

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29

## Telomere repeats induce domains of H3K27 methylation in Neurospora

Kirsty Jamieson<sup>1,3</sup>, Kevin J. McNaught<sup>1,3</sup>, Tereza Ormsby<sup>1</sup>, Neena A. Leggett<sup>1</sup>,  
Shinji Honda<sup>2</sup> and Eric U. Selker<sup>1\*</sup>

<sup>1</sup>Institute of Molecular Biology, University of Oregon, Eugene, OR, USA 97403-1229

<sup>2</sup>Faculty of Medical Sciences, University of Fukui, Fukui, 910-1193 Japan

<sup>3</sup>These authors contributed equally to this work

\*Corresponding author. Email: selker@uoregon.edu

**Keywords:** facultative heterochromatin/H3K27/telomere repeats/chromosome  
rearrangements/Polycomb/PRC2/telomerase/position effect

30 **ABSTRACT**

31 Development in higher organisms requires selective gene silencing, directed in part by di-/tri-  
32 methylation of lysine 27 on histone H3 (H3K27me2/3). Knowledge of the cues that control  
33 formation of such repressive Polycomb domains is extremely limited. We exploited natural and  
34 engineered chromosomal rearrangements in the fungus *Neurospora crassa* to elucidate the  
35 control of H3K27me2/3. Analyses of H3K27me2/3 in strains bearing chromosomal  
36 rearrangements revealed both position-dependent and position-independent facultative  
37 heterochromatin. We found that proximity to chromosome ends is necessary to maintain, and  
38 sufficient to induce, transcriptionally repressive, subtelomeric H3K27me2/3. We ascertained  
39 that such telomere-proximal facultative heterochromatin requires native telomere repeats and  
40 found that a short array of ectopic telomere repeats, (TTAGGG)<sub>17</sub>, can induce a large domain  
41 (~225 kb) of H3K27me2/3. This provides an example of a *cis*-acting sequence that directs H3K27  
42 methylation. Our findings provide new insight into the relationship between genome  
43 organization and control of heterochromatin formation.

44

45

46

47

48

49

50

51

## 52 INTRODUCTION

53 Methylation of lysine 27 on histone H3 (H3K27me) has emerged as an important repressive  
54 mark of the Polycomb group (PcG) system, which is critical for development in higher  
55 organisms. PcG proteins were initially discovered in *Drosophila melanogaster* as repressors of  
56 homeotic (*HOX*) genes during early embryogenesis (Lewis 1978) and play integral roles in the  
57 maintenance of cellular identity and differentiation in a variety of eukaryotes. Moreover,  
58 dysfunction of the PcG system commonly leads to disease, including cancer (Piunti and  
59 Shilatifard 2016; Conway et al. 2015). Biochemical work demonstrated that PcG proteins form  
60 two distinct histone-modifying complexes known as Polycomb Repressive Complex 1 and 2  
61 (PRC1 and PRC2) (Müller et al. 2002; Wang et al. 2004). PRC1 mono-ubiquitinates lysine 119 on  
62 histone H2A (H2AK119ub1) with its E3-ubiquitin ligase subunit, Ring1, while PRC2 catalyzes  
63 mono-, di-, and trimethylation of histone H3 lysine 27 (H3K27me<sub>1/2/3</sub>) by its SET-domain  
64 component, EZH2 (Müller et al. 2002; Wang et al. 2004). PRC2, but not PRC1, is widely  
65 conserved in eukaryotes, including the filamentous fungus *Neurospora crassa*, but is absent in  
66 some simple eukaryotes such as the well-studied yeasts *Saccharomyces cerevisiae* and  
67 *Schizosaccharomyces pombe* (Jamieson et al. 2013). H3K27me<sub>2/3</sub> covers approximately 7% of  
68 the *N. crassa* genome, including about 1000 fully-covered genes, all of which are  
69 transcriptionally quiescent (Jamieson et al. 2013; Galazka et al. 2016). The greater than 200  
70 H3K27me<sub>2/3</sub> domains, which range from 0.5-107 kb, are widely distributed throughout the  
71 genome but are enriched at subtelomeric regions (Jamieson et al. 2013), as also reported for  
72 other fungi (Schotanus et al. 2015; Dumesic et al. 2015; Studt et al. 2016; Connolly et al. 2013).

73 In *D. melanogaster*, DNA regulatory regions known as Polycomb Response Elements  
74 (PREs) recruit PcG proteins to specific chromatin targets to maintain transcriptional silencing  
75 (Steffen and Ringrose 2014). In vertebrates and other organisms, however, the mechanism by  
76 which PcG proteins are directed to particular loci is elusive (Bauer et al. 2015). We show that  
77 the control of H3K27 methylation is fundamentally different from that of epigenetic marks in  
78 constitutive heterochromatin. Not only is the genomic distribution of H3K27 methylation much  
79 more plastic than that of H3K9 methylation (Jamieson et al. 2016; Mathieu et al. 2005; Deleris  
80 et al. 2012; Lindroth et al. 2008; Reddington et al. 2013; Hagarman et al. 2013; Wu et al. 2010),

81 but also, unlike DNA methylation and methylation of histone H3K9, which are faithfully  
82 methylated *de novo* when introduced at arbitrary ectopic genomic sites (Miao et al. 1994;  
83 Selker et al. 1987), we show that H3K27 methylation is often position-dependent. We further  
84 demonstrate that telomere repeats underpin the observed position effect on H3K27me by  
85 showing that loss of telomerase abolishes subtelomeric H3K27me<sub>2/3</sub> and that artificial  
86 introduction of telomere repeats at an interstitial site triggers deposition of H3K27me<sub>2/3</sub>. That  
87 is, telomere repeats themselves are both necessary for subtelomeric H3K27me<sub>2/3</sub> and  
88 sufficient to trigger ectopic H3K27 methylation at internal chromosomal sites.

89

## 90 RESULTS

### 91 Analyses of classical chromosome rearrangements suggest that proximity to a chromosome 92 end is key to subtelomeric H3K27 methylation

93 To search for *cis*-acting sequences that trigger facultative heterochromatin formation in *N.*  
94 *crassa*, perhaps analogous to PREs in *D. melanogaster*, we dissected a 47 kb H3K27me<sub>2/3</sub>  
95 domain on linkage group (LG) VII. A series of eight, partially overlapping, three kb fragments  
96 from this domain were separately targeted to both the *his-3* and the *csr-1* euchromatic loci in a  
97 strain in which we had deleted the endogenous H3K27me<sub>2/3</sub> domain (Figure S1A).  
98 H3K27me<sub>2/3</sub> chromatin immunoprecipitation (ChIP) followed by qPCR demonstrated the  
99 absence of *de novo* H3K27me<sub>2/3</sub> within all eight segments when transplanted to either *his-3* or  
100 *csr-1* (Figures S1B and C).

101 To address the possibility that the failure to induce H3K27me<sub>2/3</sub> in the transplantation  
102 experiments was simply due to the size of the test fragments, we utilized strains with large  
103 chromosomal rearrangements (Perkins 1997). We first examined translocations that involved  
104 the H3K27me<sub>2/3</sub> domain on LG VII that we had dissected, starting with UK3-41, an insertional  
105 translocation strain that has an approximately 1.88 Mb segment of LG VR inserted into a distal  
106 position on LG VII (Figure 1A). The translocation shifted most of LG VII to a more interior  
107 chromosomal position. Interestingly, H3K27me<sub>2/3</sub> ChIP-seq of UK3-41 showed an absence of  
108 H3K27me<sub>2/3</sub> in the region that was displaced from the chromosome end (lost H3K27me<sub>2/3</sub>;  
109 indicated in orange in Figure 1A). This result is consistent with our finding that transplantation

110 of segments from this region did not induce methylation at *his-3* or *csr-1* and suggests that the  
111 normal methylation of this subtelomeric domain is position-dependent.

112 These results raised the question of whether H3K27me<sub>2/3</sub> in this domain absolutely  
113 depends on its normal location, or whether the methylation would occur if the region were  
114 moved near another chromosome end. To address this possibility, we utilized OY350, a  
115 quasiterminal translocation that transfers a distal segment of LG VII to the end of LG IR (Figure  
116 1B). Analysis of OY350 by H3K27me<sub>2/3</sub> ChIP-seq showed that the translocated LG VII domain  
117 preserved its normal H3K27me<sub>2/3</sub> distribution when placed adjacent to the adoptive telomere.  
118 This finding supported the hypothesis that H3K27me<sub>2/3</sub> in this domain depends on its  
119 proximity to the chromosome end and suggested that this requirement is non-specific; the  
120 different chromosome end apparently substituted for the native one. A similar situation was  
121 observed on LG VIR in OY320 (Figure 1F).

122 The results described above suggested that proximity to a chromosome end may be  
123 sufficient to induce H3K27me. Interestingly, in addition to consistent losses of previously  
124 subtelomeric H3K27me<sub>2/3</sub> in the examined genomic rearrangements, we identified new  
125 H3K27me<sub>2/3</sub> domains at novel subtelomeric regions. Striking examples of *de novo*  
126 H3K27me<sub>2/3</sub> were independently observed in seven genome rearrangements at their new  
127 chromosome ends (Figures 1B-E and S4A-C; marked in green). These novel domains of  
128 H3K27me<sub>2/3</sub> extended an average of approximately 180 kb into the new subtelomeric regions.  
129 The only apparent exception concerns translocation UK2-32 (Figure S4A), which involved the  
130 left end of LG V with approximately one Mb of tandemly repeated rDNA that is not shown in  
131 the *N. crassa* genome assembly. Altogether, our survey of chromosomal translocations strongly  
132 suggests that chromosome ends promote the deposition of H3K27me on neighboring  
133 chromatin.

134

### 135 **Identification of position-independent H3K27-methylated domains**

136 While domains of H3K27me<sub>2/3</sub> are enriched near the ends of chromosomes in *N. crassa*,  
137 substantial domains are also found elsewhere. To examine the possibility of position-  
138 independent H3K27me<sub>2/3</sub> residing within LG VIR, we examined the distribution of H3K27me<sub>2/3</sub>

139 in two translocations that effectively moved LG VIR to the middle of a chromosome. ALS159 is a  
140 reciprocal translocation that shifted wild-type LG VIR approximately 4.5 Mb away from the new  
141 telomere (Figure 1C). Although the shifted segment lost the H3K27me<sub>2/3</sub> that was previously  
142 closest to the chromosome end, the more internal H3K27me<sub>2/3</sub> was unaffected by the  
143 translocation (Figure 1C). Similarly, when LG VIR was inserted in the middle of LG III in OY329  
144 (Figure 1D), most of the H3K27me<sub>2/3</sub> on LG VIR was retained. Again, the H3K27me<sub>2/3</sub> that was  
145 originally closest to the telomere was lost, however, consistent with the idea that subtelomeric  
146 H3K27me<sub>2/3</sub> domains depend on their proximity to the chromosome ends.

147 To determine if the retention of H3K27me<sub>2/3</sub> from LG VIR was unique, we examined the  
148 position-dependence of two other H3K27me<sub>2/3</sub> domains. In translocation NM149,  
149 approximately 600 kb of LG IIL was translocated onto the end of LG VR, effectively shifting the  
150 native right arm of LG V about 600 kb away from the chromosome end (Figure 1E). Like the  
151 behavior of LG VIR in ALS159 and OY329, losses of H3K27me<sub>2/3</sub> occurred in the most distal  
152 section of LG VR, but most H3K27me<sub>2/3</sub> was retained, even when moved away from the  
153 chromosome end. In addition, a large H3K27me<sub>2/3</sub> domain on LG IIR was shifted  
154 approximately 450 kb away from the chromosome end in OY320, yet it did not incur losses  
155 (Figure 1F). Taken together, these findings demonstrate that some H3K27me<sub>2/3</sub> domains can  
156 be maintained when translocated to internal chromosomal sites, *i.e.* some H3K27me domains  
157 appear to be position-independent.

158

### 159 ***Cis-trans* test on H3K27 methylation in a segmental duplication strain reveals position effect**

160 The observation that some chromosomal segments that are normally marked with  
161 H3K27me<sub>2/3</sub> lose the mark when translocated to another genomic location suggested that  
162 H3K27me<sub>2/3</sub> can be position-dependent. It remained formally possible, however, that the loss  
163 of H3K27me<sub>2/3</sub> was an indirect effect of the translocation, perhaps due to an altered  
164 transcriptional program. To examine the possibility that one or more *trans*-acting factors could  
165 be responsible for the loss of H3K27me<sub>2/3</sub> in OY329, we crossed this strain, which is in an Oak  
166 Ridge (OR) background, to a highly polymorphic wild-type strain, Mauriceville (MV), to obtain  
167 progeny with a segmental duplication, *i.e.* with the OR translocated LG VIR domain inserted into

168 LG II in a strain that also contained the corresponding region on the native LG VI of MV (Figure  
169 2A). The high density of single nucleotide polymorphisms (SNPs) in the MV background allowed  
170 us to separately map the H3K27me2/3 distribution in the translocated (OR) segment and the  
171 wild-type (MV) segment (Pomraning et al. 2011). SNP-parsed H3K27me2/3 ChIP-seq showed  
172 that the duplicated chromosomal segments have distinct H3K27me2/3 profiles (Figure 2B). The  
173 previously subtelomeric H3K27me2/3 that was lost in OY329 did not return in the duplication  
174 strain, nor was the loss in this region recapitulated on the native LG VIR of MV. The  
175 independent behavior of these homologous segments suggests that the loss of H3K27me2/3 in  
176 OY329 was not a result of *trans*-acting factors, but rather was a result of the translocation itself,  
177 *i.e.* it is a *bona fide* position effect.

178

### 179 **Altered gene expression in regions with changed H3K27me2/3**

180 Considering that H3K27me2/3 normally marks transcriptionally quiescent chromatin in *N.*  
181 *crassa* (Jamieson et al. 2013), it was of obvious interest to ascertain whether ectopic  
182 H3K27me2/3 resulting from chromosomal translocations could cause gene silencing. To  
183 determine if the loss or gain of H3K27me2/3 in the translocation strains activated or repressed  
184 gene expression, respectively, we performed poly-A mRNA sequencing on wild-type and seven  
185 translocation strains (ALS159, AR16, OY329, OY337, OY350, UK2-32, and UK3-41). Figures 3A  
186 and B show gene expression and associated H3K27me2/3 levels in the wild-type and  
187 translocation OY350 strains at representative regions where former subtelomeres were moved  
188 and new ones created. The gain of H3K27me2/3 on LG VII in OY350, due to formation of a  
189 novel subtelomere, coincided with reduced transcript levels relative to wild-type (Figure 3A).  
190 Conversely, the loss of H3K27me2/3 on LG IR in OY350, due to shifting the subtelomeric region,  
191 was associated with an increase in transcript abundance compared to wild-type (Figure 3B).  
192 Results of qPCR analyses of select genes confirmed these findings (Figure S3). Indeed, a  
193 comprehensive analysis of poly-A mRNA-seq data from all seven translocation strains showed  
194 increases in gene expression at previously subtelomeric regions that lost H3K27me2/3 and  
195 decreases in gene expression at novel subtelomeres that gained H3K27me2/3 (Figure 3C).

196 These findings demonstrate that chromosomal rearrangements can cause marked changes in  
197 both H3K27me2/3 and gene expression of the affected regions.

