M&G EUROPEAN CORPORATE BOND FAM FUND

SUPPLEMENT DATED 28 AUGUST 2018

This Supplement contains specific information in relation to **M&G EUROPEAN CORPORATE BOND FAM FUND** (the "Fund"), a sub-fund of **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 conjunction with the Prospectus dated 1 August 2018 of FAM SERIES UCITS ICAV.

Investment Objective and Policies

The investment objective of the Fund is to maximise total returns through a combination of income and capital appreciation.

The Fund seeks to achieve this objective by investing at least 70% of its Net Asset Value in Investment Grade corporate bonds denominated in any European currency. The corporate bonds that the Fund may acquire may be fixed or floating rate instruments issued by corporates located in any part of the World and operating in any economic sector and includes bonds, commercial paper or letters of credit that are rated Investment Grade or deemed to be of at least an equivalent credit quality by the Investment Manager.

The Investment Manager believes that bond returns are driven by a combination of macroeconomic, asset, sector, geographic and stock-level factors. A dynamic investment approach is followed, allowing the Investment Manager to change the blend of duration and credit exposure. The Investment Manager, for instance, may by varying the allocation of the Fund's portfolio to Investment Grade corporate bonds, either increase or decrease the amount of credit risk within the portfolio in response to economic forecasts market movements or the Investment Manager's view, and may adjust the Fund's duration based on interest rate forecasts by buying longer or shorter maturity corporate bonds or bond futures.

The Fund is diversified by investing in a range of individual issuers, sectors and geographies. Credit rating downgrades and defaults tend to be concentrated within individual sectors or geographies, so diversification aims to limit losses if the fundamentals of any particular sector or geography deteriorate. An in-house team of credit analysts assists the Investment Manager in individual credit selection along with the monitoring of issuers held by the Fund. Credit analysis will focus on quantitative and qualitative appraisal of the credit standing of corporate issuers and the Investment Manager will use the output of this analysis to identify investment opportunities, taking into consideration macroeconomic, sector and geographic factors mentioned above. For example, the Investment Manager may select higher rated bonds if defaults are likely to rise the Investment Manager was concerned regarding an increased risk of default,, or select lower rated and higher yielding bonds, if defaults are likely to decrease.

The Fund may invest up to 30% of its Net Asset Value in high-yield fixed or floating rate corporate bonds that are rated below Investment Grade or in bonds or public debt securities that are issued or guaranteed by European governments or their agencies such as treasury bills and municipal bonds, which in each case may be denominated in any European currency. The Fund may also hold up to 20% of its Net Asset Value in contingent convertible bonds ("CoCos").

The Fund may also hold money market instruments including, but not limited to, treasury bills, certificates of deposit, commercial paper, and bankers' acceptances. Cash equivalents such as bills of exchange or cash deposits may also be acquired by the Fund.

No more than 10% of the Fund's Net Asset Value may be invested in units or shares of collective investment schemes 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 and FDIs, the Fund's investments will be limited to securities and exchange traded FDIs that are traded on the markets listed in Schedule I of the Prospectus.

Use of Financial Derivative Instruments ("FDIs") and other Instruments and Techniques

The Fund may engage in transactions in FDI primarily for the purposes of hedging or for the purposes of efficient portfolio management. The types of FDIs that the Fund may use are: futures, forwards, options, credit default swaps and interest rate swaps and the underlying assets of FDIs will be limited to those investments that the Fund may acquire in accordance with its investment policy. Transactions in FDIs will be used for the purpose of meeting the Fund's investment objective, to protect risk to capital as well as hedge against currency risk and duration.

Futures and forwards: Futures and forwards may be used to hedge against downward movements in the value of the Fund's portfolio (i.e. the Fund may enter into futures/forwards to sell investments at a fixed price thereby establishing a floor on the price at which investments may in the future be disposed), either by reference to individual bonds or markets to which the Fund may be exposed. In addition, futures may be used to manage the Fund's overall portfolio duration, including as may be determined by the Investment Manager increasing the portfolio's duration

Options: The Fund may acquire options and in particular call options may be used to gain exposure to individual bonds that the Fund may acquire in accordance with its investment policy and can provide an efficient, liquid and effective mechanism for taking a position in securities. Put options may be used to reduce exposure to bond markets or hedge against downside risk by permitting the Fund to sell investments at a fixed price and thereby protect the value of its portfolio in circumstances of a selloff and decline in market values.

Credit Default Swaps: The Fund may use credit default swaps as a substitute for purchasing corporate or government bonds or for the purposes of hedging exposure and reducing the credit risk in respect of its investments. The Fund may either buy or sell credit protection under credit default swaps. The Fund expects to use credit default swaps for long exposure to certain corporate or government bonds and may also take synthetic short positions on bonds or indices, either as a hedge against a long position or for investment purposes.

