

**IF YOU ARE IN DOUBT ABOUT THE CONTENTS OF THIS SUPPLEMENT YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISORS**

The Directors of the ICAV, whose names appear in the Prospectus under the section “DIRECTORY”, 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 that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

---

**SUPPLEMENT**

**CHINOOK GLOBAL CONVERTIBLE BOND FUND**

(A Fund of Ferox Investments ICAV, an open-ended umbrella ICAV with segregated liability between its Funds)

The date of this Supplement is 6 April 2021

---

**This Supplement contains specific information in relation to the Chinook Global Convertible Bond Fund (the “Fund”), a sub-fund of Ferox Investments ICAV (the “ICAV”). It forms part of and must be read in the context of and together with the Prospectus of the ICAV dated 6 April 2021.**

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

---

## INTRODUCTION

---

This Supplement comprises information relating to the Shares of the Fund to be issued in accordance with the Prospectus and this Supplement.

The general details set out in the Prospectus apply to the Fund save where otherwise stated in this Supplement. To the extent that there is any inconsistency between this Supplement and the Prospectus this Supplement shall prevail.

**Investors should read the “RISK FACTORS” section before investing in the Fund.**

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

---

## DEFINITIONS

---

**In this Supplement, the following words and phrases shall have the meaning indicated below:-**

<b>“Class F Shares”</b>	Class F USD Accumulating, Class F GBP Accumulating, Class F EUR Accumulating, Class F CHF Accumulating, Class F GBP Distributing, Class F EUR Distributing and Class F USD Distributing as more specifically described in the Schedule to this Supplement;
<b>“Dealing Day”</b>	each Business Day;
<b>“Dealing Deadline”</b>	in the case of subscription and redemptions 5:30pm (Dublin time) two Business Days prior to the relevant Dealing Day or such other times as the Directors may determine and notify to Shareholders in advance provided always that the Dealing Deadline is before the Valuation Point;
<b>“Settlement Day”</b>	within 3 Business Days after the relevant Dealing Day.

---

## THE FUND

---

### **Investment Objective**

The Fund’s investment objective is to generate capital growth, whilst seeking to preserve capital, through the management of a portfolio primarily of Convertible Securities. The Fund targets returns as good as or better than those generally available in the Convertible Securities market.

### **Investment Policies**

The Fund will invest primarily in a portfolio of global Convertible Securities, including asset swapped convertible bonds (“ASCOTs”) in any market including emerging markets.

The remainder of the Fund will be invested in securities that support the Fund’s objective as outlined below.

Debt securities (including bonds, debentures and promissory notes) may be either investment grade, sub-investment grade, or unrated and may be either fixed or floating, issued either by corporate borrowers, governments, sovereign or quasi-sovereign entities. Sub-investment grade securities are those with a credit rating of BB+ and/or lower by Standard & Poor’s, or an equivalent rating by any of the other principal rating agencies or by Moody’s. The Fund does not formally limit its level of investment in either emerging markets or sub-investment-grade debt securities, and may from time to time have substantial exposure to such markets or assets if deemed appropriate by the Investment Manager and/or an Investment Adviser in order to achieve the Fund’s investment objective.

The Fund may also from time to time invest in options on equities (listed and over the counter), equity warrants and rights, although these investments will not form a core part of the investment strategy. In general, these investments will be made where the Investment Manager and/or an Investment Adviser determines that these securities are a more efficient means of achieving the Fund’s investment objective than investing directly in the convertible bond market.

The Fund may also hold listed and unlisted equities e.g. common and preferred stock and Depositary Receipts (in any market including emerging markets), although these will not be core to the investment policy. In general, the Fund will invest directly in such equity or equity related securities listed above, where the Fund has taken delivery of stock through conversion of a bond, or where the Fund takes a short position in the equity in order to hedge itself against a long position in converted stock which has not yet become tradeable. The Fund may also invest up to 10 per cent in aggregate of its Net Asset Value in other collective investment schemes (including ETFs) having similar investment objectives and policies to the Fund.