198

### 199 **Loss of telomerase abolishes subtelomeric H3K27me2/3**

200 Our analyses of translocation strains demonstrated that domains of H3K27me2/3 can be  
201 position-dependent and suggested that a feature of chromosome ends directly or indirectly  
202 recruits H3K27me2/3 to subtelomeric regions. To investigate the basis of this, we utilized a  
203 mutant lacking the single telomerase reverse transcriptase (*tert*) that is responsible for all  
204 (TTAGGG)<sub>n</sub> telomere repeats normally found on all *N. crassa* chromosome ends (Wu et al.  
205 2009). Southern analysis of the *tert* strain using a (TTAGGG)<sub>n</sub> probe revealed major reductions  
206 in the hybridization signals and showed that the majority of telomere fragments present in  
207 wild-type were either undetectable or greatly reduced in the mutant (Figure 4A). In *S. pombe*,  
208 the majority of *trt1*<sup>-</sup> (yeast homologue of *N. crassa tert*) survivors have circularized their  
209 chromosomes (Nakamura et al. 1998). To determine if *N. crassa tert* survivors also have circular  
210 chromosomes, we designed outwardly directed PCR primers to amplify sequences near the  
211 ends of each chromosome and tested whether fragments were generated by fusions of the  
212 right and left chromosome ends. Indeed, the *tert* genomic DNA, but not control DNA from a  
213 wild-type strain, supported amplification using the divergent primer pairs, confirming intra-  
214 chromosomal fusions (Figure 4B).

215 We performed H3K27me2/3 ChIP-seq to determine whether the subtelomeric domains  
216 of H3K27me2/3 were retained or lost in the *tert* strain and found clear evidence of loss of  
217 H3K27 methylation from chromosome ends (Figure 4C). With the exception of LG V, which is  
218 unique in that one of its ends is capped with approximately 150 copies of the approximately 9  
219 kb rDNA repeat (Butler and Metzzenberg 1990), all chromosomes lost their subtelomeric  
220 H3K27me2/3 domains, which typically extend tens of thousands of bp from their ends. Internal  
221 H3K27me2/3 domains were not noticeably altered (Figures 4C and S5). Sequencing of *tert* input  
222 DNA from the ChIP showed no reduction in coverage near the chromosome ends, confirming  
223 that the losses of H3K27me2/3 ChIP signal observed in *tert* are not caused by chromosome



224 degradation. We conclude that either (TTAGGG)<sub>n</sub> telomere repeats or linear chromosome ends  
225 are required for position-dependent domains of H3K27me<sub>2/3</sub> in *N. crassa*.

226

### 227 **Internal telomere repeats are sufficient to induce *de novo* H3K27me<sub>2/3</sub>**

228 To determine if the presence of telomere repeats is sufficient to trigger the deposition of  
229 H3K27 methylation, telomere repeats, oriented in either direction, were targeted to the *csr-1*  
230 locus. Due to the repetitive nature of these sequences and our cloning strategy, strains  
231 containing a variable number of (TTAGGG) repeats could be obtained through homologous  
232 recombination. Sequencing of inserted DNA in eight independent transformants revealed that  
233 the number of inserted telomere repeats ranged from 5 to 17. Native *N. crassa* telomeres have  
234 an average of 20 repeats (Wu et al. 2009). H3K27me<sub>2/3</sub> ChIP-qPCR demonstrated that ectopic  
235 telomere repeats are sufficient to induce local H3K27me<sub>2/3</sub> (Figure 5A). Even insertion of  
236 (TTAGGG)<sub>8</sub> triggered some methylation and insertion of (TTAGGG)<sub>17</sub> led to a high level of  
237 H3K27me<sub>2/3</sub>. ChIP-seq on the (TTAGGG)<sub>17</sub> strain revealed new peaks as far as 170 kb from the  
238 insertion site and the semi-continuous H3K27me<sub>2/3</sub> domain spanned approximately 225 kb  
239 including 30 genes (Figure 5B). This is comparable to the size of subtelomeric H3K27me<sub>2/3</sub>  
240 domains that were lost in the *tert* strain.

241

### 242 **DISCUSSION**

243 The proper distribution of the facultative heterochromatin mark, H3K27me<sub>2/3</sub>, deposited by  
244 PRC2, is necessary for appropriate gene expression in a variety of plants, animals and fungi  
245 (Wiles and Selker 2016). Unfortunately, the control of H3K27 methylation remains largely  
246 unknown. In *D. melanogaster*, DNA elements known as PREs are important to define domains  
247 of H3K27me and associated silencing, but even in this organism, PREs are neither sufficient in  
248 all genomic contexts, nor fully penetrant (Cunningham et al. 2010; Horard et al. 2000). In  
249 addition, it was recently found that deletion of a well-studied PRE in *D. melanogaster* did not  
250 significantly affect either gene silencing or H3K27 methylation at its native locus (De et al.  
251 2016). The control of H3K27 methylation is less defined in mammals, in which only a few

252 candidate PRE-like elements have been identified (Basu et al. 2014; Sing et al. 2009; Woo et al.  
253 2010).

254 We took advantage of a relatively simple eukaryote bearing H3K27me, the filamentous  
255 fungus *N. crassa*, to explore the control of this chromatin mark. Conveniently, H3K27me is non-  
256 essential in this organism, in spite of being responsible for silencing scores of genes (Klocko et  
257 al. 2016; Jamieson et al. 2013). Unlike the situation with constitutive heterochromatin in *N.*  
258 *crassa* (Miao et al. 1994; Selker et al. 1987), we demonstrated that not all facultative  
259 heterochromatin is entirely controlled by underlying sequence elements; transplanted gene-  
260 sized segments of a H3K27me domain do not, in general, become faithfully H3K27-methylated.  
261 However, translocations of large chromosomal segments revealed two distinct classes of  
262 transcriptionally repressive H3K27me domains, position-dependent and position-independent.  
263 Mechanistic insights from subsequent experiments defined these classes as telomere repeat-  
264 dependent and telomere repeat-independent H3K27me. The identification of telomere repeats  
265 as potent signals for H3K27 methylation represents a major advance in our understanding of  
266 facultative heterochromatin formation in eukaryotes.

267 Our study took advantage of a collection of spontaneous and UV-induced chromosome  
268 rearrangement strains of *N. crassa* that were primarily collected and characterized by David  
269 Perkins (Perkins 1997). We surveyed representative rearrangement strains in which  
270 chromosomal regions containing domains of H3K27me were translocated to novel genomic  
271 positions. Strikingly, ChIP-seq revealed multiple cases in which subtelomeric H3K27me<sub>2/3</sub>  
272 domains completely lost this modification when moved to an interior chromosomal location.  
273 Indeed, no exceptions to this rule were found. Generation and analysis of a segmental  
274 duplication strain containing differentially marked translocated and normal segments  
275 confirmed that the changed distribution of H3K27me<sub>2/3</sub> was a *bona fide* position effect rather  
276 than an effect of a *trans*-acting factor (Figure 2). Moreover, new subtelomeric regions gained  
277 H3K27me<sub>2/3</sub> over sequences that were previously devoid of this mark (Figure 1). We conclude  
278 that proximity to a chromosome end, *per se*, somehow induces deposition of H3K27me<sub>2/3</sub> in  
279 domains that can span hundreds of kilobases. Analyses of polyA+ mRNA from the strains  
280 revealed losses of gene expression associated with the new H3K27me<sub>2/3</sub> and gains in gene

281 expression in regions that lost this mark; *i.e.* the changes in H3K27me<sub>2/3</sub> were reflected in  
282 underlying gene expression levels (Figure 3).

283         Although gene silencing near chromosome ends, sometimes dubbed “telomere position  
284 effect” (TPE) has been observed in fungi (Kyrion et al. 1993; Nimmo et al. 1994; Castaño et al.  
285 2004; Smith et al. 2008; Shaaban et al. 2010), *D. melanogaster* (Doheny et al. 2008), *Mus*  
286 *musculus* (Pedram et al. 2006), and human cells (Baur et al. 2001), previous studies did not  
287 implicate H3K27me. Interestingly, the extent of heterochromatin spreading from telomeres in  
288 *N. crassa* is substantially greater than previously reported. This could be due to the conspicuous  
289 absence of canonical subtelomere sequences in *N. crassa* (Wu et al. 2009; Mefford and Trask  
290 2002; Arnoult et al. 2012; Pryde and Louis 1999). Not all organisms that exhibit TPE have H3K27  
291 methylation machinery, but in *D. melanogaster*, which does, systematic analysis of PcG mutants  
292 demonstrated they do not disrupt telomere silencing (Doheny et al. 2008). In human cells, TPE  
293 is thought to be mediated by histone deacetylation, H3K9 methylation, and heterochromatin  
294 protein HP1 $\alpha$  (Tennen et al. 2011; Arnoult et al. 2012). Although the phenomenon of TPE has  
295 been studied for decades, our findings may reflect the first documented case of H3K27me-  
296 mediated TPE.

297         The ability of chromosome ends to induce large domains of H3K27me<sub>2/3</sub> in  
298 chromosomal translocation strains motivated us to investigate the role of telomere sequences  
299 in the establishment of facultative heterochromatin. We found that deletion of *tert*, the sole  
300 telomerase reverse transcriptase gene, results in a dramatic loss of H3K27me<sub>2/3</sub> at  
301 subtelomeres, concomitant with loss of (TTAGGG)<sub>n</sub> repeats and chromosome circularization  
302 (Figure 4). To directly test the possibility that telomere repeats can trigger domains of  
303 H3K27me<sub>2/3</sub>, we inserted an array of telomere repeats at an interstitial site and used ChIP to  
304 check induction of H3K27me<sub>2/3</sub>. We found that, indeed, even a 48 bp array, (TTAGGG)<sub>8</sub>, could  
305 induce some local H3K27me<sub>2/3</sub>. Remarkably, a 102 bp array, (TTAGGG)<sub>17</sub>, induced an  
306 H3K27me<sub>2/3</sub> domain that covered approximately 225 kb, including 30 genes (Figure 5). These  
307 results strongly suggest that wild-type subtelomeric H3K27me<sub>2/3</sub> is dependent on telomere  
308 repeats. The recruitment of PRC2 to telomere repeats may be a widespread phenomenon,  
309 considering that enrichment of H3K27 methylation at telomeres has been observed in fungi

310 (Jamieson et al. 2013; Schotanus et al. 2015; Dumesic et al. 2015; Studt et al. 2016), plants  
311 (Baker et al. 2015; Vaquero-Sedas et al. 2012) and animals (Wirth et al. 2009). Indirect  
312 recruitment of PRC2 by telobox-binding transcription factors (Xiao et al. 2017) and direct  
313 binding of PRC2 to G-quadruplex RNA resulting from transcription of telomere repeats (Wang et  
314 al. 2017) represent possible molecular mechanisms.

315 In addition to telomere repeats capping the ends of chromosomes, telomere repeat-like  
316 elements are scattered interstitially in the genomes of many organisms (Ruiz-Herrera et al.  
317 2008). In *N. crassa*, interstitial telomere sequences are rare, limited to less than four tandem  
318 repeats, and are not preferentially associated with H3K27me<sub>2/3</sub> regions. While *S. cerevisiae*  
319 and *S. pombe* lack PRC2 components and H3K27me, their internal telomere repeat-like  
320 elements can promote heterochromatin formation (Zofall et al. 2016; Duan et al. 2016). The  
321 genome of *Nicotiana tabacum* also has heterochromatic internal telomere repeats, but they  
322 lack the H3K27 methylation present at genuine telomeres (Majerová et al. 2014). Curiously,  
323 insertion of about 130 telomere repeats in Chinese ovary cells failed to significantly alter local  
324 transcription (Kilburn et al. 2001). It should be interesting to study the effects of terminal and  
325 interstitial telomere repeats on heterochromatin formation in a variety of organisms.

326 We inferred the existence of position-independent H3K27 methylation from our  
327 observation that some H3K27me<sub>2/3</sub> domains were unaffected when moved to ectopic  
328 chromosomal locations (*e.g.* see domains on LG IIR in OY320, LG VR in NM149, and LG VIR in  
329 ALS159 and OY329; Figure 1). The recapitulation of normal H3K27me<sub>2/3</sub> profiles at ectopic  
330 chromosomal sites is consistent with the possibility that these chromosomal regions contain  
331 *cis*-acting signals that trigger the deposition of H3K27 methylation, perhaps comparable to PREs  
332 in *D. melanogaster*. It will be of interest to define the presumptive elements responsible for  
333 such position-independent H3K27me. While there is no consensus sequence for PREs in *D.*  
334 *melanogaster*, they are composed of unique combinations of binding sites for a variety of  
335 factors (Judith A Kassis 2013). One DNA-binding factor known to affect PcG silencing in *D.*  
336 *melanogaster*, GRH, has an obvious homolog in *N. crassa* and could be a candidate for helping  
337 establish or maintain position-independent domains of H3K27me<sub>2/3</sub> *via* sequence-specific  
338 interactions (Blastyák et al. 2006; Nevil et al. 2017; Paré et al. 2012). It remains possible that

339 deposition of H3K27 methylation at position-independent domains is not directed by sequence-  
340 specific elements. In this context, it is worth noting that inhibition of transcription, caused by  
341 either exposure to RNA polymerase II inhibitors (Riising et al. 2014) or deletion of a  
342 transcriptional start site (Hosogane et al. 2016) was found to promote the deposition of  
343 H3K27me in mammalian cells. Conceivably, the position-independent domains of H3K27me<sub>2/3</sub>  
344 in *N. crassa* could be directed by blocs of inherently low-expressing genes or by some other  
345 feature of the region, such as its location in the nucleus, which may be controlled by yet  
346 undefined factors. The fact that only about 10% of H3K27me<sub>2/3</sub>-marked genes are upregulated  
347 when the sole H3K27 methyltransferase is removed supports the notion that transcriptional  
348 shut-off may precede PRC2 recruitment (Klocko et al. 2016; Jamieson et al. 2013). Still, low  
349 transcriptional activity cannot entirely explain the targeting of PRC2 in *N. crassa* since many  
350 low-expressed genes are not H3K27 methylated.

351         Genome rearrangements are a common occurrence in malignant cells and can drive  
352 tumorigenesis through the creation of gene fusions, enhancer hijacking and oncogene  
353 amplification (Hnisz et al. 2016). Our findings suggest that genome rearrangements associated  
354 with cancer may additionally impact gene expression through effects on facultative  
355 heterochromatin. Indeed, there are already some reports of human diseases being driven by  
356 position effects (Surace et al. 2014; Guilherme et al. 2016). A great deal of research has focused  
357 on how characteristics of local chromatin influence translocation breakpoint frequencies  
358 (Hogenbirk et al. 2016), but the effects of the resulting translocations on chromatin state are  
359 still ill-defined. Altogether, our work shows that changes in genome organization can have  
360 sweeping effects on both the distribution of an epigenetic mark and gene expression. Thus,  
361 chromosome rearrangements may have unappreciated roles in evolution and cancer etiology.

362

363

364

365

366

367

368

369

## 370 **MATERIALS AND METHODS**

### 371 **Strains, media and growth conditions**

372 *N. crassa* strains are listed in Table S1 and were grown and maintained according to standard  
373 procedures (Davis 2000). All genome rearrangement strains are available through the Fungal  
374 Genetics Stock Center ([www.fgsc.net](http://www.fgsc.net)).

375

### 376 **Deleting and targeting segments of LG VII**

377 A strain containing a 47.4 kb deletion of LG VII (N4933) was constructed by homologous  
378 recombination using primers listed in Table S2 (Colot et al. 2006). For *his-3* constructs,  
379 segments from LG VII were PCR-amplified from wild-type (N3752) genomic DNA with primers  
380 containing restriction enzyme sites (Table S2) and directly cloned into pCR (Life Technologies TA  
381 Cloning Kit), subcloned into the *his-3*-targeting vector pBM61 (Table S3) and transformed into  
382 *N. crassa* strain N5739 (Margolin et al. 1997). For *csr-1* replacements, segments from LG VII  
383 were PCR-amplified from wild-type (N3752) genomic DNA with primers containing homology to  
384 the 5' and 3' flanks of the *csr-1* locus (Table S2). Amplified segments were subsequently  
385 assembled by PCR ("PCR-stitched") to the 5' and 3' flanks of the *csr-1* locus respectively.  
386 Stitched PCR products were co-transformed into *N. crassa* strain N2931 and transformants  
387 were selected on cyclosporin A-containing medium (Bardiya and Shiu 2007).

