manager acknowledges that the Fund's exposure to Sustainability Risks is changeable and shall keep the Fund's exposure to these risks under periodic review. Where the Manager considers, as a result of such a review, that the Fund's approach to the management of Sustainability Risks is to materially change, these disclosures will be updated accordingly.

It is possible that an assessment of Sustainability Risk may influence a decision by the Manager to not make an investment or to dispose of an existing investment that would otherwise be considered as attractive to invest in or retain when confining the factors considered to financial-related elements such as financial position, revenue, capital structure etc.

Please refer to the section of the Prospectus entitled "Sustainable Finance Disclosures" for further information.

**Base Currency:** US Dollar.

### Offer of Shares

The following Classes of Shares are available for subscription:

Share Class	Initial Offer Price	Initial Offer Period	Currency Denomination and Hedged Class		Sales Charge	Minimum Initial Subscription and Minimum Subsequent Subscription	Distribution Type
Class L Acc	€100	From 11 October 2024 to 10 April 2025	Euro	No	Yes / 3.0%	€1,000 / €100	Accumulating
Class A Acc	€100	From 11 October 2024 to 10 April 2025	Euro	No	No	€1,000 / €100	Accumulating
Class A1 Acc	€100	From 11 October 2024 to 10 April 2025	Euro	No	No	€100,000 / €100	Accumulating
Class I Acc	€100	From 11 October 2024 to 10 April 2025	Euro	No	No	€1,000,000 / €100	Accumulating
Class J Acc	€10,000	From 11 October 2024 to 10 April 2025	Euro	No	No	€1,000,000 / €100	Accumulating

During the initial offer period Shares are available for subscription at the initial offer price as indicated in the table above. Where the initial offer period has closed, Shares will be available at the prevailing Net Asset Value of each Class of Shares.

## **Application for Shares**

Full details on how to purchase Shares are described in the Prospectus under the section titled "Application for Shares". Investors should note the following Dealing Deadline and Valuation Point that shall apply in respect of applications for Shares of the Fund:

**"Dealing Deadline"** means 11:59am (Irish time) on the relevant Dealing Day; and

**"Valuation Point"** means 11:59pm (Irish time) on the relevant Dealing Day.

Applications for Shares may be made to the Paying Agent or the Administrator (whose details are set out in the Application Form). Applications received by the Paying Agent or the Administrator prior to the Dealing Deadline for any Dealing Day will be processed on that Dealing Day. Any applications received after the Dealing Deadline for a particular Dealing Day will be processed on the following Dealing Day, unless the Directors in their absolute discretion, in exceptional circumstances, otherwise determine to accept one or more applications received after the Dealing Deadline for processing on that Dealing Day, provided that such application(s) have been received prior to the Valuation Point for the particular Dealing Day.

## **Fees and Expenses**

Fees and expenses are payable out of the assets of the Fund and details of how Fees are accrued and paid, and details of other general management and fund charges, are set out in the Prospectus under the heading "Fees and Expenses".

### *Manager's Fee*

The Manager shall be entitled to a management fee of up to 2% per annum (plus VAT, if any) of the Net Asset Value of each Class of Shares.

### *Administrator's Fee*

Up to 0.3% per annum (plus VAT, if any) of the Net Asset Value of each Class of Shares.

### *Depositary's Fee*

Up to 0.2% per annum (plus VAT, if any) of the Net Asset Value of each Class of Shares.

### *Sales Charge*

Up to 3 % of the value of the gross subscription, except in respect of an Underlying Fund which is managed, directly or by delegation, by the Manager or by any other entity with which the Manager is linked by common management or control, or by a substantial direct or indirect holding; in which case, in order to avoid double-charging, either (i) the Underlying Fund will waive any sales charge, or (ii) any sales charge will be waived in respect of the Fund. In respect of scenario (ii) above, the principle of equal and fair treatment of the investors will at all times be met by the Fund in accordance with the Central Bank UCITS Regulations.

**If a sales charge fee is incurred, Shareholders should view their investment as medium to long-term.**

### *Establishment Costs*

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

**Risk Factors:** The attention of investors is drawn to the section headed "Risk Factors" in the

Prospectus.