In the context of the investment approach, the Investment Manager and Investment Advisers may use FDIs on behalf of the Fund for efficient portfolio management and/or for investment purposes. The FDIs which may be utilised by the Fund are: equity index and bond options, including ASCOTs, currency forward exchange contracts and non-deliverable forward contracts, bond futures, equity index futures, credit default swaps and total return swaps, warrants, contracts for difference and interest rate futures. FDIs may be exchange-traded or OTC.

An ASCOT is a call option where the underlying security is typically a convertible bond, and confers upon the owner the right to acquire the convertible bond at a predetermined reference price. The ASCOT structure is generally used to separate a convertible bond into its two main component parts – namely (1) a corporate bond with known cash-flows (the fixed income component) and (2) a call option to acquire the stock (the equity-option component). The bond component is typically purchased by investors seeking fixed-income cash flows. The fund will typically purchase the equity-option component (the ‘ASCOT’) as it seeks to profit from capital appreciation in the underlying stock, for a known risk (the ASCOT premium). The ASCOT premium is the difference between the reference price at purchase and the purchase price, and is the amount of cash the fund pays for the option-component. Capital appreciation can occur in one of two ways – (1) the underlying share price increases, driving up the equity-option value and as a

consequence the convertible bond price, and/or (2) via an improvement in the perceived credit quality of the bond issuer which would also drive up the convertible bond price. If the convertible bond price declines for whatever reason, losses to the Fund as owner of the ASCOT are limited to the premium value of the ASCOT, which is usually a small fraction of the price of the convertible bond itself. These investments potentially increase the Fund's return and volatility, but also provide for greater capital efficiency, and limited downside, when compared with buying the convertible bond outright.

The Fund may also retain up to 100% of its Net Asset Value in cash or cash equivalents (which shall include, but shall not be limited to, short-term fixed income securities including Money Market Instruments, pending reinvestment or for use as collateral, arising from the Fund's use of FDIs if this is considered appropriate to the investment objective.

Save to the extent permitted by the Regulations, all securities invested in will be listed or traded on the markets and exchanges listed in Schedule I of the Prospectus.

### **Investment Process**

In relation to Convertible Securities, the Investment Manager and Investment Advisers will seek to achieve the investment objective of the Fund by employing a predominantly systematic approach to analysing and investing in the Convertible Securities market. A typical portfolio position will be in a Convertible Security which has met certain eligibility criteria (such as issue size, liquidity and credit quality) and which scores well on one or more measures of attractiveness. These measures include factors such as low premium in excess of the present value of the fixed income cash-flows, low premium in excess of the convertible equity value, high sensitivity to changes in the price of the underlying equity and cheapness against the theoretical value or the convertible bond based on the actual volatility of the underlying stock.

Once bonds are deemed eligible for inclusion, they will enter or leave at pre-determined price levels, or if they cease to meet some of the eligibility criteria. The Investment Manager will conduct portfolio analysis at regular intervals.

The Investment Manager will also conduct periodic reviews of the portfolio rules to determine their on-going appropriateness to the Investment Objective in the context of the prevailing investment environment.

Investments in options on equities, equity warrants and rights will be made by the Investment Manager and/or Investment Advisers where the Investment Manager and/or an Investment Adviser determines that these securities are a more efficient and less costly means of achieving the Fund's investment objective than investing directly in the Convertible Securities market.

In relation to investment in equities or equity related securities, the Investment Manager and/or Investment Advisers will typically only hold a position in such securities where the Fund already has a related position in a Convertible Security and may use the underlying equity to hedge a risk, or may take delivery of the equity through a conversion process.

