



**IMPORTANT: If you are in any doubt about the contents of this prospectus you should consult your professional adviser.**

The Authorised Corporate Director ('**ACD**'), Thesis Unit Trust Management Limited, is responsible for the information contained in this Prospectus. To the best of the ACD's knowledge and belief, (having taken all reasonable care to ensure that such is the case) the information contained in this Prospectus does not contain any untrue or misleading statement or omit any matters required by COLL to be included in it. The ACD accepts responsibility accordingly.

## **PROSPECTUS**

### **TM UBS (UK) FUND**

An investment company with variable capital incorporated with limited liability.

This document constitutes the Prospectus for TM UBS (UK) FUND (the '**Company**') and is dated and valid as at 8 July 2024. This document replaces any previous prospectuses issued by the Company.

It has been prepared in accordance with The Collective Investment Schemes Sourcebook ('**COLL**') which forms part of the FCA Handbook and complies with the requirements of COLL 4.2.5R.

Copies of this Prospectus have been sent to the Financial Conduct Authority and the Depositary.

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## **IMPORTANT INFORMATION**

The Company is a UK UCITS established in the UK and will be marketed to the public in the UK. It is not intended that the Company will be marketed outside the UK.

No person has been authorised by the Company to give any information or to make any representations in connection with the offering of Shares other than those contained in the Prospectus and, if given or made, such information or representations must not be relied on as having been made by the Company. The delivery of this Prospectus (whether or not accompanied by any reports) or the issue of Shares shall not, under any circumstances, create any implication that the affairs of the Company have not changed since the date hereof.

The distribution of this Prospectus and the offering of Shares in certain jurisdictions may be restricted. Persons into whose possession this Prospectus comes are required by the Company to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The Shares have not been and will not be registered under the 1933 Act or the securities laws of the United States. The Shares may not be offered or sold directly or indirectly in the United States or to or for the account or benefit of any US Person or in a transaction not subject to the regulatory requirements of, the 1933 Act and any applicable state securities laws. Any re-offer or resale of any of the Shares in the United States or to US Persons may constitute a violation of US law. The Company have not been and will not be registered under the 1940 Act and investors will not be entitled to the benefit of registration.

The Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of these offering materials. Any representation to the contrary is unlawful. The Shares are subject to restrictions on transferability and resale and may not be transferred or resold in the United States except as permitted under the 1933 Act and applicable state securities laws, pursuant to registration or exemption therefrom.

In order to ensure compliance with the restrictions referred to above, the Company is, accordingly, not open for investment by any US Persons or ERISA Plans except in exceptional circumstances and then only with the prior consent of the ACD. A prospective investor may be required at the time of acquiring Shares to represent that such investor is a qualified holder and not a US Person or acquiring Shares for the account or benefit, directly or indirectly, of a US Person or with the assets of an ERISA Plan. The granting of prior consent by the ACD to an investment does not confer on the investor a right to acquire Shares in respect of any future or subsequent application.

The Depositary is not responsible for the information contained in this Prospectus and accordingly does not accept any responsibility therefore under COLL or otherwise.

Potential investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or any other matters and are recommended to consult their own professional advisers concerning the acquisition, holding or disposal of Shares.

The provisions of the Company's Instrument of Incorporation are binding on each of its Shareholders (who are taken to have notice of them).

This Prospectus is based on information, law and practice at the date hereof. The Company cannot be bound by an out of date prospectus when it has issued a new prospectus and investors should check with the ACD that this is the most recently published Prospectus.

Unless the context requires otherwise, references to Fund or Funds in this Prospectus shall be to Funds whose Shares are in issue.

**POTENTIAL INVESTORS' ATTENTION IS DRAWN TO THE GENERAL RISK FACTORS SET OUT IN PARAGRAPH 3D) IN RESPECT OF THE COMPANY AND TO THE SPECIFIC RISKS APPLYING TO SPECIFIC FUNDS ELSEWHERE IN THIS PROSPECTUS.**

## DEFINITIONS

<b>'ACD'</b>	Thesis Unit Trust Management Limited, the authorised corporate director of the Company;
<b>'Act'</b>	the Financial Services and Markets Act 2000;
<b>'Approved Bank'</b>	(in relation to a bank account opened for the Company):  (a) if the account is opened at a branch in the United Kingdom:  (i) the Bank of England; or  (ii) the central bank of a member state of the OECD; or  (iii) a bank; or  (iv) a building society; or  (v) a bank which is supervised by the central bank or other banking regulator of a member state of the OECD; or  (b) if the account is opened elsewhere:  (i) a bank in (a); or  (ii) a bank which is regulated in the Isle of Man or the Channel Islands; or  (c) a bank supervised by the South African Reserve Bank; or  (d) a credit institution established in an EEA State and duly authorised by the relevant Home State regulator,  as such definition may be updated in the FCA Glossary from time to time;
<b>'Business Day'</b>	a weekday being Monday to Friday (excluding any public or bank holiday in England;
<b>'CASS'</b>	the requirements relating to holding client assets and client money published by the FCA as part of the FCA Handbook, as amended or replaced from time to time;
<b>'CCP'</b>	as defined in the FCA Glossary;
<b>'Class' or 'Classes'</b>	in relation to Shares, means (according to the context) all of the Shares or a particular class or