388

### 389 **Knocking-out *tert***

390 The *nat1* gene with the *trpC* promoter was amplified by PCR using the pAL12-Lifeact as the  
391 template with primers 3902 and 1369. The 5' and 3' flanking fragments of the *tert* gene were  
392 amplified by PCR with primers 3406-3409, which have specific 29-bp overhang sequence with  
393 the 5' and 3' *nat1* gene with the *trpC* promoter. The three PCR products were gel-purified,  
394 combined and PCR-stitched with primers 3406 and 3409 to construct the knockout cassette.  
395 The cassette was gel-purified and transformed into a  $\Delta$ *mus-51* strain (N2929) by  
396 electroporation and resulting strains were crossed with a *mus-51*<sup>+</sup> strain (N3752) to recover  
397 progeny with the wild-type allele of *mus-51*.

398

### 399 **Targeting telomere repeats to *csr-1***

400 Concatamers of telomere repeats were amplified in a polymerase chain reaction lacking  
401 template as previously described (Wu et al. 2009). Resulting PCR products of ~500 bp were gel-  
402 purified and cloned into the pCR4-TOPO TA vector (Life Technologies TOPO TA Cloning kit for  
403 Sequencing). Telomere repeats from the cloning vector were PCR-stitched separately to 5' and  
404 3' flanks of the *csr-1* locus. Stitched PCR products were co-transformed into strain N5739 and  
405 transformants were selected on cyclosporin A-containing medium (Bardiya and Shiu 2007).

406

### 407 **ChIP and preparation of libraries**

408 ChIP was performed as previously described (Jamieson et al. 2016). An anti-H3K27me2/3  
409 antibody (Active Motif, 39535) was used for all experiments. ChIPs for Figures 1 and 3, and  
410 Figures S1-3 were performed in biological triplicate. Real-time qPCR was performed as  
411 previously described (Jamieson et al. 2013). ChIP-seq libraries were also prepared as previously  
412 described (Jamieson et al. 2016), except N51, N6089, N6228 and N6383 libraries were  
413 subjected to eight cycles of amplification. Sequencing was performed using the Illumina  
414 NextSeq 500 using paired-end 100 nucleotide reads for input chromatin and some ChIP  
415 experiments. The remainder of the ChIP experiments were sequenced using the Illumina HiSeq  
416 2000 using single-end 100 nucleotide reads or the NextSeq500 using single-end 75 nucleotide  
417 reads. All sequences were mapped to the corrected *N. crassa* OR74A (NC12) genome (Galazka  
418 et al. 2016) using Bowtie2 (Langmead and Salzberg 2012). ChIP-seq read coverage was  
419 averaged over 100 bp sliding (50 bp increment) windows with BEDTools (Quinlan and Hall 2010)  
420 and normalized to wild-type by library size. ChIP-seq data were visualized with Gviz (Hahne and  
421 Ivanek 2016). Normalized H3K27me2/3 ChIP-seq data was displayed using a 350 or 500 bp  
422 sliding widow unless otherwise specified.

423

### 424 **RNA isolation and preparation of libraries**

425 RNA isolation and poly(A)-RNA enrichment, RNA-seq library preparation, and subsequent  
426 differential expression analysis were performed with replicate samples as previously described  
427 (Klocko et al. 2016). RNA-seq data were visualized with Gviz(Hahne and Ivanek 2016).



428

### 429 **Translocation breakpoint analyses**

430 Incongruous-paired and split-read alignments for input DNA samples were found using bwa-  
431 mem. The discordant and split-read alignments were analyzed with LUMPY v0.2.9 to determine  
432 the location of chromosomal breakpoints (Layer et al. 2014). A list of predicted breakpoints  
433 with a minimum call weight of five was generated and calls with an evidence set score <0.05.  
434 The chromosomal breakpoints were compared to mapping data determined by recombination  
435 mapping (Perkins 1997), RFLP coverage and inverse PCR (<http://hdl.handle.net/10603/68>) to  
436 remove calls that were not associated with the translocation of interest. PCR analyses of  
437 genome rearrangements ALS159, NM149, OY329 and UK3-41 were consistent with predicted  
438 breakpoint patterns.

439

### 440 **Southern analysis**

441 Southern hybridization analyses were performed as previously described (Miao et al. 2000).  
442 *N. crassa* telomere restriction fragments were examined as described previously with a  
443 HindIII/NotI double digest (Wu et al. 2009). Primers used to make probe are listed in Table S2.

444

### 445 **SNP Mapping**

446 ChIP-seq data for the duplication strain was converted into fasta format, trimmed to 70 nt, and  
447 filtered for 70 nt long reads using FASTX-Toolkit ([http://hannonlab.cshl.edu/fastx\\_toolkit](http://hannonlab.cshl.edu/fastx_toolkit)).  
448 Processed data was SNP-parsed with Hashmatch (Filichkin et al. 2010) using the Mauriceville-  
449 Oakridge SNPome (fasta file listing both versions of each SNP) (Pomraning et al. 2011). The  
450 SNPome file was modified to align with read lengths of 70 nt. Reads with perfect alignment to  
451 either genome were kept and allocated into two files according to SNP mapping. Each file was  
452 then converted back into fastq format using SeqTK 1.0 (<https://github.com/lh3/seqtk>) and  
453 remapped with Bowtie2 to the genome corresponding with its SNP alignment. H3K27me2/3  
454 profiles were displayed in IGV (Thorvaldsdottir et al. 2013) to examine the individual  
455 H3K27me2/3 profiles for wild-type and rearranged chromosome segments.

456

457 **Data availability**

458 All CHIP-seq and RNA-seq data, as well as whole genome sequence data, will be available from  
459 the NCBI Gene Expression Omnibus (GEO) database (accessions:                    ).  
460

461 **ACKNOWLEDGMENTS**

462 We thank Heejeung Yoo for genotyping *csr-1* targeting strains. This study was supported by a  
463 National Institutes of Health grant (GM093061) to EUS and a grant to S.H. from the Japanese  
464 Program to Disseminate Tenure Tracking System, Ministry of Education, Culture, Sports, Science  
465 and Technology.

466

467 **COMPETING INTERESTS**

468 The authors declare no financial or non-financial competing interests.

469

## 470 REFERENCES

- 471 Arnoult N, Van Beneden A, Decottignies A. 2012. Telomere length regulates TERRA levels  
472 through increased trimethylation of telomeric H3K9 and HP1 $\alpha$ . *Nature Structural &*  
473 *Molecular Biology* **19**: 948–956.
- 474 Baker K, Dhillon T, Colas I, Cook N, Milne I, Milne L, Bayer M, Flavell AJ. 2015. Chromatin state  
475 analysis of the barley epigenome reveals a higher-order structure defined by H3K27me1  
476 and H3K27me3 abundance. *Plant J* **84**: 111–124.
- 477 Bardiya N, Shiu PKT. 2007. Cyclosporin A-resistance based gene placement system for  
478 *Neurospora crassa*. *Fungal Genet Biol* **44**: 307–314.
- 479 Basu A, Dasari V, Mishra RK, Khosla S. 2014. The CpG island encompassing the promoter and  
480 first exon of human DNMT3L gene is a PcG/TrX response element (PRE). ed. R. Feil. *PLoS*  
481 *ONE* **9**: e93561.
- 482 Bauer M, Trupke J, Ringrose L. 2015. The quest for mammalian Polycomb response elements:  
483 are we there yet? *Chromosoma* **125**: 1–26.
- 484 Baur JA, Zou Y, Shay JW, Wright WE. 2001. Telomere position effect in human cells. *Science* **292**:  
485 2075–2077.
- 486 Blastyák A, Mishra RK, Karch F, Gyurkovics H. 2006. Efficient and specific targeting of Polycomb  
487 group proteins requires cooperative interaction between Grainyhead and Pleiohomeotic.  
488 *Molecular and cellular biology* **26**: 1434–1444.
- 489 Butler DK, Metzzenberg RL. 1990. Expansion and contraction of the nucleolus organizer region of  
490 *Neurospora*: changes originate in both proximal and distal segments. *Genetics* **126**: 325–  
491 333.
- 492 Castaño I, Pan S-J, Zupancic M, Hennequin C, Dujon B, Cormack BP. 2004. Telomere length  
493 control and transcriptional regulation of subtelomeric adhesins in *Candida glabrata*. *Mol*  
494 *Microbiol* **55**: 1246–1258.
- 495 Colot HV, Park G, Turner GE, Ringelberg C, Crew CM, Litvinkova L, Weiss RL, Borkovich KA,  
496 Dunlap JC. 2006. A high-throughput gene knockout procedure for *Neurospora* reveals  
497 functions for multiple transcription factors. *PNAS* **103**: 10352–10357.
- 498 Connolly LR, Smith KM, Freitag M. 2013. The *Fusarium graminearum* histone H3 K27  
499 methyltransferase KMT6 regulates development and expression of secondary metabolite  
500 gene clusters. ed. H.D. Madhani. *PLOS Genet* **9**: e1003916.
- 501 Conway E, Healy E, Bracken AP. 2015. PRC2 mediated H3K27 methylations in cellular identity  
502 and cancer. *Curr Opin Cell Biol* **37**: 42–48.

- 503 Cunningham MD, Brown JL, Kassis JA. 2010. Characterization of the Polycomb Group Response  
504 Elements of the *Drosophila melanogaster* inverted Locus. *Molecular and cellular biology* **30**:  
505 820–828.
- 506 Davis RH. 2000. *Neurospora: contributions of a model organism*. Oxford University Press.
- 507 De S, Mitra A, Cheng Y, Pfeifer K, Kassis JA. 2016. Formation of a Polycomb-domain in the  
508 absence of strong Polycomb response elements. *PLoS Genet* **12**: e1006200.
- 509 Deleris A, Stroud H, Bernatavichute Y, Johnson E, Klein G, Schubert D, Jacobsen SE. 2012. Loss of  
510 the DNA methyltransferase MET1 Induces H3K9 hypermethylation at PcG target genes and  
511 redistribution of H3K27 trimethylation to transposons in *Arabidopsis thaliana*. ed. A.C.  
512 Ferguson-Smith. *PLoS Genet* **8**: e1003062.
- 513 Doheny JG, Mottus R, Grigliatti TA. 2008. Telomeric position effect--a third silencing mechanism  
514 in eukaryotes. *PLoS ONE* **3**: e3864.
- 515 Duan Y-M, Zhou BO, Peng J, Tong X-J, Zhang Q-D, Zhou J-Q. 2016. Molecular dynamics of de  
516 novo telomere heterochromatin formation in budding yeast. *J Genet Genomics* **43**: 451–  
517 465.
- 518 Dumesic PA, Homer CM, Moresco JJ, Pack LR, Shanle EK, Coyle SM, Strahl BD, Fujimori DG,  
519 Yates JR III, Madhani HD. 2015. Product Binding Enforces the Genomic Specificity of a Yeast  
520 Polycomb Repressive Complex. *Cell* **160**: 204–218.
- 521 Filichkin SA, Priest HD, Givan SA, Shen R, Bryant DW, Fox SE, Wong WK, Mockler TC. 2010.  
522 Genome-wide mapping of alternative splicing in *Arabidopsis thaliana*. *Genome Res* **20**: 45–  
523 58.
- 524 Galazka JM, Klocko AD, Uesaka M, Honda S, Selker EU, Freitag M. 2016. *Neurospora*  
525 chromosomes are organized by blocks of importin alpha-dependent heterochromatin that  
526 are largely independent of H3K9me3. *Genome Res* **26**: 1069–1080.
- 527 Guilherme RS, Moysés-Oliveira M, Dantas AG, Meloni VA, Colovati ME, Kulikowski LD,  
528 Melaragno MI. 2016. Position effect modifying gene expression in a patient with ring  
529 chromosome 14. *J Appl Genet* **57**: 183–187.
- 530 Hagarman JA, Motley MP, Kristjansdottir K, Soloway PD. 2013. Coordinate regulation of DNA  
531 methylation and H3K27me3 in mouse embryonic stem cells. ed. J.G. Knott. *PLoS ONE* **8**:  
532 e53880.
- 533 Hahne F, Ivanek R. 2016. Visualizing genomic data using Gviz and Bioconductor. *Methods Mol*  
534 *Biol* **1418**: 335–351.
- 535 Hnisz D, Weintraub AS, Day DS, Valton A-L, Bak RO, Li CH, Goldmann J, Lajoie BR, Fan ZP, Sigova  
536 AA, et al. 2016. Activation of proto-oncogenes by disruption of chromosome

- 537 neighborhoods. *Science* **351**: 1454–1458.
- 538 Hogenbirk MA, Heideman MR, de Rink I, Velds A, Kerkhoven RM, Wessels LFA, Jacobs H. 2016.  
539 Defining chromosomal translocation risks in cancer. *Proc Natl Acad Sci USA* **113**: E3649–56.
- 540 Horard B, Tatout C, Poux S. 2000. Structure of a polycomb response element and in vitro  
541 binding of polycomb group complexes containing GAGA factor. *Molecular and cellular ...*
- 542 Hosogane M, Funayama R, Shirota M, Nakayama K. 2016. Lack of Transcription Triggers  
543 H3K27me3 Accumulation in the Gene Body. *Cell Rep* **16**: 696–706.
- 544 Jamieson K, Rountree MR, Lewis ZA, Stajich JE, Selker EU. 2013. Regional control of histone H3  
545 lysine 27 methylation in *Neurospora*. *Proc Natl Acad Sci USA* **110**: 6027–6032.
- 546 Jamieson K, Wiles ET, McNaught KJ, Sidoli S, Leggett N, Shao Y, Garcia BA, Selker EU. 2016. Loss  
547 of HP1 causes depletion of H3K27me3 from facultative heterochromatin and gain of  
548 H3K27me2 at constitutive heterochromatin. *Genome Res* **26**: 97–107.
- 549 Judith A Kassis JLB. 2013. Polycomb Group Response Elements in *Drosophila* and Vertebrates.  
550 *Advances in genetics* **81**: 83–118.
- 551 Kilburn AE, Shea MJ, Sargent RG, Wilson JH. 2001. Insertion of a telomere repeat sequence into  
552 a mammalian gene causes chromosome instability. *Molecular and cellular biology* **21**: 126–  
553 135.
- 554 Klocko AD, Ormsby T, Galazka JM, Leggett NA, Uesaka M, Honda S, Freitag M, Selker EU. 2016.  
555 Normal chromosome conformation depends on subtelomeric facultative heterochromatin  
556 in *Neurospora crassa*. *Proc Natl Acad Sci USA* **113**: 15048–15053.
- 557 Kyrion G, Liu K, Liu C, Lustig AJ. 1993. RAP1 and telomere structure regulate telomere position  
558 effects in *Saccharomyces cerevisiae*. *Genes & development* **7**: 1146–1159.
- 559 Langmead B, Salzberg SL. 2012. Fast gapped-read alignment with Bowtie 2. *Nat Methods* **9**:  
560 357–359.
- 561 Layer RM, Chiang C, Quinlan AR, Hall IM. 2014. LUMPY: a probabilistic framework for structural  
562 variant discovery. *Genome Biol* **15**: 1–19.
- 563 Lewis EB. 1978. A gene complex controlling segmentation in *Drosophila*. *Nature* **276**: 565–570.
- 564 Lindroth AM, Park YJ, McLean CM, Dokshin GA, Persson JM, Herman H, Pasini D, Miró X,  
565 Donohoe ME, Lee JT, et al. 2008. Antagonism between DNA and H3K27 methylation at the  
566 imprinted *Rasgrf1* locus. ed. B. Van Steensel. *PLOS Genet* **4**: e1000145.
- 567 Majerová E, Mandáková T, Vu GTH, Fajkus J, Lysak MA, Fojtová M. 2014. Chromatin features of  
568 plant telomeric sequences at terminal vs. internal positions. *Front Plant Sci* **5**: 593.