The Investment Manager and Investment Advisers generally takes long positions in a portfolio of Convertible Securities that have been identified as appropriate for meeting the Investment Objective. The Investment Manager and/or an Investment Adviser may from time to time sell short positions in securities that it has identified as overvalued provided that the aggregate value of all such short sales does not exceed 100 per cent of Net Asset Value. Such hedging may include, but is not limited to, the use of short

equity swaps to hedge out the delta exposure (a ratio which compares the change in price of the underlying asset to price of the FDI on that asset) on long Convertible Securities positions.

The Investment Manager and Investment Advisers generally seeks to hedge the foreign currency exposure of the Fund to currencies other than the Base Currency through the use of spot and forward foreign exchange contracts or other methods of reducing exposure to currency fluctuations.

However, the Investment Manager and Investment Advisers do not currently take speculative positions in currencies.

#### Reference Benchmark

The Fund is not benchmarked to any index. The Fund targets returns as good as or better than those generally available in the Convertible Securities market.

For the purposes of regularly measuring the relative performance of the Fund, the Fund will usually refer to the Refinitiv Global Focus Hedged CB Index (the "Index") as a guide to the returns generally available in the Convertible Securities market. This Index references a sub-set of the global convertible market with a common set of defined characteristics representing issues with what is termed a "balanced" profile. The Fund is actively managed and does not aim to track the Index or any other convertible index. The Fund's portfolio composition may be materially different to the commonly followed convertible bond indices including the Index. Where the Fund does hold a component of the Index, the Fund's holding may deviate significantly from the Index.

#### **Investment Advisers**

The Investment Manager may delegate any or all of its duties to one or more investment advisers and, as at the date of this Supplement, has delegated certain of its investment advisory and discretionary portfolio management duties in respect of the Fund to the Investment Advisers.

---

## **INVESTMENT IN FDI AND RISK MANAGEMENT**

---

This section should be read in conjunction with the "USE OF FINANCIAL DERIVATIVE INSTRUMENTS" and "INVESTMENT RISKS AND SPECIAL CONSIDERATIONS: FDI Risk" sections in the Prospectus.

#### **Use of FDI**

Subject to the Regulations and to the conditions and limits laid down by the Central Bank from time to time, the Fund may utilise FDI. FDIs may be employed to generate additional income and to change the exposure to credit risk by purchasing or selling protection through credit default swaps, adjusting the Fund's sensitivity to movements in interest rates through the short-term use of interest-rate related FDIs (e.g., using investments in the short term to take advantage of rapid market movements), or change its currency exposure through the use of currency related FDIs. FDI could also be employed to achieve indirect exposure to securities in which the Fund might otherwise invest in accordance with the Investment Policy section above. The underlying reference security for FDIs, which will at all times reflect the investment policies of the Fund, may be a single security, a basket of securities or an index of securities. Where the Fund invests

in FDIs that are based on financial indices, these indices will be consistent with the investment policies of the Fund and generally will not be rebalanced more frequently than monthly. It is not anticipated that such rebalancing will increase Fund costs or impact the Fund's ability to comply with its investment restrictions.

The Fund may take long positions directly through investment in Convertible Securities, bonds, equities, warrants and rights described under Investment Policy above.

The Fund may take long or short positions (synthetically through the use of FDI), on an indirect basis, through the use of the following FDI for investment, hedging or efficient portfolio management purposes: equity index and bond options, including ASCOTs, currency forward exchange contracts and non-deliverable forward contracts, bond futures, OTC credit default swaps and total return swaps, warrants, contracts for difference and interest rate futures. The Fund may also utilise repurchase agreements for efficient portfolio management purposes only.

The Fund is generally expected to have a 100% long and 10% short equity exposure.

Convertible Securities in which the Fund invests may embed FDI and embedded FDI may embed leverage. In addition, as the underlying security of an ASCOT is typically a Convertible Security, an ASCOT may therefore also embed FDI. Where leverage is embedded, it will be included in the global exposure calculations of the Fund.

The FDI which the Fund utilises may be used for hedging purposes at portfolio level including, hedging of interest and credit rate exposures, and hedging currency exposures arising from investments denominated in currencies other than the Base Currency. Currency hedging is also utilised to hedge against possible adverse fluctuations in currency exchange rates that may impact on Classes denominated in currencies other than the Base Currency.