The exposure to indices, if any, will comply with the conditions and limits set down in the Central Bank's guidance entitled "UCITS Financial Indices". It is not possible to identify the specific indices that the Fund may take exposure to (which may change from time to time), however, the underlying assets of such indices will be corporate bonds that the Fund may acquire in accordance with its investment policy. The Investment Manager will not use indices that rebalance more frequently than monthly, such rebalancing is not expected to have a material effect on the costs incurred within the index. If the Investment Manager becomes aware of an index becoming insufficiently diversified under UCITS risk diversification requirements then the Investment Manager will adopt as a priority objective the remedying of that situation, taking due account of the interests of Shareholders. The indices, if any, that the Fund takes exposure to will be included in the financial statements of the ICAV and details of the indices, including details of websites where additional information can be obtained, will be available to Shareholders upon request from the Manager.

Interest Rate swaps: The Fund will use interest rate swaps to gain exposure to changes in relevant interest rates or to hedge against changes in relevant interest rates.

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 of its securities and are subject to the conditions and limits set out on the Central Bank UCITS Regulations. The Fund's 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.

Risk Measurement - Global Exposure and Leverage

Market risk created through the use of derivatives will be measured daily using the absolute 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 shall be calculated daily and shall not exceed 13% per cent of the Net Asset Value of the Fund, based on a 1 month holding period and a "one-tailed" 99 per cent confidence interval using a historical observation period of at least 1 year.

The level of exposure, calculated based on the sum of the absolute value of notionals of the derivatives used, in accordance with the requirements of the Central Bank, is expected to be 49.5 per cent of the Fund's Net Asset Value. During abnormal market conditions or at times when there is high volatility, it is possible that this level of leverage could increase. The expected level of exposure is calculated based on the sum of the absolute value of notionals of the derivatives used, does not take into account any netting and hedging arrangements and therefore is not a risk-adjusted method of measuring exposure.

Investor Profile

The Fund is suitable for investors seeking income and capital growth over the long term (i.e. 5+ years) through investment in a portfolio of mainly investment grade corporate bonds and who are willing to accept a moderate level of volatility.

Base Currency: Euro.

Investment Manager

The Manager has appointed M&G Investment Management Limited of Governors House, 5 Laurence Pountney Hill, London EC4R 0HH, United Kingdom to act as the investment manager pursuant to an investment management agreement dated 31 July 2018. The Investment Manager will provide discretionary investment management services to the Fund subject to the overall supervision of the Manager. The Investment Manager's principal business and occupation is to provide investment management services to clients.

Offer of Shares

The following Classes of Shares are available for subscription:

Share Class	**Initial Offer Price**	**Currency Denomination and Hedged Class**		**Sales Charge**	**Minimum Initial Subscription and Minimum Subsequent Subscription**	**Distribution Type**
Class L Acc	€100	Euro	No	Yes/3.25%	€1,000 / €100	Accumulating
Class L Dist	€100	Euro	No	Yes/3.25%	€1,000 / €100	Distributing
Class I Acc	€100	Euro	No	No	€1,000,000 / €100	Accumulating

All of the Share Classes above are offered during the initial offer period which shall commence on the date after this Supplement and will close on 31 December 2018.

Fees and Expenses

Fees and expenses are payable out 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 1.2% per annum (plus VAT, if any) of the Net Asset Value of each Class of Shares. The fees of the Investment Manager shall be paid out of the Manager's fees and not out of the assets of the Fund.

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 3.25% of the value of the gross subscription. **If a sales charge is incurred, Shareholders should view their investment as medium to long term.**

Risk Factors

The attention of investors is drawn to the section headed "Risk Factors" in the Prospectus.

Contingent Convertible Bond Risk

In addition, investors should note the risks of investing in contingent convertible bonds ("CoCos"). CoCos are usually issued by financial institutions and convert to equity when a predetermined trigger is met, such as when the issuer's capital or balance sheet falls in value. The existence of these trigger events creates a different type of risk from traditional bonds and can result in a partial or total loss of value or alternatively they may be converted into shares of the issuing company which may also have suffered a loss in value. Investing in CoCos carry the following (non-exhaustive) list of risks:

- Trigger level risk: Each instrument has its own characteristics and trigger levels differ and determine exposure to a conversion risk depending on the common equity tier 1 (CET1) (which is highest quality capital layer) distance to the trigger level. The trigger could be activated either through a material loss in capital as represented in the numerator or an increase in risk weighted assets as measured in the denominator.

- Coupon cancellation risk: Coupon payments on certain types of CoCo are entirely discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time.

- Capital structure inversion risk: CoCo investors may suffer a loss of capital when equity holders do not. In certain scenarios, holders of CoCos will suffer losses ahead of equity holders, e.g., when a high trigger principal write-down CoCo is activated.

- Call extension risk: As CoCos can be issued as perpetual instruments investors may not be able to recover their capital on the optional reimbursement dates provided for in the terms of issue.

- Unknown risk: CoCos are relatively new instruments and their behaviour during a period of stress and testing of conversion levels may be highly unpredictable. In a stressed environment, when the underlying features of these instruments will be put to the test, it is uncertain how they will perform.

- Valuation risk: CoCos' often provide attractive yield which may be viewed as a complexity premium. Relative to more highly rated debt issues of the same issuer or similarly rated debt issues of other issuers, CoCos tend to compare favourably from a yield standpoint. The risk is whether investors fully consider the risk of conversion or coupon cancellation.