- 569 Margolin BS, Freitag M, Selker EU. 1997. Improved plasmids for gene targeting at the *his-3* locus  
570 of *Neurospora crassa* by electroporation. *Fungal Genetics Reports* 34–36.
- 571 Mathieu O, Probst AV, Paszkowski J. 2005. Distinct regulation of histone H3 methylation at  
572 lysines 27 and 9 by CpG methylation in *Arabidopsis*. *The EMBO Journal* 24: 2783–2791.
- 573 Mefford HC, Trask BJ. 2002. The complex structure and dynamic evolution of human  
574 subtelomeres. *Nature Reviews Genetics* 3: 91–102.
- 575 Miao VP, Singer MJ, Rountree MR, Selker EU. 1994. A targeted-replacement system for  
576 identification of signals for *de novo* methylation in *Neurospora crassa*. *Molecular and*  
577 *cellular biology* 14: 7059–7067.
- 578 Miao VPW, Freitag M, Selker EU. 2000. Short TpA-rich segments of the  $\zeta$ - $\eta$  region induce DNA  
579 methylation in *Neurospora crassa*. *Journal of molecular biology* 300: 249–273.
- 580 Müller J, Hart CM, Francis NJ, Vargas ML, Sengupta A, Wild B, Miller EL, O'Connor MB, Kingston  
581 RE, Simon JA. 2002. Histone methyltransferase activity of a *Drosophila* Polycomb group  
582 repressor complex. *Cell* 111: 197–208.
- 583 Nakamura TM, Cooper JP, Cech TR. 1998. Two modes of survival of fission yeast without  
584 telomerase. *Science*.
- 585 Nevil M, Bondra ER, Schulz KN, Kaplan T, Harrison MM. 2017. Stable binding of the conserved  
586 transcription factor grainy head to its target genes throughout *Drosophila melanogaster*  
587 development. *Genetics* 205: 605–620.
- 588 Nimmo ER, Cranston G, Allshire RC. 1994. Telomere-associated chromosome breakage in fission  
589 yeast results in variegated expression of adjacent genes. *The EMBO Journal* 13: 3801–3811.
- 590 Paré A, Kim M, Juarez MT, Brody S, McGinnis W. 2012. The functions of grainy head-like  
591 proteins in animals and fungi and the evolution of apical extracellular barriers. *PLoS ONE* 7:  
592 e36254.
- 593 Pedram M, Sprung CN, Gao Q, Lo AWI, Reynolds GE, Murnane JP. 2006. Telomere position  
594 effect and silencing of transgenes near telomeres in the mouse. *Molecular and cellular*  
595 *biology* 26: 1865–1878.
- 596 Perkins DD. 1997. Chromosome rearrangements in *Neurospora* and other filamentous fungi.  
597 *Adv Genet* 36: 239–398.
- 598 Piunti A, Shilatifard A. 2016. Epigenetic balance of gene expression by Polycomb and COMPASS  
599 families. *Science* 352: aad9780 1–15.
- 600 Pomraning KR, Smith KM, Freitag M. 2011. Bulk segregant analysis followed by high-throughput  
601 sequencing reveals the *Neurospora* cell cycle gene, *ndc-1*, to be allelic with the gene for

- 602 ornithine decarboxylase, *spe-1*. *Eukaryotic Cell* **10**: 724–733.
- 603 Pryde FE, Louis EJ. 1999. Limitations of silencing at native yeast telomeres. *The EMBO Journal*  
604 **18**: 2538–2550.
- 605 Quinlan AR, Hall IM. 2010. BEDTools: a flexible suite of utilities for comparing genomic features.  
606 *Bioinformatics* **26**: 841–842.
- 607 Reddington JP, Perricone SM, Nestor CE, Reichmann J, Youngson NA, Suzuki M, Reinhardt D,  
608 Dunican DS, Prendergast JG, Mjoseng H, et al. 2013. Redistribution of H3K27me3 upon DNA  
609 hypomethylation results in de-repression of Polycomb target genes. *Genome Biol* **14**: R25.
- 610 Riising EM, Comet I, Leblanc B, Wu X, Johansen JV, Helin K. 2014. Gene silencing triggers  
611 polycomb repressive complex 2 recruitment to CpG islands genome wide. *Molecular cell* **55**:  
612 347–360.
- 613 Ruiz-Herrera A, Nergadze SG, Santagostino M, Giulotto E. 2008. Telomeric repeats far from the  
614 ends: mechanisms of origin and role in evolution. *Cytogenetic and Genome Research* **122**:  
615 219–228.
- 616 Schotanus K, Soyer JL, Connolly LR, Grandaubert J, Happel P, Smith KM, Freitag M, Stukenbrock  
617 EH. 2015. Histone modifications rather than the novel regional centromeres of  
618 *Zymoseptoria tritici* distinguish core and accessory chromosomes. *Epigenetics & Chromatin*  
619 **8**: 1.
- 620 Selker EU, Jensen BC, Richardson GA. 1987. A portable signal causing faithful DNA methylation  
621 *de novo* in *Neurospora crassa*. *Science* **238**: 48–53.
- 622 Shaaban M, Palmer JM, El-Naggar WA, El-Sokkary MA, Habib E-SE, Keller NP. 2010. Involvement  
623 of transposon-like elements in penicillin gene cluster regulation. *Fungal Genetics and*  
624 *Biology* **47**: 423–432.
- 625 Sing A, Pannell D, Karaiskakis A, Sturgeon K, Djabali M, Ellis J, Lipshitz HD, Cordes SP. 2009. A  
626 vertebrate Polycomb response element governs segmentation of the posterior hindbrain.  
627 *Cell* **138**: 885–897.
- 628 Smith KM, Kothe GO, Matsen CB, Khlafallah TK, Adhvaryu KK, Hemphill M, Freitag M, Motamedi  
629 MR, Selker EU. 2008. The fungus *Neurospora crassa* displays telomeric silencing mediated  
630 by multiple sirtuins and by methylation of histone H3 lysine 9. *Epigenetics & Chromatin* **1**: 5.
- 631 Steffen PA, Ringrose L. 2014. What are memories made of? How Polycomb and Trithorax  
632 proteins mediate epigenetic memory. *Nat Rev Mol Cell Biol* **15**: 340–356.
- 633 Studt L, Rösler SM, Burkhardt I, Arndt B, Freitag M, Humpf H-U, Dickschat JS, Tudzynski B. 2016.  
634 Knock-down of the methyltransferase Kmt6 relieves H3K27me3 and results in induction of  
635 cryptic and otherwise silent secondary metabolite gene clusters in *Fusarium fujikuroi*.



- 636 *Environ Microbiol* **18**: 4037–4054.
- 637 Surace C, Berardinelli F, Masotti A, Roberti MC, Da Sacco L, D'Elia G, Sirleto P, Digilio MC,  
638 Cusmai R, Grotta S, et al. 2014. Telomere shortening and telomere position effect in mild  
639 ring 17 syndrome. *Epigenetics & Chromatin* **7**: 1.
- 640 Tennen RI, Bua DJ, Wright WE, Chua KF. 2011. SIRT6 is required for maintenance of telomere  
641 position effect in human cells. *Nat Commun* **2**: 433.
- 642 Thorvaldsdottir H, Robinson JT, Mesirov JP. 2013. Integrative Genomics Viewer (IGV): high-  
643 performance genomics data visualization and exploration. *Brief Bioinformatics* **14**: 178–192.
- 644 Vaquero-Sedas MI, Luo C, Vega-Palas MA. 2012. Analysis of the epigenetic status of telomeres  
645 by using CHIP-seq data. *Nucleic Acids Res* **40**: e163–e163.
- 646 Wang H, Wang L, Erdjument-Bromage H, Vidal M, Tempst P, Jones RS, Zhang Y. 2004. Role of  
647 histone H2A ubiquitination in Polycomb silencing. *Nature* **431**: 873–878.
- 648 Wang X, Goodrich KJ, Gooding AR, Naeem H, Archer S, Paucek RD, Youmans DT, Cech TR,  
649 Davidovich C. 2017. Targeting of Polycomb Repressive Complex 2 to RNA by short repeats  
650 of consecutive guanines. *Molecular cell* **65**: 1056–1067.
- 651 Wiles ET, Selker EU. 2016. H3K27 methylation: a promiscuous repressive chromatin mark. *Curr  
652 Opin Genet Dev* **43**: 31–37.
- 653 Wirth M, Paap F, Fischle W, Wenzel D, Agafonov DE, Samatov TR, Wisniewski JR, Jedrusik-Bode  
654 M. 2009. HIS-24 linker histone and SIR-2.1 deacetylase induce H3K27me3 in the  
655 *Caenorhabditis elegans* germ line. *Molecular and cellular biology* **29**: 3700–3709.
- 656 Woo CJ, Kharchenko PV, Daheron L, Park PJ, Kingston RE. 2010. A region of the human HOXD  
657 cluster that confers polycomb-group responsiveness. *Cell* **140**: 99–110.
- 658 Wu C, Kim Y-S, Smith KM, Li W, Hood HM, Staben C, Selker EU, Sachs MS, Farman ML. 2009.  
659 Characterization of chromosome ends in the filamentous fungus *Neurospora crassa*.  
660 *Genetics* **181**: 1129–1145.
- 661 Wu H, Coskun V, Tao J, Xie W, Ge W, Yoshikawa K, Li E, Zhang Y, Sun YE. 2010. Dnmt3a-  
662 dependent nonpromoter DNA methylation facilitates transcription of neurogenic genes.  
663 *Science* **329**: 444–448.
- 664 Xiao J, Jin R, Yu X, Shen M, Wagner JD, Pai A, Song C, Zhuang M, Klasfeld S, He C, et al. 2017. Cis  
665 and trans determinants of epigenetic silencing by Polycomb repressive complex 2 in  
666 *Arabidopsis*. *Nature Genetics* **81**: 83.
- 667 Zofall M, Smith DR, Mizuguchi T, Dhakshnamoorthy J, Grewal SIS. 2016. Taz1-Shelterin  
668 promotes facultative heterochromatin assembly at chromosome-internal sites containing



669 late replication origins. *Molecular cell* **62**: 862–874.

670

671

## 672 **FIGURE LEGENDS**

673

### 674 **Figure 1. Chromosomal rearrangements are associated with altered H3K27me2/3. (A-F)**

675 Schematics show the movement (magenta curved arrows) of translocated segments and the

676 resulting chromosomal rearrangements for six translocation strains. ChIPs were done on

677 biological triplicates and pooled for sequencing. Blue and dashed lines distinguish source of

678 chromosome while arrowheads indicate directionality of rearranged segments. H3K27me2/3

679 ChIP-seq tracks of WT and translocation strains are displayed above chromosome diagrams

680 with zoom-in sections in boxes. H3K27me2/3 signals that were lost in translocation strains are

681 shown in orange, H3K27me2/3 signals gained are indicated in green and invariant H3K27me2/3

682 signals are shown in black. Circles indicate centromeres. Gains and losses of H3K27me2/3 were

683 confirmed by qPCR (Figure S2).

684

### 685 **Figure 2. A segmental duplication confirms H3K27me2/3 position effect. (A)** Diagram of a

686 cross between the OY329 (Oak Ridge) insertional translocation strain and a polymorphic wild-

687 type strain (Mauriceville), resulting in a strain bearing a duplicated chromosomal segment

688 (outlined by rectangles). H3K27me2/3 ChIP-seq tracks (single experiment) and chromosomes

689 are shown in black for the Oak Ridge strain and blue for Mauriceville. Solid and dashed lines

690 indicate chromosome source. (B) Expanded view of the duplicated chromosome segment in

691 parental strains and duplication-containing offspring along with associated SNP-parsed

692 H3K27me2/3 profiles.

693

### 694 **Figure 3. Altered gene expression reflects changes in H3K27me2/3. (A)** Reduced gene

695 expression in novel subtelomeric region (LG VII) that gains H3K27me2/3 in translocation

696 OY350. The top panel displays H3K27me2/3 ChIP-seq reads of OY350 (green) normalized to the

697 corresponding the non-translocated segment in WT (black). The bottom panel shows

698 normalized mRNA-seq read counts (counts/1000) for genes (gray arrows) in the region for WT  
699 (black) and OY350 (green). ChIP-seq data are from pooled biological triplicates; RNA-seq data  
700 are from biological duplicates (B) Shifting a normally subtelomeric region to an internal position  
701 in translocation OY350 results in loss of H3K27me2/3 on LG IR and increased gene expression.  
702 The top panel displays H3K27me2/3 ChIP-seq reads of OY350 (orange) normalized to WT  
703 (black). The bottom panel shows normalized mRNA-seq read counts (counts/1000) for genes  
704 (gray arrows) in the region for WT (black) and OY350 (orange). (C) A box plot summarizes the  
705 relationship between gain (green) or loss (orange) of H3K27me2/3 in seven chromosomal  
706 translocation strains (ALS159, AR16, OY329, OY337, OY350, UK2-32, and UK3-41) and  
707 associated gene expression changes ( $\log_2[\text{translocation}/\text{WT}]$ ) within the corresponding  
708 domains. The control (gray) represents gene expression in regions that do not exhibit changes  
709 in H3K27me2/3.

710

711 **Figure 4. Loss of *tert* disrupts chromosome ends and abolishes subtelomeric H3K27me2/3.** (A)

712 Southern hybridization of genomic DNA from WT and *tert* strains digested with *HindIII/NotI*  
713 reveals loss of chromosome ends marked with the telomere repeats (TTAGGG)<sub>n</sub>, which was  
714 used as the probe. The ethidium bromide (EtBr) image demonstrates equal loading of WT and  
715 *tert* genomic DNA. (B) Circularization of chromosomes was demonstrated by generation of PCR  
716 products with outwardly directed primers near chromosome ends in a *tert* strain, but not a WT  
717 strain. (C) H3K27me2/3 ChIP-seq of *tert* (single sample; blue track) compared to WT (pooled  
718 biological triplicates; black track). Sequence coverage of the *tert* ChIP input (gray track) is also  
719 shown.

720

721 **Figure 5. Telomere repeats targeted to the *csr-1* locus induce an approximately 225 kb**

722 **H3K27me2/3 domain.** (A) qPCR analyses (biological triplicates) of H3K27me2/3 ChIP with  
723 strains containing 8 or 17 telomere repeats at the *csr-1* locus, with WT strain as a control  
724 (means displayed; error bars show standard deviation; asterisks represent  $p < 0.05$  and  $p < 0.01$   
725 respectively). Level of H3K27me2/3 normalized to Telomere 1L. (B) H3K27me2/3 ChIP-seq of  
726 full WT LG I (pooled biological triplicates; black track). Black circle indicates the centromere, *csr-*

727 1 position is indicated by vertical line, and arrows at chromosome ends indicate 5' to 3' polarity  
728 of telomere repeats. Expansion below shows the extent and shape of the H3K27me2/3 domain  
729 induced in the  $\Delta csr-1::(TTAGGG)_{17}$  strain (single sample; green track) compared to WT (black  
730 track). Site of *csr-1* replacement with telomere repeats indicated below ChIP-seq tracks. Genes  
731 are displayed as black bars.