Details of the FDIs used are set out in the Prospectus under the "USE OF FINANCIAL DERIVATIVE INSTRUMENTS" section.

The risks attached to the use of FDI by the Fund are set in the "INVESTMENT RISK AND SPECIAL CONSIDERATIONS" section of the Prospectus.

### **Risk Management**

The Investment Manager operates a risk management process on behalf of the Fund in relation to its use of FDIs, details of which are set out in the Prospectus under the "USE OF FINANCIAL DERIVATIVE INSTRUMENTS: Risk Management" section.

Based on the nature of the FDI utilised, the Fund utilises the commitment approach methodology for calculation of its global exposure. The leverage exposure of the Fund through the use of FDIs will not exceed 100% of the Fund's Net Asset Value, as measured using the commitment approach.

Information on FDIs used for the Fund will be included in the ICAV's semi-annual and annual reports and accounts. The ICAV will also provide information to Shareholders on request on the Risk Management Process employed by the Investment Manager on the Fund's behalf, including details of the quantitative limits applied and information on the risk and yield characteristics of the main categories of investments held on behalf of the Fund.

### **Base Currency**

The Base Currency of the Fund is USD.

### **Investment Restrictions and Risk Management**

The general investment restrictions as set out in the “INVESTMENT RESTRICTIONS” section of the Prospectus shall apply. The Fund will only invest in assets that are permitted under the Regulations.

### **Profile of a Typical Investor**

An investment in the Fund is suitable for investors seeking capital appreciation and that are prepared to accept a moderate level of volatility. Investors should be prepared to maintain a long-term investment in the Fund.

---

## **RISK FACTORS**

---

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks described in the “INVESTMENT RISKS AND SPECIAL CONSIDERATIONS” section of the Prospectus. These investment risks are not purported to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisers before making an application for Shares. There can be no assurance that the Fund will achieve its investment objective.

---

## **FEES AND EXPENSES**

---

**The Fund shall bear its attributable portion of the fees and operating expenses of the ICAV. The fees and operating expenses of the ICAV are set out in detail under the “FEES AND EXPENSES” section in the Prospectus.**

### **Establishment Costs**

The Fund shall bear its attributable proportion of the establishment costs of the ICAV as set out in the “FEES AND EXPENSES: Establishment Costs” section in the Prospectus.

### **Investment Management Fee**

Under the Investment Management Agreement, the ICAV will pay to the Investment Manager a maximum fee at an annual rate equal to the percentage of the average daily Net Asset Value of the relevant Class of the Fund as set out in the Schedule to this Supplement. The investment management fee shall accrue daily and be calculated and payable monthly in arrears.

The Investment Manager may from time to time at its sole discretion, use part of its investment management fee to remunerate certain financial intermediaries and may pay reimbursements or rebates to certain institutional Shareholders.

In addition, the Investment Manager shall be entitled to be reimbursed its reasonable vouched out-of-pocket expenses. Where the Investment Manager’s expenses are attributable to the ICAV as a whole, they will be borne on a pro rata basis by the Fund.

### **Investment Advisory Fee**

All fees and expenses of the Investment Advisers will be paid out of the Investment Manager's fee and not out of the assets of the Fund.

### **Depositary Fee**

The Depositary shall be entitled to receive out of the assets of the Fund an annual fee, accrued at each Valuation Point and payable monthly in arrears, which shall not exceed 0.04% per annum of the Net Asset Value of the Fund subject to a minimum annual fee of \$20,000 (plus VAT, if any) thereon.

The Depositary shall also be entitled to be repaid all of its disbursements out of the assets of the Fund, including legal fees, couriers' fees and telecommunication costs and expenses and the fees, transaction charges and expenses of any sub-custodian appointed by it which shall be at normal commercial rates together with VAT, if any, thereon.