	classes of Share;
<b>'COLL'</b>	the Collective Investment Schemes Sourcebook published by the FCA as part of the FCA Handbook made under the Act for the time being in force (as amended or replaced);
<b>'Company'</b>	TM UBS (UK) Fund;
<b>'Custodian'</b>	the person who provides custodian services to the Company, being UBS Europe SE Luxembourg Branch (a company incorporated under Luxembourg law, having its registered office at 33a Avenue J.F. Kennedy, L-1855 Luxembourg), and its successor or successors as custodian;
<b>'Data Protection Laws'</b>	<p>means all applicable laws relating to the processing, privacy and/or use of personal data including the following laws to the extent applicable in the circumstances:</p> <ul style="list-style-type: none"> <li>(a) the UK GDPR;</li> <li>(b) the Data Protection Act 2018;</li> <li>(c) any laws which implement any such laws;</li> <li>(d) any laws which replace, extend, re-enact, consolidate or amend any of the foregoing (whether or not before or after the date of this Prospectus); and</li> <li>(e) all final and binding guidance, guidelines and codes of practice issued by any relevant supervisory authority relating to such Data Protection Laws;</li> </ul>
<b>'Dealing Day'</b>	Monday to Friday (except for (unless the ACD otherwise decides) the last working day before Christmas and bank holidays in England and Wales) and other days at the ACD's discretion;
<b>'Depositary Agreement'</b>	the agreement between the Company, the ACD and the Depositary regarding the appointment of the Depositary;
<b>'Depositary'</b>	NatWest Trustee and Depositary Services Limited, the depositary of the Company;
<b>'Distributor' or 'Distributors'</b>	UBS AG, London Branch;
<b>'EEA'</b>	the European Economic Area;
<b>'EEA State'</b>	a member state of the European Union and any

	other state which is within the EEA;
<b>'Efficient portfolio management' or 'EPM'</b>	as used in this Prospectus, shall mean efficient portfolio management, hedging and investment techniques where derivatives are used for one or more of the following purposes: reduction of risk, reduction of cost and/or generation of additional income with an acceptably low level of risk, as more fully described in Appendix 3, paragraph 36 (Efficient Portfolio Management of all Funds);
<b>'Eligible Institution'</b>	as defined in the FCA Glossary;
<b>'EMIR'</b>	as defined in the FCA Glossary;
<b>'ERISA Plan'</b>	(i) any retirement plan subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended (' <b>ERISA</b> '); (ii) any individual retirement account or plan subject to Section 4975 of the United States Internal Revenue Code of 1986, as amended; or (iii) an entity whose assets include plan assets by reason of a plan's investment in the entity (generally because 25% or more of a class of equity interests in the entity is owned by plans);
<b>'EUWA'</b>	the European Union (Withdrawal) Act 2018;
<b>'Exchange Traded Funds' or 'ETFs'</b>	are usually open-ended collective investment schemes, the units of which track an index, a commodity or a basket of assets like an index, but are traded like a stock on regulated markets and investment exchanges;
<b>'Exchange Traded Notes' or 'ETNs'</b>	are a type of unsecured, unsubordinated debt security, the returns of which are based on the performance of a market index minus applicable fees, combining both the aspects of bonds and exchange traded funds and traded on a major exchange(s);
<b>'FATCA'</b>	means the Foreign Account Tax Compliance Act (US);
<b>'FCA'</b>	the Financial Conduct Authority or any successor regulatory authority from time to time. The address for the FCA is set out in Appendix 5;
<b>'FCA Glossary'</b>	the glossary giving the meanings of the defined expressions used in the FCA Handbook as amended from time to time;
<b>'FCA Handbook'</b>	the FCA's Handbook of rules and guidance, including COLL, as amended, updated or replaced from time to time;