732

733 **Figure S1. Three kilobase segments from a natural H3K27me2/3 domain are insufficient to**  
734 **trigger *de novo* H3K27me2/3 at ectopic loci.** (A) Distribution of H3K27me2/3 (black), genes  
735 (gray) and H3K9me3 (blue, inverted) are displayed for the left subtelomere of LG VI (Jamieson  
736 et al. 2013). The red bar indicates the region deleted for the transplantation experiments. The  
737 eight three kb segments (expanded below the black bar) were targeted to the *his-3* and *csr-1*  
738 loci. Green vertical bars represent the locations of qPCR primer pairs used in H3K27me2/3 ChIP  
739 experiments. H3K27me2/3 ChIP-qPCR indicates the absence of ectopic H3K27me2/3 in strains  
740 containing regions 1-8, each separately targeted to (B) *his-3* and (C) *csr-1*. Each ChIP experiment  
741 was performed in biological triplicate; qPCR analyses were performed on each sample in  
742 technical triplicate. Bars represent means of biological triplicates and error bars show standard  
743 deviation. Primers are listed in Table S2.

744

745 **Figure S2. qPCR validation of H3K27me2/3 ChIP-seq data from translocation strains.** The gains  
746 and losses of H3K27me2/3 in ChIP-seq experiments were confirmed by ChIP-qPCR at  
747 representative regions for UK3-41 (A), OY350 (B), ALS159 (C), OY329 (D), NM149 (E), OY337 (F),  
748 UK2-32 (G), and AR16 (H). Each ChIP experiment was performed in biological triplicate; qPCR  
749 analyses were performed on each sample in technical triplicate. Bars represent means of  
750 biological triplicates and error bars show standard deviation. Primers are listed in Table S2.

751

752 **Figure S3. qPCR validation of RNA-seq expression changes in translocation OY350.** The effects  
753 of gain of H3K27me2/3 (A) and loss of H3K27me2/3 (B,C) on associated gene expression levels  
754 were verified by qPCR. Gene expression levels were normalized to housekeeping gene,  
755 NCU02840. qPCR analyses were performed on each sample in technical triplicate. Bars

756 represent means of biological triplicates and error bars show standard deviation. Primers are  
757 listed in Table S2.

758

759 **Figure S4. H3K27me2/3 profiles of additional strains containing chromosomal**

760 **rearrangements.** Chromosome rearrangements and H3K27me2/3 ChIP-seq (pooled biological  
761 triplicates) profiles are shown for translocations UK2-32 (A), AR16 (B) and OY337 (C). Magenta  
762 curved arrows illustrate the movement of chromosomal segments in the translocations. Blue  
763 and dashed lines distinguish chromosome sources while arrows indicate the directionality of  
764 translocated segments. Light gray lines highlight regions of uncertainty with respect to the  
765 locations of breakpoints based on available genetic evidence (see Methods). Solid red line  
766 indicates chromosome deletions. H3K27me2/3 ChIP-seq tracks of WT and translocation strains  
767 are displayed above chromosome diagrams. H3K27me2/3 that was lost in a translocation strain  
768 is highlighted in orange in the corresponding WT track while new H3K27me2/3 is indicated in  
769 green. Conserved H3K27me2/3 is shown in black. Circles indicate centromeres. Dark gray bars  
770 indicate 500 kb.

771

772 **Figure S5. Whole genome view of H3K27me2/3 ChIP-seq in WT and *tert*.** H3K27me2/3 ChIP-  
773 seq for all seven *N. crassa* chromosomes is displayed for WT (pooled biological triplicates; black  
774 track) and *tert* (single sample; blue). The y-axis is number of reads averaged over 25 bp  
775 windows. Open black or blue circles indicate location of centromeres.

776

777

778 **Table S1. List of strains**

Strain	Genotype
N51 (FGSC 2225)	<i>mat A</i> ; Mauriceville
N625	<i>mat a</i> ; <i>his-3</i>
N2931	<i>mat a</i> ; $\Delta$ <i>mus-52::bar</i> <sup>+</sup>
N3752 (FGSC 2489)	<i>mat A</i> ; Oak Ridge
N4730	<i>mat A</i> ; $\Delta$ <i>set-7::bar</i> <sup>+</sup>
N4933	<i>mat a</i> ; $\Delta$ 47.4 kb:: <i>hph</i> <sup>+</sup>
N5100 (FGSC 1614)	<i>mat a</i> ; In(IL->IR)AR16
N5101 (FGSC 2100)	<i>mat A</i> ; T(IV->VI)ALS159
N5102 (FGSC 3670)	<i>mat A</i> ; T(VI->III)OY329
N5547	<i>mat a</i> ; $\Delta$ <i>mus-52::bar</i> <sup>+</sup> ; $\Delta$ 47.4 kb:: <i>hph</i> <sup>+</sup>
N5683	<i>mat A</i> ; <i>his-3</i> <sup>+</sup> ::1; $\Delta$ 47.4 kb:: <i>hph</i> <sup>+</sup>
N5684	<i>mat A</i> ; <i>his-3</i> <sup>+</sup> ::2; $\Delta$ 47.4 kb:: <i>hph</i> <sup>+</sup>
N5685	<i>mat A</i> ; <i>his-3</i> <sup>+</sup> ::3; $\Delta$ 47.4 kb:: <i>hph</i> <sup>+</sup>
N5686	<i>mat A</i> ; <i>his-3</i> <sup>+</sup> ::4; $\Delta$ 47.4 kb:: <i>hph</i> <sup>+</sup>
N5687	<i>mat A</i> ; <i>his-3</i> <sup>+</sup> ::5; $\Delta$ 47.4 kb:: <i>hph</i> <sup>+</sup>
N5688	<i>mat A</i> ; <i>his-3</i> <sup>+</sup> ::6; $\Delta$ 47.4 kb:: <i>hph</i> <sup>+</sup>
N5689	<i>mat A</i> ; <i>his-3</i> <sup>+</sup> ::7 $\Delta$ 47.4 kb:: <i>hph</i> <sup>+</sup>
N5690	<i>mat A</i> ; <i>his-3</i> <sup>+</sup> ::8; $\Delta$ 47.4 kb:: <i>hph</i> <sup>++</sup>
N5695	<i>mat a</i> ; $\Delta$ <i>csr-1</i> ::1; $\Delta$ 47.4 kb:: <i>hph</i> <sup>+</sup>
N5696	<i>mat a</i> ; $\Delta$ <i>csr-1</i> ::2; $\Delta$ 47.4 kb:: <i>hph</i> <sup>+</sup>
N5697	<i>mat a</i> ; $\Delta$ <i>csr-1</i> ::3; $\Delta$ 47.4 kb:: <i>hph</i> <sup>+</sup>
N5698	<i>mat A</i> ; $\Delta$ <i>csr-1</i> ::4; $\Delta$ 47.4 kb:: <i>hph</i> <sup>+</sup>
N5699	<i>mat A</i> ; $\Delta$ <i>csr-1</i> ::5; $\Delta$ 47.4 kb:: <i>hph</i> <sup>+</sup>

N5700	<i>mat a; Δcsr-1::6; Δ47.4 kb::hph<sup>+</sup></i>
N5701	<i>mat a; Δcsr-1::7; Δ47.4 kb::hph<sup>+</sup></i>
N5702	<i>mat A; Δcsr-1::8; Δ47.4 kb::hph<sup>+</sup></i>
N5739	<i>mat A; his-3; Δ47.4 kb::hph<sup>+</sup></i>
N5857 (FGSC 1483)	<i>mat A; T(II-&gt;V)NM149</i>
N5858 (FGSC 3668)	<i>mat A; T(II-&gt;IV)OY337, al-2</i>
N5859 (FGSC 7294)	<i>mat A; T(IVR-&gt;VL)UK2-32</i>
N5862 (FGSC 4641)	<i>mat A; T(VIL-&gt;IR)OY350</i>
N5863 (FGSC 3635)	<i>mat A; T(VI-&gt;III)OY320</i>
N5865 (FGSC 2643)	<i>mat A; T(II-&gt;III)AR16</i>
N5866 (FGSC 6869)	<i>mat A; inl; T(VR )UK3-41</i>
N6089	<i>mat a; Dp(VI-&gt;III)OY329</i>
N6093 (FGSC 3671)	<i>mat a; T(VI-&gt;III)OY329</i>
N6228	<i>mat A; Δtert::nat-1<sup>+</sup></i>
N6381	<i>mat a; Δmus-52::bar<sup>+</sup>; Δcsr-1::(TTAGGG)<sub>8</sub></i>
N6383	<i>mat a; Δmus-52::bar<sup>+</sup>; Δcsr-1::(TTAGGG)<sub>17</sub></i>
N6984	<i>mat a; Δmus-52::bar<sup>+</sup>; Δcsr-1::(TTAGGG)<sub>8</sub></i>
N6985	<i>mat a; Δmus-52::bar<sup>+</sup>; Δcsr-1::(TTAGGG)<sub>8</sub></i>
N6986	<i>mat a; Δmus-52::bar<sup>+</sup>; Δcsr-1::(TTAGGG)<sub>17</sub></i>
N6987	<i>mat a; Δmus-52::bar<sup>+</sup>; Δcsr-1::(TTAGGG)<sub>17</sub></i>

779  
780  
781  
782

783 **Table S2. List of primers**

784

Primer	Description	Sequence
3325	Construction of <i>his-3<sup>+</sup>::1</i> (N5683)	CGGGATCCCCGGATCGAACGGCGGATGG (BamHI)
3326	Construction of <i>his-3<sup>+</sup>::1</i> (N5683)	GCTCTAGATGAGCTCCTTCCCCACGGT (XbaI)
3327	Construction of <i>his-3<sup>+</sup>::2</i> (N5684)	CGGGATCCCGTGGGTTCAGTGCGTCCC (BamHI)
3328	Construction of <i>his-3<sup>+</sup>::2</i> (N5684)	GCTCTAGATGGCAAGCGCCGACATGTGA (XbaI)
3329	Construction of <i>his-3<sup>+</sup>::3</i> (N5685)	GGGCCAGGGAACAGGCGCAGTGCAG (ApaI)
3330	Construction of <i>his-3<sup>+</sup>::3</i> (N5685)	GACTAGTTGGCGCGCTTGACCAGCAAA (SpeI)

3331	Construction of <i>his-3</i> <sup>+</sup> ::4 (N5686)	GACTAGTTCCTCCGGAACGGCCACTCCAT (SpeI)
3332	Construction of <i>his-3</i> <sup>+</sup> ::4 (N5686)	GCTCTAGAGTGCTGCCAAGGCCCGACAT (XbaI)
3297	Construction of <i>his-3</i> <sup>+</sup> ::5 (N5687)	GGAATTCCTAAAGGATCGCGCCCGGAGG (EcoRI)
3333	Construction of <i>his-3</i> <sup>+</sup> ::5 (N5687)	CGGGATCCACGACGGGAAGACGAGGGGT (BamHI)
3334	Construction of <i>his-3</i> <sup>+</sup> ::6 (N5688)	GGGCCCGGGAGTGTGGCGCTGTGGAC (ApaI)
3335	Construction of <i>his-3</i> <sup>+</sup> ::6 (N5688)	GACTAGTAGCAGCATCTCGGGTCCGGT (SpeI)
3301	Construction of <i>his-3</i> <sup>+</sup> ::7 (N5689)	GGAATTCGGCATGCCAGGGATTGGGG (EcoRI)
3336	Construction of <i>his-3</i> <sup>+</sup> ::7 (N5689)	GCTCTAGAGACGGAACGGTGACAGGCGG (XbaI)
3303	Construction of <i>his-3</i> <sup>+</sup> ::8 (N5690)	GGAATTCTGGTTCGCGGACGAGGGCTA (EcoRI)
3337	Construction of <i>his-3</i> <sup>+</sup> ::8 (N5690)	CGGGATCCGGCTATTGCTGCCAGCCGGT (BamHI)
4654	3' <i>csr-1</i> RP	AACACCTCCGTCGCCATAAACTCC
4655	5' <i>csr-1</i> FP	GGCCCCTGGTTTACTGAGGGC
4721	5' <i>csr-1</i> RP	TGCAGCCATTGACGACATTGC
4722	3' <i>csr-1</i> FP	TGGATTCCTGCGCTGCACAC
4723	Construction of $\Delta$ <i>csr-1</i> ::1 (N5695)	GCAATGTCGTCAATGGCTGCACCGGATCG AACGGCGGATGG
4724	Construction of $\Delta$ <i>csr-1</i> ::1 (N5695)	GTGTGCAGCGCAGGAAATCCATGAGCTCC TTCCCCACGGT



4725	Construction of $\Delta csr-1::2$ (N5696)	GCAATGTCGTCAATGGCTGCACGTGGGTTC CAGTGCCTCC
4726	Construction of $\Delta csr-1::2$ (N5696)	GTGTGCAGCGCAGGAAATCCATGGCAAGC GCCGACATGTGA
4727	Construction of $\Delta csr-1::3$ (N5697)	GCAATGTCGTCAATGGCTGCAAGGGAACA GGCGCAGTGCAG
4728	Construction of $\Delta csr-1::3$ (N5697)	GTGTGCAGCGCAGGAAATCCATGGCGCGC TTGACCAGCAAA
4729	Construction of $\Delta csr-1::4$ (N5698)	GCAATGTCGTCAATGGCTGCATCCCGGAAC GGCCACTCCAT
4730	Construction of $\Delta csr-1::4$ (N5698)	GTGTGCAGCGCAGGAAATCCAGTGCTGCC AAGGCCCGACAT
4731	Construction of $\Delta csr-1::5$ (N5699)	GCAATGTCGTCAATGGCTGCACAAAGGATC GCGCCCGGAGG
4732	Construction of $\Delta csr-1::5$ (N5699)	GTGTGCAGCGCAGGAAATCCAACGACGGG AAGACGAGGGGT
4733	Construction of $\Delta csr-1::6$ (N5700)	GCAATGTCGTCAATGGCTGCAGGGAGTGT GGCGCTGTGGAC
4734	Construction of $\Delta csr-1::6$ (N5700)	GTGTGCAGCGCAGGAAATCCAAGCAGCAT CTCGGGTCCGGT
4735	Construction of $\Delta csr-1::7$ (N5701)	GCAATGTCGTCAATGGCTGCAGGCATGCCC AGGGATTGGGG
4736	Construction of $\Delta csr-1::7$ (N5701)	GTGTGCAGCGCAGGAAATCCAGACGGAAC GGTGACAGGCGG
4737	Construction of $\Delta csr-1::8$ (N5702)	GCAATGTCGTCAATGGCTGCATGGTTCGCG GACGAGGGCTA
4738	Construction of $\Delta csr-1::8$ (N5702)	GTGTGCAGCGCAGGAAATCCAGGCTATTG CTGCCAGCCGGT
4784	qChIP <i>his-3</i> & <i>csr-1</i> targeting P1Fwd	AATGCAAGGTCCCGAACACT
4785	qChIP <i>his-3</i> & <i>csr-1</i> targeting P1Rev	TGGCTGTCGCAATTACCAGT