### **Administrator Fee**

The Administrator is entitled to receive out of the assets of the Fund a fee at an annual rate which will not exceed 0.10% of the average Net Asset Value of the Fund, subject to a minimum fee of \$55,000 per annum (plus any applicable taxes). This fee accrues and is calculated on each Dealing Day and payable monthly in arrears. The Administrator is also entitled to charge to the Fund all agreed fees and transaction charges, at normal commercial rates, together with reasonable out-of-pocket expenses (plus any applicable taxes), it incurs on behalf of the Fund in the performance of its duties under the Administration Agreement, which shall be payable monthly in arrears.

---

## **SUBSCRIPTIONS**

---

### **Purchase of Shares**

Full details on how to purchase Shares are set out in the "ADMINISTRATION OF THE ICAV: Subscription Procedure" section of the Prospectus.

Details in relation to the Class Currency, investment management fee, Initial Offer Price/Classes in issue, minimum initial investment and any minimum holding and minimum subsequent subscription amount are set out in the Schedule to this Supplement. The Directors may, in their discretion, waive the minimum amounts either generally or in relation to any specific subscriptions.

The Investment Manager is authorised by the Directors to instruct the Administrator to accept subscriptions in relation to the Fund notwithstanding that the amount subscribed for may fall below the minimum initial investment and minimum holding as set out in the Schedule to this Supplement.

#### *Initial Offer Period*

The initial offer period for any Class which is not yet in issue, as set out in the Schedule to this Supplement, shall begin at 9.00 am (Dublin time) on the first Business Day after the date of this Supplement and conclude upon the earlier of: (i) the first investment by



a Shareholder in such Class; or (ii) 5:30 pm (Dublin time) on 3 August, 2018 (the “Closing Date”).

Investors may apply to subscribe for Shares during the initial offer period at the Initial Offer Price for each Class as set out in the Schedule to this Supplement.

During the initial offer period, subscriptions may be made by way of signed Application Forms, duly completed in accordance with the instructions contained in the Application Form, or by such other electronic means as the Directors and the Administrator shall approve by the Closing Date.

Subscription monies should be paid to the account specified in the Application Form so as to be received in cleared funds no later than the Settlement Day.

#### *Following the Initial Offer Period*

Following the close of the initial offer period, all applications for Shares must be received by the Dealing Deadline in the manner set out in the “ADMINISTRATION OF THE COMPANY: “Subscriptions Following the Initial Offer Period” and “Subscription Procedure” sections of the Prospectus.

---

## REDEMPTIONS

---

### **How to Redeem Shares**

Requests for redemption of Shares should be addressed to the ICAV c/o the Administrator and may be made in writing, by fax, email (or such other electronic means as the Directors and the Administrator shall agree) by way of a signed redemption request provided that the Shareholder name and account number and the address, fax number and/or email address from which the redemption request has been received corresponds to that listed as the Shareholder of record registered with the Administrator.

Shares in the Fund may be redeemed on every Dealing Day at the Net Asset Value per Share of the relevant Class. Further details are set out in the “ADMINISTRATION OF THE COMPANY: How to Redeem Shares” section of the Prospectus.

Redemption proceeds in respect of Shares will be paid by the Settlement Day save in exceptional circumstances provided that all the required documentation has been furnished to and received by the Administrator.

---

## MISCELLANEOUS

---

The Investment Manager has been appointed, pursuant to the Investment Management and Distribution Agreement, to provide a range of services to the ICAV including to act as the facilities agent for the ICAV in the United Kingdom and it has agreed to provide certain facilities at its office at 4<sup>th</sup> Floor, One Strand, London WC2N 5HR, United Kingdom in respect of the Fund.