<b>'FCA Rules'</b>	means the rules contained in COLL but, for the avoidance of doubt, not including guidance or evidential requirements contained in COLL;
<b>'Financial Instruments'</b>	as defined in the FCA Glossary;
<b>'Fund' or 'Funds'</b>	a sub-fund of the Company (being part of the Scheme Property of the Company which is pooled separately) and to which specific assets and liabilities of the Company may be allocated and which are invested in accordance with the investment objective applicable to such sub-fund and ' <b>Funds</b> ' shall be interpreted accordingly;
<b>'Fund Accountant'</b>	the person who provides fund accounting services, being Northern Trust Global Services SE, UK branch and its successor or successors as fund accountant;
<b>'Home State'</b>	as defined in the FCA Glossary;
<b>'In Specie'</b>	a purchase or sale of Shares that is satisfied not by cash but by the transfer of securities or assets;
<b>'Instrument of Incorporation'</b>	the instrument of incorporation constituting the Company, as amended from time to time;
<b>'International Tax Compliance Regulations'</b>	The International Tax Compliance Regulations 2015 (SI 2015/878), as amended or re-enacted from time to time;
<b>'Investment Manager'</b>	UBS AG, London Branch;
<b>'money-market instrument'</b>	(1) any of the following investments: <ul style="list-style-type: none"> <li>(a) a debenture which is issued on terms requiring repayment not later than five years from the date of issue;</li> <li>(b) any government and public security which is issued on terms requiring repayment not later than one year or, if issued by a local authority in the United Kingdom, five years from the date of issue;</li> <li>(c) a warrant which entitles the holder to subscribe for an investment within (a) or (b);</li> <li>(d) a certificate representing certain securities or rights to or interests in investments relating, in either case, to an investment within (a) or (b);</li> <li>(e) an option relating to: <ul style="list-style-type: none"> <li>(i) an instrument in (a) or (b); or</li> <li>(ii) currency of the United Kingdom or of any other country or territory; or</li> </ul> </li> </ul>

(iii) gold or silver;

(f) a future for the sale of:

(i) an instrument in (a) or (b); or

(ii) currency of the United Kingdom or of any other country or territory; or

(iii) gold or silver;

(g) a contract for differences by reference to fluctuations in:

(i) the value or price of any instrument within any of (a) to (f); or

(ii) currency of the United Kingdom or of any other country or territory; or

(iii) the rate of interest on loans in any such currency or any index of such rates;

(h) an option to acquire or dispose of an instrument within (e), (f) or (g).

(2) those classes of Financial Instruments which are normally dealt in on the money market, such as treasury bills, certificates of deposit and commercial papers and excluding instruments of payment;

**'Net Asset Value'**

the value of the Scheme Property of the Company (or of any Fund as the context requires) less the liabilities of the Company (or of the Fund as the context requires) as calculated in accordance with the Company's Instrument of Incorporation;

**'Non-UCITS retail scheme'**

an authorised fund which is not a UK UCITS, a qualified investor scheme or a long-term asset fund;

**'OECD'**

the Organisation for Economic Co-operation and Development;

**'OEIC Regulations'**

The Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) as amended or re-enacted from time to time;

**'Register'**

the register of Shareholders in the Company;

**'Registrar'**

Northern Trust Global Services SE, UK branch, the registrar of the Company;

**'Scheme Property'**

the property of the Company or a Fund (as appropriate) to be held by the Depositary for

	safekeeping, as required by the FCA Handbook;
<b>'SDRT'</b>	stamp duty reserve tax;
<b>'Share' or 'Shares'</b>	a share or shares in the Company (including larger denomination Shares and fractions);
<b>'Shareholder'</b>	a holder of registered Shares in the Company;
<b>'Sterling'</b>	Pounds Sterling of the United Kingdom;
<b>'switch'</b>	the exchange of Shares of one Class or Fund for Shares of another Class or Fund;
<b>'SYSC'</b>	the Senior Management Arrangements, Systems and Controls sourcebook issued by the FCA pursuant to the Act, as amended or replaced from time to time;
<b>'UBS'</b>	UBS AG, London Branch;
<b>'UCITS Directive'</b>	the European Parliament and Council Directive of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (No. 2009/65/EC), as amended;
<b>'United Kingdom' or 'UK'</b>	means the United Kingdom of Great Britain and Northern Ireland;
<b>'UK AIF'</b>	as defined in the FCA Glossary;
<b>'UK GDPR'</b>	means Regulation 2016/679 of the European Parliament and of the Council of 27th April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (General Data Protection Regulation) as it forms part of the law of England and Wales, Scotland and Northern Ireland by virtue of section 3 of the EUWA, and any statutory instruments that the UK government makes to amend deficiencies in retained European Union law by virtue of section 8 of the EUWA (as may be amended from time to time) following the UK's withdrawal from the European Union;
<b>'UK UCITS'</b>	as defined in the FCA Glossary;
<b>'UK UCITS Regulations'</b>	the Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2019 SI 2019/325 incorporating European directives or other European legislation relating to undertakings for collective investment in transferable securities into UK domestic law following the UK's withdrawal from the European Union;

**‘United States’ or ‘US’**

the United States of America, its territories and possessions, any state of the United States, and the District of Columbia;

**‘US Person’**

means a person who is in either of the following two categories:

1. a person included in the definition of "US person" under Rule 902 of Regulation S of the 1933 Act; or
2. a person excluded from the definition of a "Non-United States person" as used in Commodity Futures Trading Commission ('CFTC') Rule 4.7.