4786	qChIP <i>his-3</i> & <i>csr-1</i> targeting P2Fwd	GACCAAGCATGCGTTAGCTG
4787	qChIP <i>his-3</i> & <i>csr-1</i> targeting P2Rev	ACCCAAGGTGGGTGTGTTTT
4788	qChIP <i>his-3</i> & <i>csr-1</i> targeting P3Fwd	CCGTTTGAGCTGGTCTTCCT
4789	qChIP <i>his-3</i> & <i>csr-1</i> targeting P3Rev	TGACGGATGCTCTTTGTCCC
4790	qChIP <i>his-3</i> & <i>csr-1</i> targeting P4Fwd	CAACCAGCTTGACGGCTTTC
4791	qChIP <i>his-3</i> & <i>csr-1</i> targeting P4Rev	TACCGTAGGTGCCCTGTGTA
3317	qChIP <i>his-3</i> & <i>csr-1</i> targeting P5Fwd and deletion analysis	CCCCTTCCTGCCGTGGGAGA
3562	qChIP <i>his-3</i> & <i>csr-1</i> targeting P5Rev and deletion analysis	TCAGCAGGCATAGTCAAGACTGGT
4782	qChIP <i>his-3</i> & <i>csr-1</i> targeting P6Fwd	CCCGCTTCAGCAACCAAGTT
4783	qChIP <i>his-3</i> & <i>csr-1</i> targeting P6Rev	AACTTTAGCCCGCGTTACGG
3319	qChIP <i>his-3</i> & <i>csr-1</i> targeting P7Fwd and deletion analysis	TGGGTCGATGGAGTACCTTCCCC
3563	qChIP <i>his-3</i> & <i>csr-1</i> targeting P7Rev and deletion analysis	TGCACTATCCTTTTCAGGGGCTTGT
3902	qChIP <i>his-3</i> & <i>csr-1</i> targeting P8Fwd	GACCTACACGGCCCCGGGGAA
3903	qChIP <i>his-3</i> & <i>csr-1</i> targeting P8Rev	ACCGACGAGACTTGACTGCCCA
3986	qChIP <i>his-3</i> & <i>csr-1</i> targeting P9Fwd	GTGGCGGCGTGAACGGTCAT
3987	qChIP <i>his-3</i> & <i>csr-1</i> targeting P9Rev	AGTCAAGCCTCGCGATCGTGA
3321	qChIP <i>his-3</i> & <i>csr-1</i> targeting P10Fwd	TGAACAGGTGACGGCGGGAGT

3564	qChIP <i>his-3</i> & <i>csr-1</i> targeting P10Rev	CGGGTCCGGAGTCCATCACCA
3976	qChIP <i>his-3</i> & <i>csr-1</i> targeting P11Fwd	AGTGGTCCAGAGTGGGATCGGT
3977	qChIP <i>his-3</i> & <i>csr-1</i> targeting P11Rev	ACCGCCAATATGGCATCGCCC
3974	qChIP <i>his-3</i> & <i>csr-1</i> targeting P12Fwd	TGACGGCGCGCAGATTGGAG
3975	qChIP <i>his-3</i> & <i>csr-1</i> targeting P12Rev	TCGCTTCCCTTCTCCCACCATCC
3978	qChIP <i>his-3</i> & <i>csr-1</i> targeting P13Fwd	TTGACGGCGCGCAGATTGGAG
3979	qChIP <i>his-3</i> & <i>csr-1</i> targeting P13Rev	CCACCATCCTTCCCTCTGCCACA
3992	qChIP <i>his-3</i> & <i>csr-1</i> targeting P14Fwd	CATCGCAGCTCAACCGCAGA
3993	qChIP <i>his-3</i> & <i>csr-1</i> targeting P14Rev	GCCAGCCGGTGTCAAGACAGA
3904	qChIP <i>his-3</i> & <i>csr-1</i> targeting P15Fwd	AACAAAGACGCTCTTCTGGTGGCC
3905	qChIP <i>his-3</i> & <i>csr-1</i> targeting P15Rev	ACTACCAAAGTCCGACGGCT
3943	Construction of $\Delta 47.4$ kb:: <i>hph</i> <sup>+</sup> (N4933)	GTAACGCCAGGGTTTTCCAGTCACGACGT GTGGCTTGCAGGCACGCAA
3944	Construction of $\Delta 47.4$ kb:: <i>hph</i> <sup>+</sup> (N4933)	ACCGGGATCCACTTAACGTTACTGAAATCA GTCCGAGTGGGCCTGCCTC
3945	Construction of $\Delta 47.4$ kb:: <i>hph</i> <sup>+</sup> (N4933)	GCTCCTTCAATATCATCTTCTGTGACGGAC CACCACCCAGCGTGGAAAG
3946	Construction of $\Delta 47.4$ kb:: <i>hph</i> <sup>+</sup> (N4933)	GCGGATAACAATTTACACAGGAAACAGCT TGCCGCCGGCTGAGAAACC
4960	ALS159 (N5101) qPCR	TTGGGATGATTTGGGACGGG
4961	ALS159 (N5101) qPCR	TCCCAAGCTGACAGTTCCAC

4961	ALS159 (N5101) qPCR	TGCATGCTCTCCCCCTTTTG
4963	ALS159 (N5101) qPCR	TCTGAGGGATGTGCCAAACC
4974	NM149 (N5857) qPCR	CGCCATTTCTACCCCGATGA
4975	NM149 (N5857) qPCR	TGCCAAGCCATCTTTTTGCC
4976	NM149 (N5857) qPCR	CTACGGGTTGCTGCCAAGTA
4977	NM149 (N5857) qPCR	CCTCAGAGAATCGGGGCATC
4978	NM149 (N5857) qPCR	GGGCTCAGTCACTTGCTACA
4979	NM149 (N5857) qPCR	GATATACCCGCACCAGCACA
4984	OY337 (N5858) qPCR	CTTCGCCTCTCACTCCGATG
4985	OY337 (N5858) qPCR	GGCAGCTAGCAATCGGTTTT
4986	OY337 (N5858) qPCR	GAGCCTGTCCAAGACGACAA
4987	OY337 (N5858) qPCR	CGGTGACGGTAGTGTGTAGG
4990	OY337 (N5858) qPCR	GTTACTGGCGGGAAATGGGA
4991	OY337 (N5858) qPCR	TTGGGACCAGGTTTGTCCAC
4996	OY350 (N5862) qPCR	GCCTTGACCCTCGAATGAA
4997	OY350 (N5862) qPCR	TGGGAAAACGTGGGGGAAAA
4998	OY350 (N5862) qPCR	TGGGTGAGGTCTTTGGAGGA
4999	OY350 (N5862) qPCR	AAGAGTTCCTGAACGTGCC
5002	OY350 (N5862) qPCR	AGGGTTGCTGGTAATCCGTG

5003	OY350 (N5862) qPCR	CAAGGCTTGGGGAAAGGGAA
3317	UK3-41 (N5866) qPCR	CCCCTTCCTGCCGTGGGAGA
3562	UK3-41 (N5866) qPCR	TCAGCAGGCATAGTCAAGACTGGT
3954	UK3-41 (N5866) qPCR	GTAGCTAGCGGGTGCTGCCG
3955	UK3-41 (N5866) qPCR	AGGCGCCAGGAAGAGTATAGCCC
5012	OY329 (N5102) qPCR	AAATCCA CT CATCCTCGGCG
5013	OY329 (N5102) qPCR	CTCGGATCACCGTCAACAGG
5020	OY329 (N5102) qPCR	ATGGTAACGTGGACAGGTGC
5021	OY329 (N5102) qPCR	TTGAACGCCGTAGAGGGATG
5028	UK2-32 (N5859) qPCR	AGGAAGTACGCCTTG CAGTC
5029	UK2-32 (N5859) qPCR	CCTGTATAATGGCGGTCCCC
5034	UK2-32 (N5859) qPCR	TCGAACCATGTGAGCTGCTT
5035	UK2-32 (N5859) qPCR	GAGAACGCCGAATCGCTCTA
5036	AR16 (N5100) qPCR	GAGAACGCCGAATCGCTCTA
5037	AR16 (N5100) qPCR	GCCCCCTTTTGTGCTTAGC
5040	AR16 (N5100) qPCR	CGTCAACGGTAGCTGGAAGA
5041	AR16 (N5100) qPCR	CCTCTTTGTGTCGAAGCCCA
5042	AR16 (N5100) qPCR	TGCCAAAGCACAACAAGCTG
5043	AR16 (N5100) qPCR	TTGATACCACGGGCTTCGAC

5046	AR16 (N5100) qPCR	GGATCATCGGTAGGTTGGGT
5047	AR16 (N5100) qPCR	TCAGATCCAGCTAGTTTCGCC
5316	Telomere repeat FP	TTAGGGTTAGGGTTAGGG
5317	Telomere repeat RP	CCCTAACCCCTAACCC
5318	Targeting tel repeats to <i>csr-1</i> FP1	GCAATGTCGTCAATGGCTGCAATTAACCCT CACTAAAGGGA
5319	Targeting tel repeats to <i>csr-1</i> RP1	GTGTGCAGCGCAGGAAATCCATAATACGA CTCACTATAGGG
5320	Targeting tel repeats to <i>csr-1</i> FP2	GTGTGCAGCGCAGGAAATCCAATTAACCCT CACTAAAGGGA
5321	Targeting tel repeats to <i>csr-1</i> RP2	GCAATGTCGTCAATGGCTGCATAATACGAC TCACTATAGGG
5322	Verify LG I circularization FP	AGAGGAGTCCGTAGGCGAAT
5323	Verify LG I circularization RP	TCGTTCGGTTGACAGCTTGA
5324	Verify LG II circularization FP	TGTTTCGGCGATGGGAAGAA
5325	Verify LG II circularization RP	ACTTCGAGTATGTAGCGGCG
5326	Verify LG III circularization FP	CGAGGCTCCATAATGCTCGT

5327	Verify LG III circularization RP	TATTATAGGGCGCGCGGAAG
5328	Verify LG IV circularization FP	GGCGCAAAAACCTTCCTACC
5329	Verify LG IV circularization RP	ACGACAGGGCCTAGGGTAAT
5330	Verify LG VI circularization FP	TAGGTTGAAGGCTATCGGCG
5331	Verify LG VI circularization RP	CCTTGGTTGCATTTGGTGGG
5332	Verify LG VII circularization FP	GCCTTCGGCTACCTTTCCTT
5346	Verify LG VII circularization RP	CTCCCTTTCAGCTCGTGTGT
5353	3' <i>csr-1</i> qPCR FP	CGCCGTTAATGCAGTTGTGAT
5354	3' <i>csr-1</i> qPCR RP	CCCCAGCAACTGCGTCTATT
5133	NM149 (N5857) breakpoint 1 FP	TTGCGGCAAGTTTGAAGTCG
5134	NM149 (N5857) breakpoint 1 RP	TGAAGCGTAAGCTCGTGTGT
5130	NM149 (N5857) breakpoint 2 FP	GCTCAAAGTGGGGACTGACA
5154	NM149 (N5857) breakpoint 2 RP	ATCCTTCTCCGCTGTTTCGG

5123	OY329 (N5102) breakpoint 1 FP	GTTGTTGTGGTTTCCTCGCC
5124	OY329 (N5102) breakpoint 1 RP	ATATAGGCGTAGCGTTGCC
5125	OY329 (N5102) breakpoint 2 FP	TGTTGCCTGGACTGCTAGTG
5126	OY329 (N5102) breakpoint 2 RP	AGCCTAACCTCGGCTAGGA
5127	OY329 (N5102) breakpoint 3 FP	CCGGTATCACGAGCTTCTCC
5128	OY329 (N5102) breakpoint 3 RP	GGGCGGAAGTTGAGCTGTAT
5155	UK3-41 (N5866) breakpoint 1 FP	GAACGGGACGTTCAAGGCTA
5157	UK3-41 (N5866) breakpoint 1 RP	TGCTTGTCTCGTTTTGCAGC
5158	UK3-41 (N5866) breakpoint 2 FP	CGGGAGAGGGGATAGTTGA
5473	UK3-41 (N5866) breakpoint 2 RP	CGCACTCACATGCTGCATAC
5156	UK3-41 (N5866) breakpoint 3 FP	AAGGCGTAATGGACACGAGG
5472	UK3-41 (N5866) breakpoint 3 RP	GCATCGTATTTGCACCGTCC
5476	ALS159 (N5101) breakpoint 1 FP	TCCGCAGCCGAAGTTACAAT



5477	ALS159 (N5101) breakpoint 1 RP	ACGTCACTCTCTGCCCTAT
3902	PtrpC-nat1 FP	CAACTGATATTGAAGGAGCA
1369	nat-1 RP	GGGCATGCTCATGTAGAGCG
3406	TERT KO FP1	AGCGAACTACTACCAACTACG
3407	TERT KO RP2	CCCAAAAATGCTCCTTCAATATCAGTTGG CATGTGAGACACTATCACG
3408	TERT KO FP3	CGCTCTACATGAGCATGCCCTGCCCTGAA AGTCTGGTACTGGGATTGG
3409	TERT KO RP4	CTTTCACGACTACCTTCCAAG
6271	6271_NCU02840_qPCR_F	CCCTCTCAGACGAGGATATTCA
6272	6272_NCU02840_qPCR_R	GCTCTGCTGCTTCTCCTTTAT
6277	6277_NCU04720_qPCR_F	TCAGGTTGGAGGAGAGGTATAA
6278	6278_NCU04720_qPCR_R	CTATGAGGCCGAAATCCTTGT
6281	6281_NCU10030_qPCR_F	CTGCGATCGTAACACTGGATTA
6282	6282_NCU10030_qPCR_R	CCGTCCGACATGTAATTACTIONCAG
6283	6283_NCU10031_qPCR_F	CCGATGTCCAGAAGCAGTATATTA
6284	6284_NCU10031_qPCR_R	CAGAGCAACTGAGTGGATAGTC
3565	Telomere 1L qPCR FP	AGCGTTCAAATGCCGTGACCTGT
3566	Telomere 1L qPCR RP	AGTCCAATGGTGCTAACGGCGA