## SCHEDULE

### Subscription and Fee Information

<b>Class</b>	<b>Investment Management Fee</b>	<b>Initial Offer Price/Classes in issue</b>	<b>Minimum Initial Investment and Minimum Holding</b>	<b>Minimum Subsequent Subscription Amount</b>	<b>Currency Hedged Class</b>
<b>Class A GBP Accumulating</b>	0.50%	£100	£500,000	£1,000	Yes
<b>Class A GBP Distributing</b>	0.50%	£100	£500,000	£1,000	Yes
<b>Class A USD Accumulating</b>	0.50%	In Issue	USD 500,000	USD1,000	No
<b>Class A USD Distributing</b>	0.50%	USD100	USD 500,000	USD1,000	No
<b>Class A EUR Accumulating</b>	0.50%	In Issue	€500,000	€1,000	Yes
<b>Class A EUR Distributing</b>	0.50%	€100	€500,000	€1,000	Yes
<b>Class A2 GBP Accumulating</b>	1.00%	£100	£10,000	£1,000	Yes
<b>Class A2 GBP Distributing</b>	1.00%	£100	£10,000	£1,000	Yes
<b>Class A2 USD Distributing</b>	1.00%	USD100	USD10,000	USD1,000	No
<b>Class A2 EUR Accumulating</b>	1.00%	€100	€10,000	€1,000	Yes
<b>Class A2 EUR Distributing</b>	1.00%	€100	€10,000	€1,000	Yes
<b>Class R GBP Accumulating</b>	0.50%	In Issue	£500,000	£1,000	Yes
<b>Class R GBP Distributing</b>	0.50%	£100	£ 500,000	£1,000	Yes
<b>Class R USD Accumulating</b>	0.50%	USD100	USD500,000	USD1,000	No
<b>Class R USD Distributing</b>	0.50%	USD100	USD 500,000	USD1,000	No
<b>Class R EUR Accumulating</b>	0.50%	€100	€500,000	€1,000	Yes

<b>Class</b>	<b>Investment Management Fee</b>	<b>Initial Offer Price/Classes in issue</b>	<b>Minimum Initial Investment and Minimum Holding</b>	<b>Minimum Subsequent Subscription Amount</b>	<b>Currency Hedged Class</b>
<b>Class R EUR Distributing</b>	0.50%	€100	€500,000	€1,000	Yes
<b>Class M GBP Accumulating</b>	N/A	£100	N/A	N/A	Yes
<b>Class M USD Accumulating</b>	N/A	In Issue	N/A	N/A	No
<b>Class M EUR Accumulating</b>	N/A	In Issue	N/A	N/A	Yes
<b>Class F USD Accumulating</b>	0.25%	USD100	N/A	N/A	No
<b>Class F EUR Accumulating</b>	0.25%	€100	N/A	N/A	Yes
<b>Class F GBP Accumulating</b>	0.25%	£100	N/A	N/A	Yes
<b>Class F CHF Accumulating</b>	0.25%	CHF100	N/A	N/A	Yes
<b>Class F GBP Distributing</b>	0.25%	£100	N/A	N/A	Yes
<b>Class F EUR Distributing</b>	0.25%	€100	N/A	N/A	Yes
<b>Class F USD Distributing</b>	0.25%	USD100	N/A	N/A	No

As of the date of this Prospectus, only the Classes in issue and the Class F Shares are available for subscription.

Investors seeking to invest in the other Shares Classes listed above should contact the Investment Manager. Upon receipt of sufficient interest in the Class, the Class may be launched.

The attention of investors in Classes for which the Investment Manager will conduct currency hedging is drawn to the section of the Prospectus entitled “USE OF FINANCIAL DERIVATIVE INSTRUMENTS: Class Currency Hedging”. In addition to the information outlined in that section of the Prospectus, investors should note that the ICAV will ensure that under-hedged positions do not fall short of 95% of the portion of the Net Asset Value of the Share Class which is to be hedged and keep any under-hedged positions under review to ensure it is not carried forward month to month

Class F Shares are suitable for all investors but will only be available until the total Net Asset Value of the Fund reaches \$200million or such other amount as the Directors may in their absolute discretion determine.