785

786

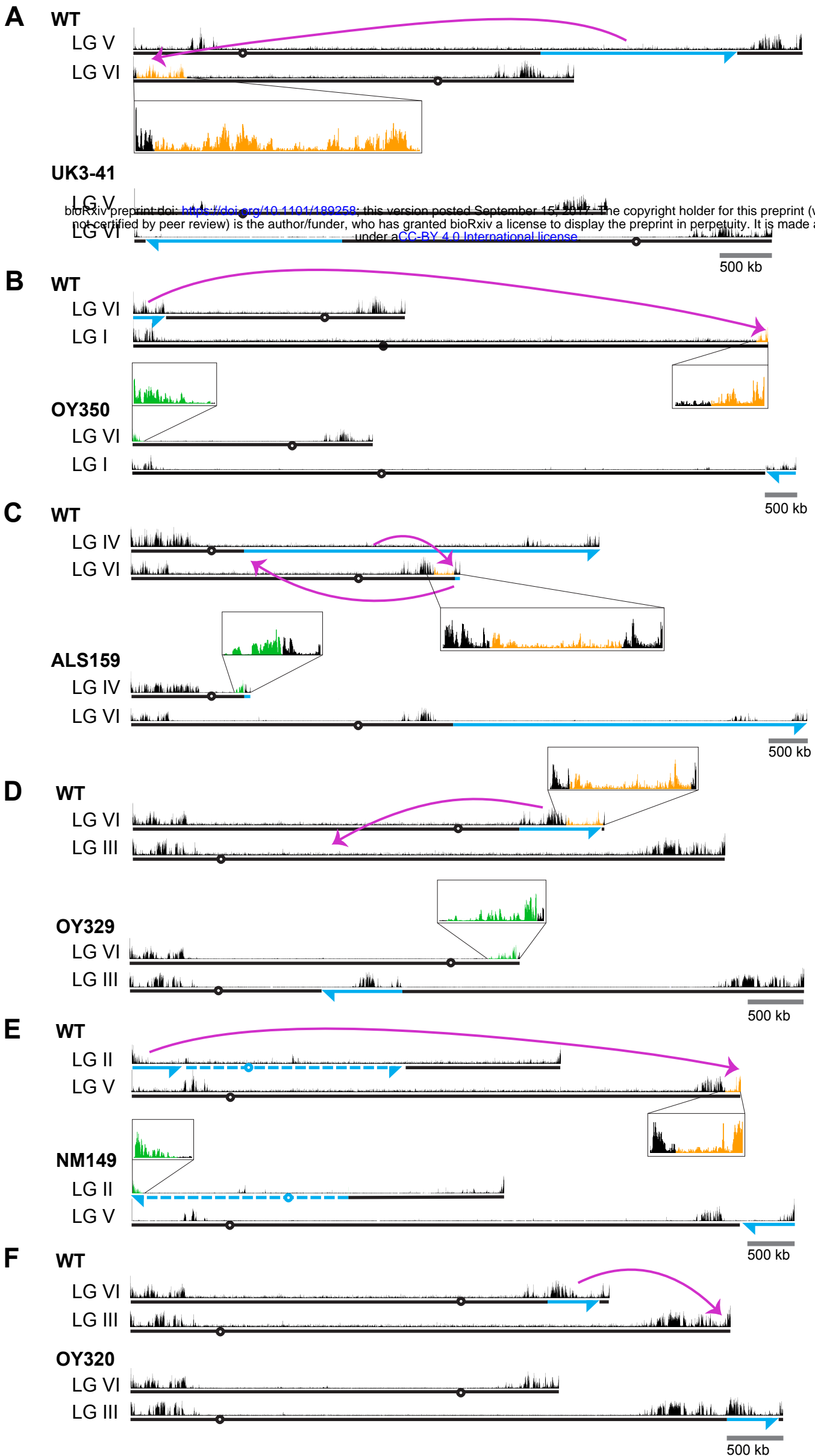
787 **Table S3: List of plasmids**

788

Plasmid	Description
1991	pBM61 – <i>his-3</i> targeting vector
3110	LG VIL H3K27me2/3 segment #1 cloned into 1991
3111	LG VIL H3K27me2/3 segment #2 cloned into 1991
3112	LG VIL H3K27me2/3 segment #3 cloned into 1991
3113	LG VIL H3K27me2/3 segment #4 cloned into 1991
3114	LG VIL H3K27me2/3 segment #5 cloned into 1991
3115	LG VIL H3K27me2/3 segment #6 cloned into 1991
3116	LG VIL H3K27me2/3 segment #7 cloned into 1991
3117	LG VIL H3K27me2/3 segment #8 cloned into 1991
3172	(TTAGGG) <sub>76</sub> cloned into pCR4-TOPO-TA
FGSC #10598	pAL12-Lifeact – source of <i>trpC::nat-1</i>

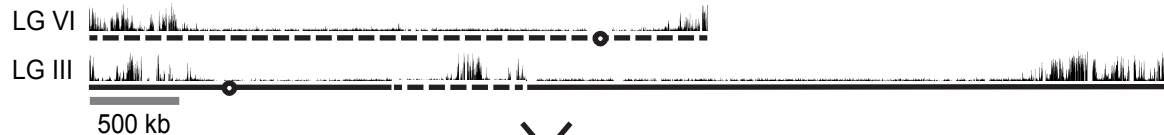
789

790

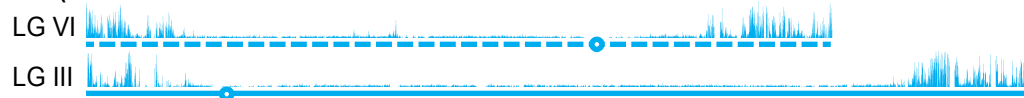


A

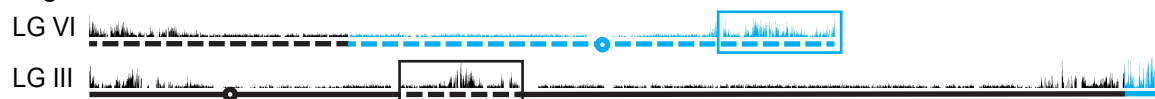
OY329 (Oak Ridge)



WT (Mauriceville)



Segmental Duplication



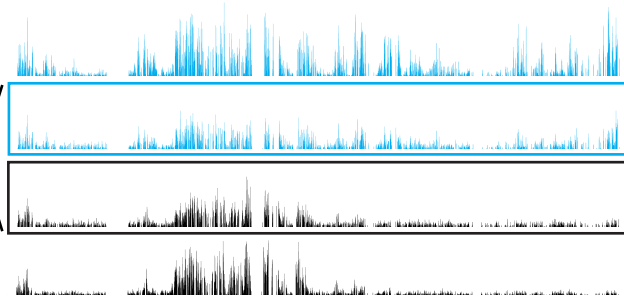
B

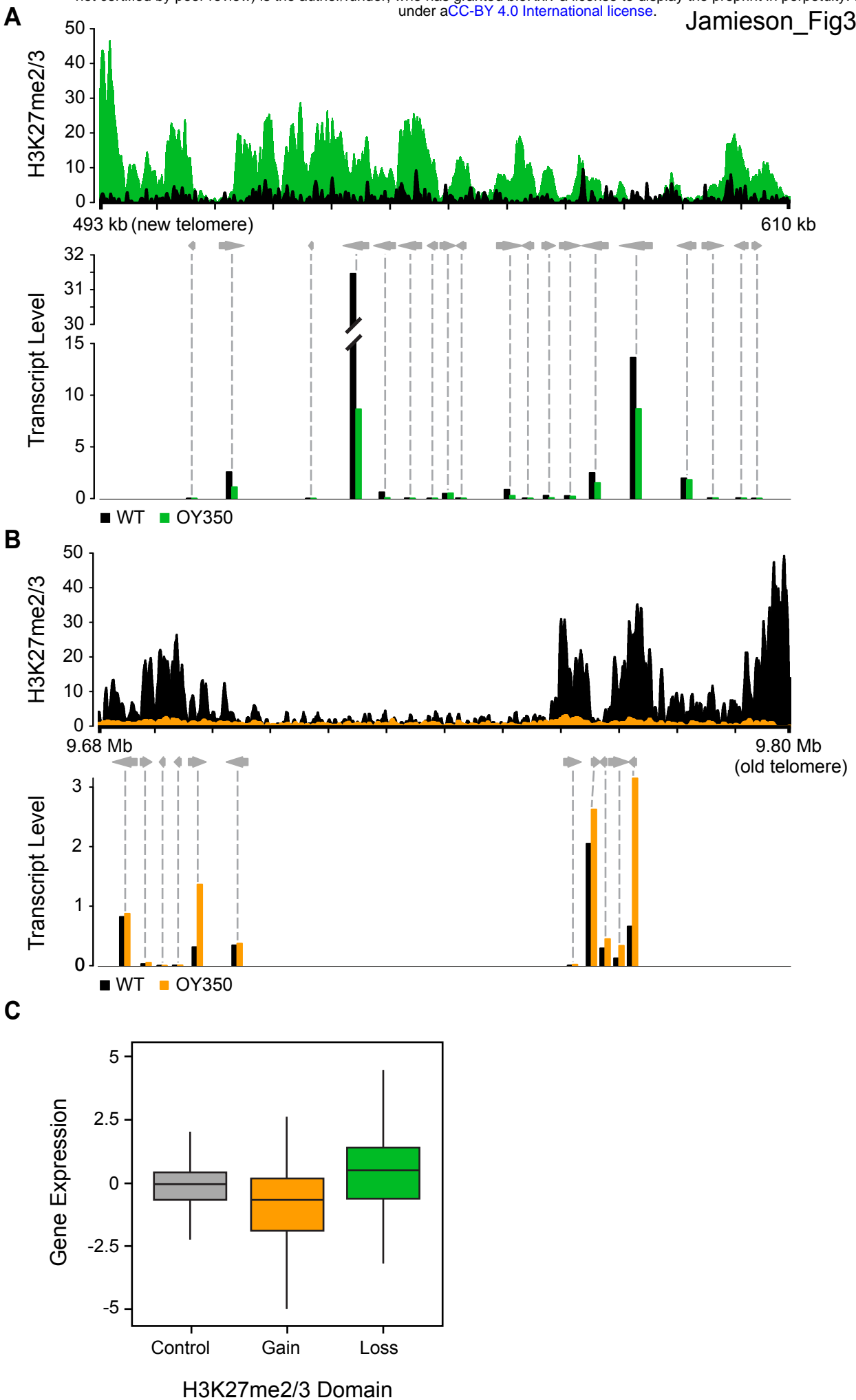
WT (Mauriceville)

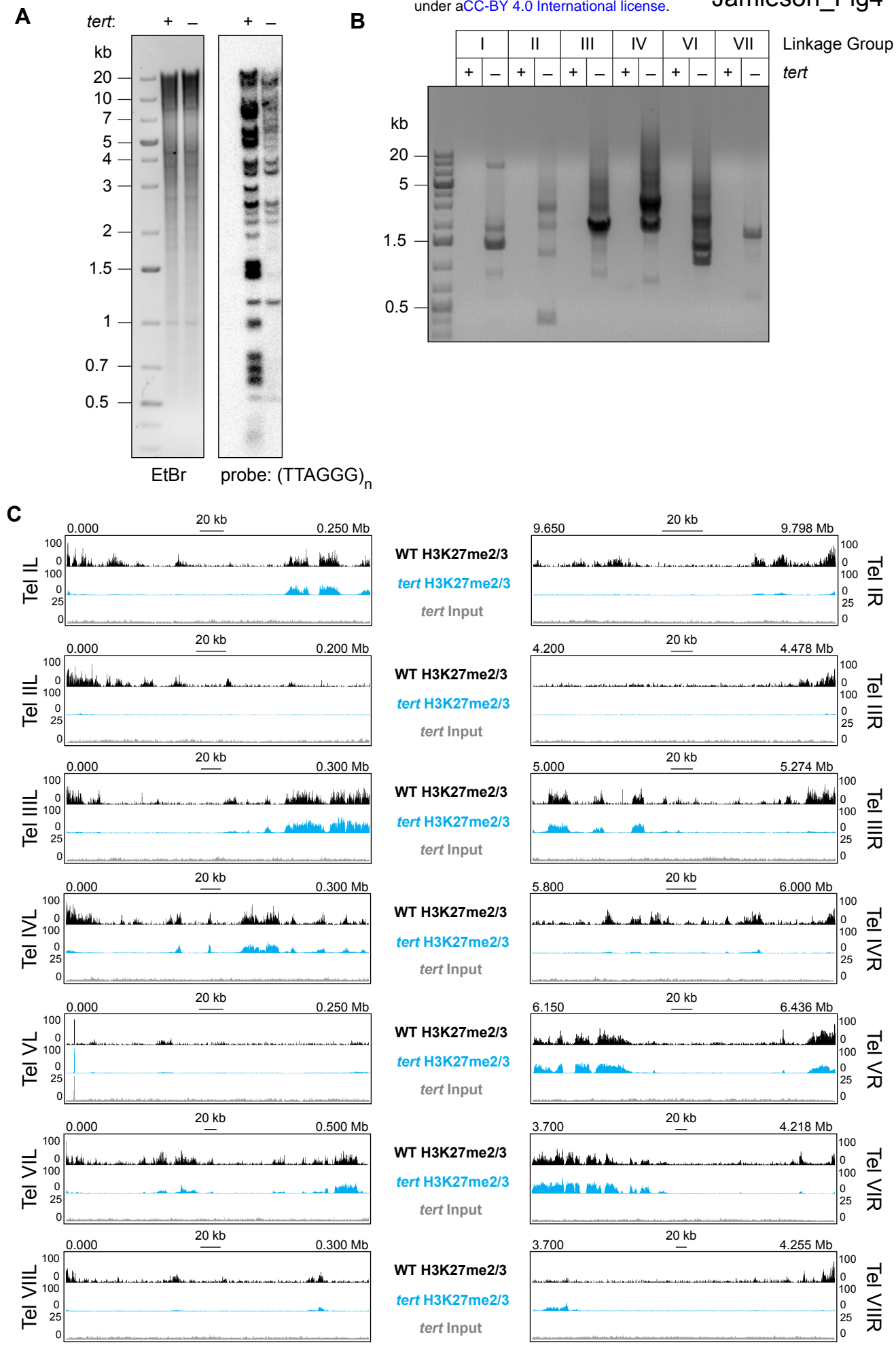
Segmental Duplication

OY329 (Oak Ridge)

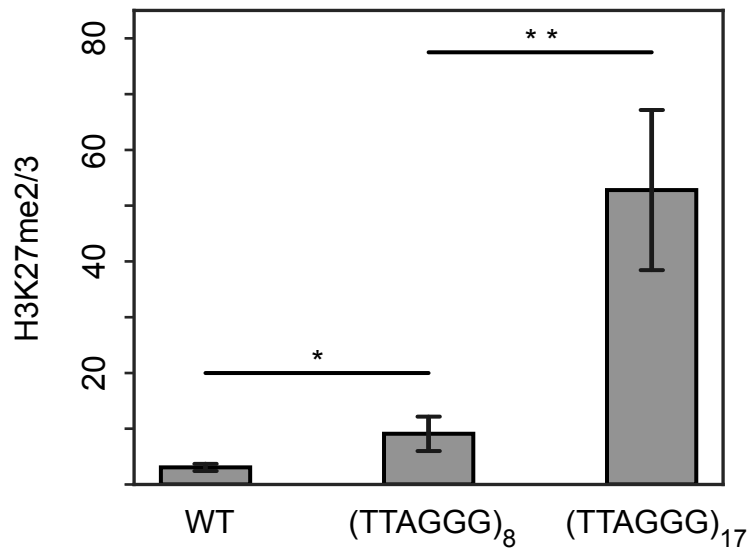
100 kb



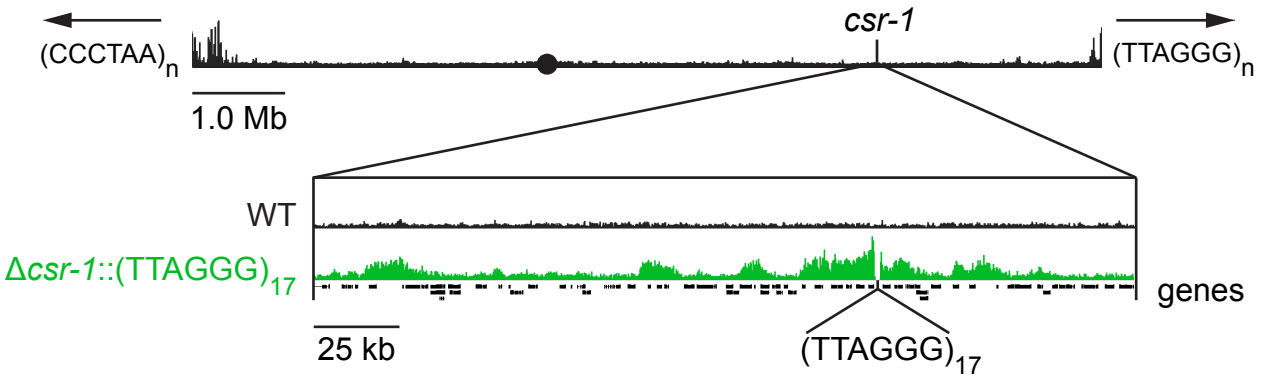


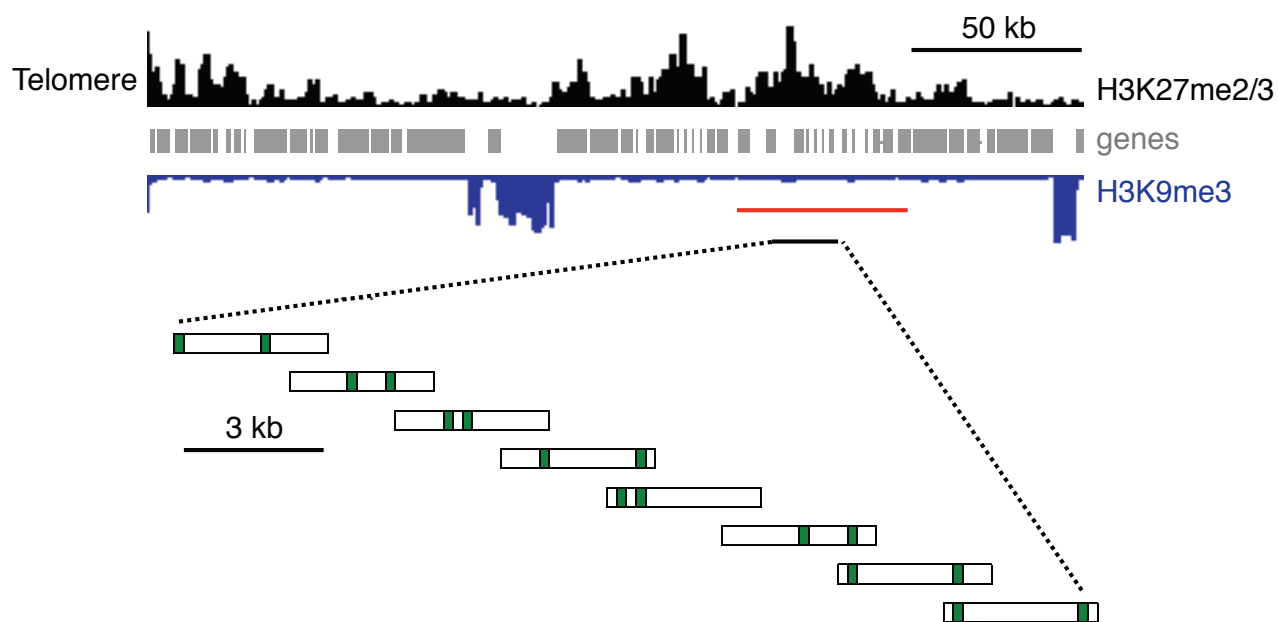


**A**



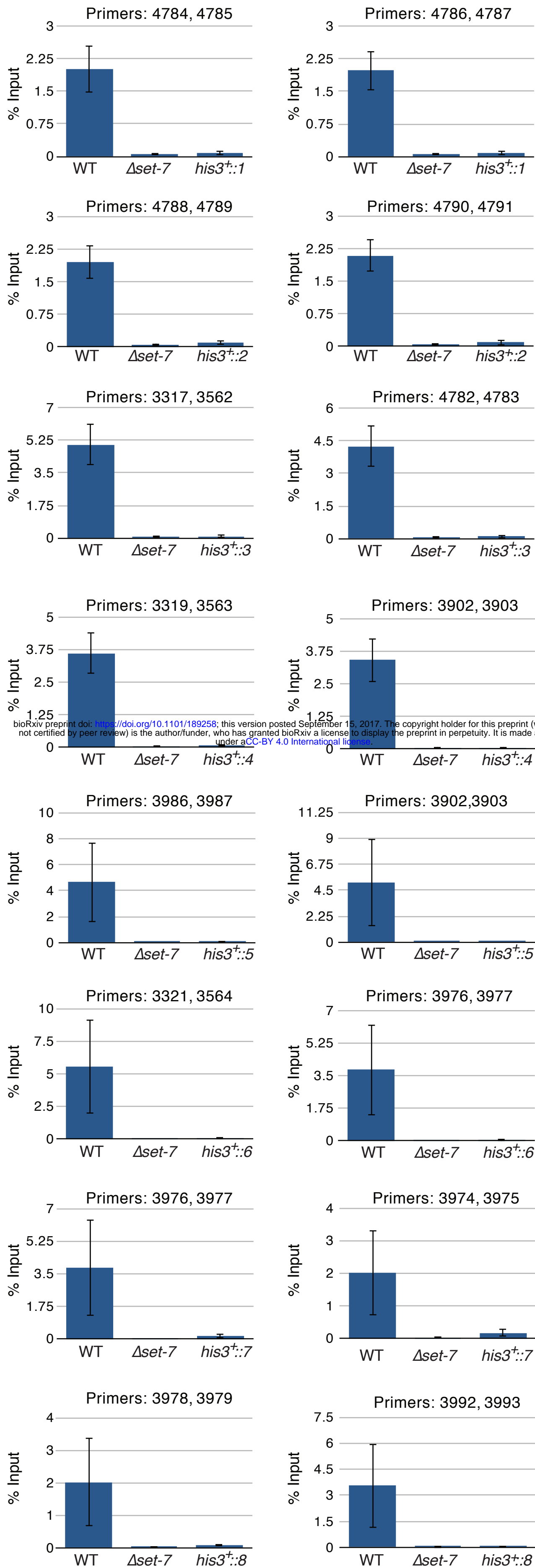
**B**



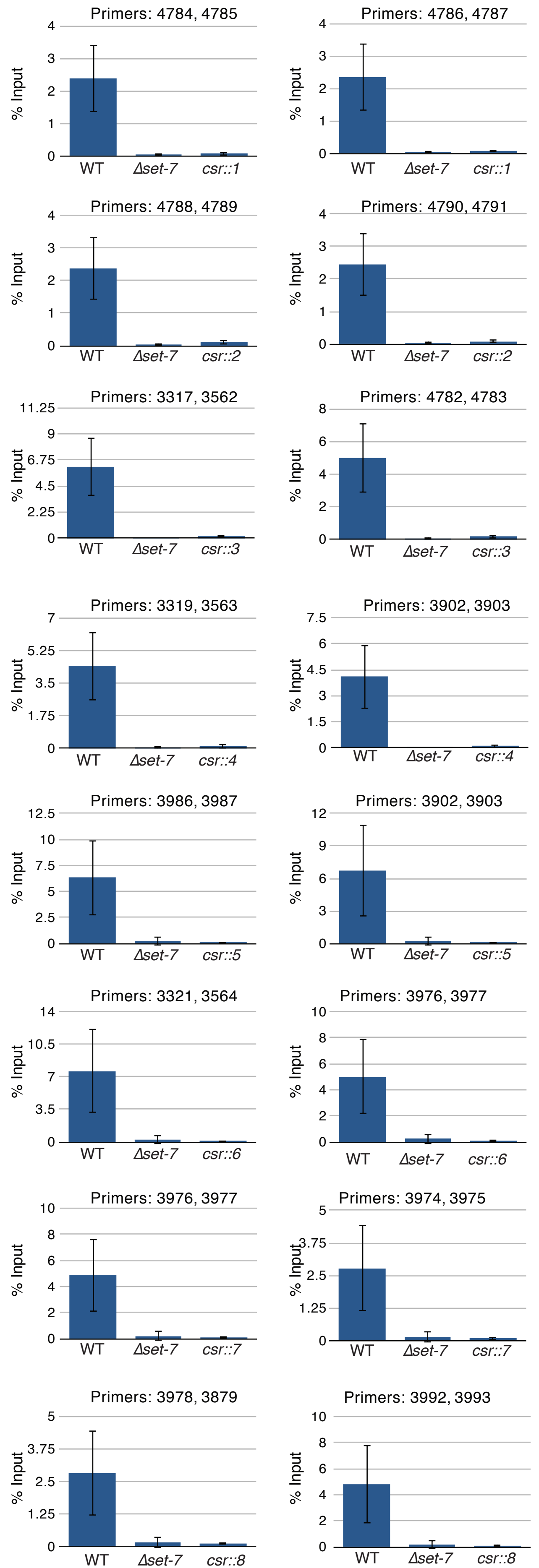


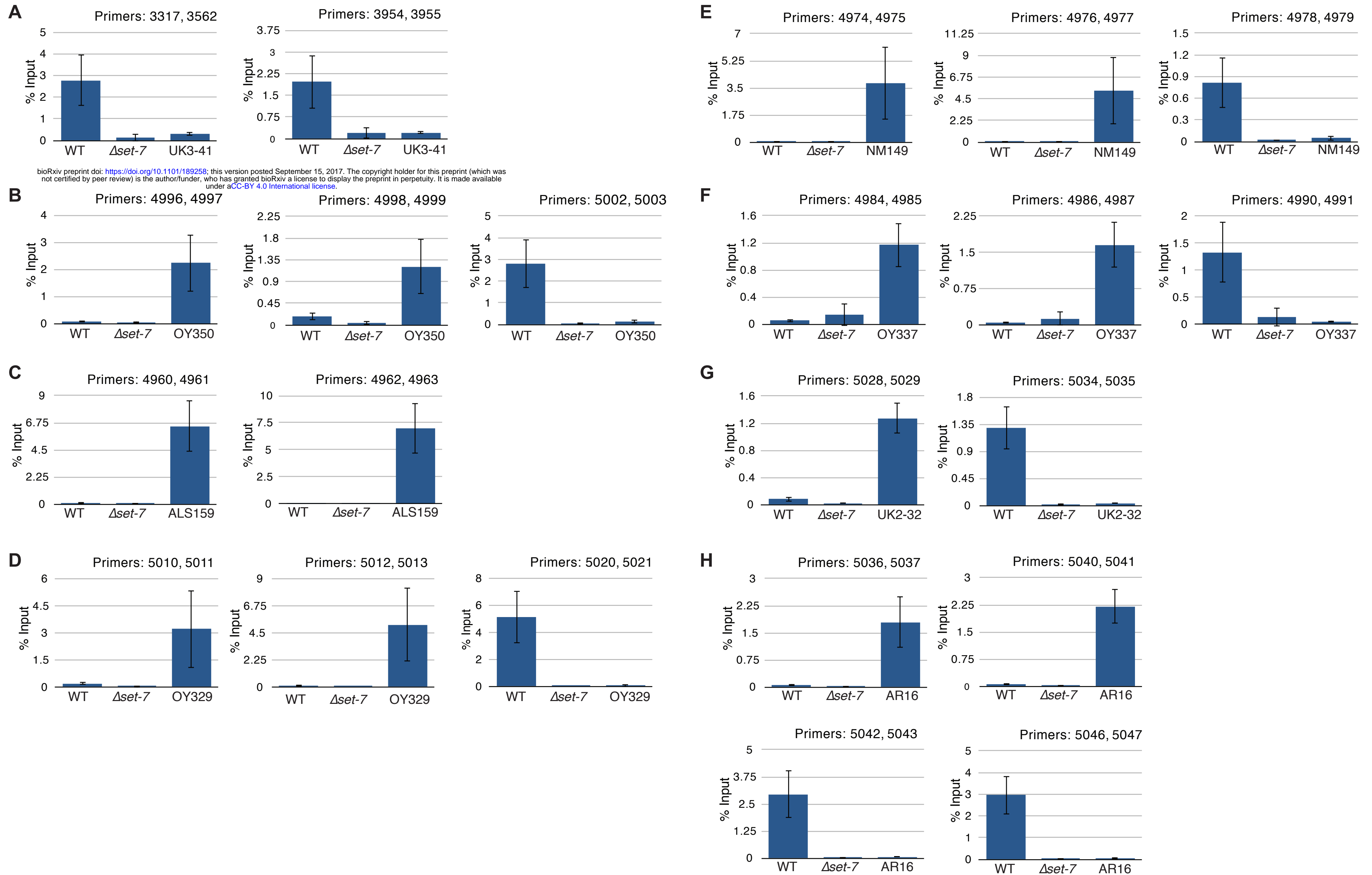


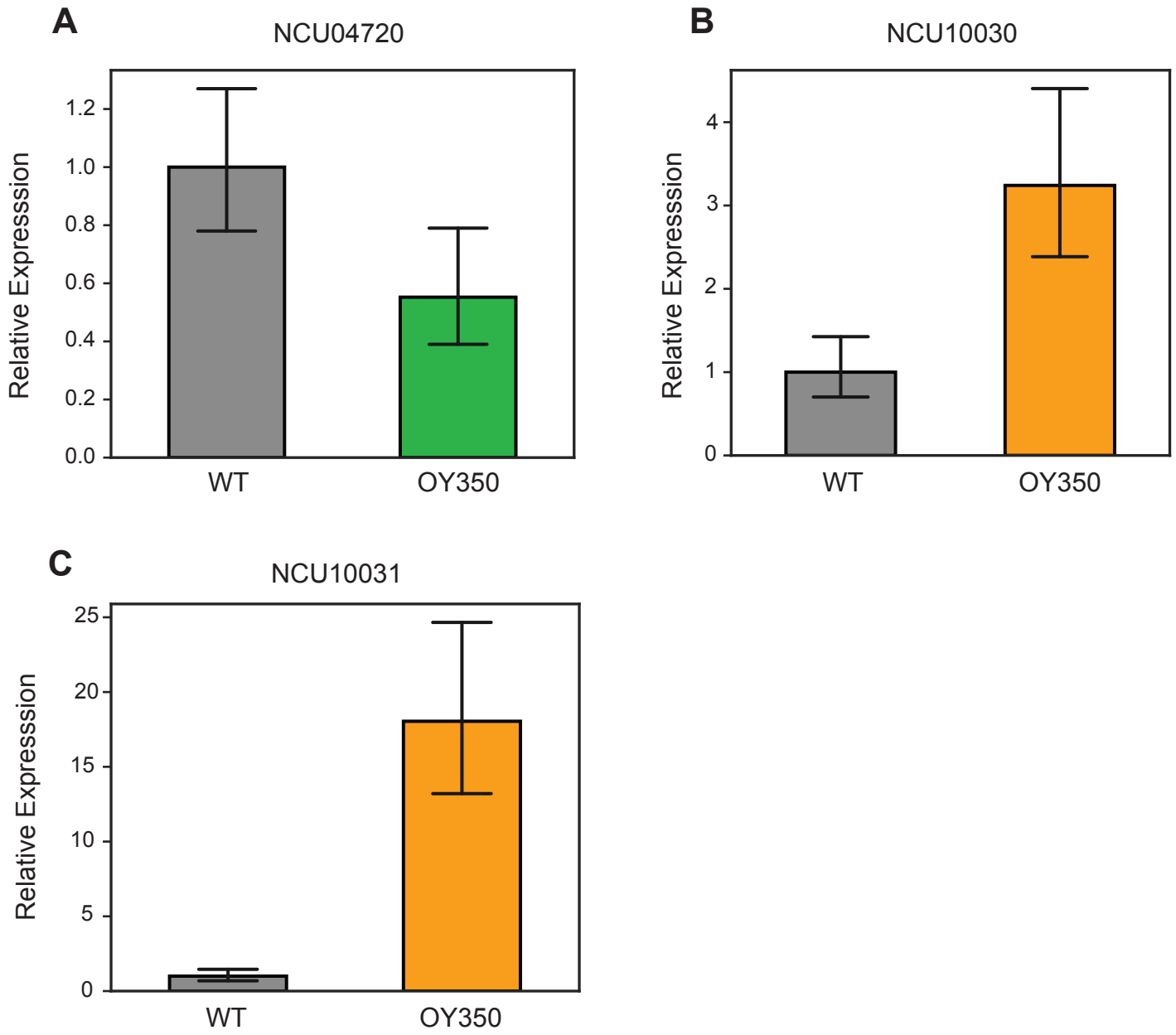
B



C







**A****WT**

LG IV

LG V

**UK2-32**

LG IV

LG V

**B****WT**

LG I

**AR16**

LG I

**C****WT**

LG II

LG IV

**OY337**

LG II

LG IV