For the avoidance of doubt, a person is excluded from this definition of US Person only if they are outside both the definition of "US person" in Rule 902 and the definition of "Non-United States person" under CFTC Rule 4.7;

**‘1933 Act’**

the United States Securities Act of 1933 (as may be amended or re-enacted); and

**‘1940 Act’**

the United States Investment Company Act of 1940 (as may be amended or re-enacted).

Headings used in this Prospectus are for convenience only and shall not affect their meaning or legal effect.

References in the main body of this Prospectus to paragraphs mean paragraphs in the main body of this Prospectus unless otherwise stated. Similarly, references in an Appendix to paragraphs mean paragraphs in the relevant Appendix unless otherwise stated.

References to the plural shall include the singular and vice versa.

Unless otherwise defined in the "Definitions" above or elsewhere in this Prospectus, words or expressions defined in, or for the purposes of, the OEIC Regulations, the Act or the FCA Handbook shall bear the same meanings in this Prospectus.

References to statutes, statutory provisions or regulations (including any provision of the FCA Handbook) shall include those statutes, provisions, regulations, or provision of the FCA Handbook as amended, extended, consolidated, substituted or re-enacted from time to time and, in particular, references to Regulations and/or Directives of the European Union shall, where appropriate, include all domestic law and regulation enacted (or re-enacted) for the purpose of bringing such European Union law and regulation into domestic law and regulation.

## **1. DETAILS OF THE COMPANY**

### **General**

TM UBS (UK) Fund is an open-ended investment company with variable capital incorporated in England and Wales. The Company was authorised by the Financial Services Authority. The Financial Services Authority has now been superseded by the FCA and the Prudential Regulation Authority.

Authorised with effect from: 9 January 2004

Company registration number IC000294

Company FCA product reference number: 229685

Company head office address\*: Exchange Building  
St John's Street, Chichester, West Sussex PO19 1UP

The Company has an unlimited duration.

Shareholders are not liable for the debts of the Company.

The Company is a UK UCITS established in the UK and will be marketed to the public in the UK. It is not intended that the Company will be marketed outside the UK.

#### **\* Address for service:**

The Head Office is the address of the place in the United Kingdom for service on the Company of notices or other documents required or authorised to be served on it.

#### **Base Currency:**

The base currency of the Company and each Fund is Pounds Sterling.

#### **Share Capital:**

Maximum £100,000,000,000

Minimum £1,000

***Shares have no par value. The share capital of the Company at all times equals the sum of the Net Asset Values of each of the Funds.***

The circumstances, and procedure for winding up the Company (or terminating a Fund), is set out under paragraph 3J) below.

## **2. THE STRUCTURE OF THE COMPANY**

### **The Funds:**

The Company is structured as an umbrella company in that different Funds may be established from time to time by the ACD with the approval of the FCA. On the

introduction of any new Fund or Class, a revised prospectus will be prepared setting out the relevant details of each Fund or Class.

The assets of each Fund will be treated as separate from those of every other Fund and will be invested in accordance with the investment objective and investment policy applicable to that Fund.

The Funds, and the FCA product reference numbers, are set out below:

<b>Fund</b>	<b>Product reference number</b>
TM UBS (UK) - UK Equity Fund	634487
TM UBS (UK) - Balanced Fund	634491
TM UBS (UK) - Growth Fund	634492
TM UBS (UK) - Income Focus Fund	634493
TM UBS (UK) - Global Balanced Fund	634494
TM UBS (UK) - Global Growth Fund	634495
TM UBS (UK) - Global Yield Fund	634496
TM UBS (UK) - Global Equity Fund	634497

Details of the Funds, including their investment objectives and policies, and annual management charges are set out in Appendix 1. Each Fund is structured as a UK UCITS.

Any limitations on the investment policies (under Appendix 1) are set out in the investment borrowing powers under Appendix 3.

**It is intended that all Funds will qualify for ISAs.**

Each Fund has a specific portfolio to which that Fund's assets and liabilities are attributable. So far as the Shareholders are concerned, each Fund is treated as a separate entity and each Fund has a specific segregated portfolio of assets to which any liabilities attributable or allocated to a particular Fund shall be met out of the Scheme Property attributable to that Fund. Further details are set out under the paragraph headed 'Liabilities of the Company' below.

Subject to the above, each Fund will be charged with the liabilities, expenses, costs and charges of the Company attributable to that Fund and within the Fund charges will be allocated between Classes in accordance with the terms of issue of Shares of those Classes.

**Shares**

**Classes of Share within the Funds**

Different Classes of Shares may be issued in respect of each Fund. The Classes of Share are distinguished by their criteria for subscription and fee structure.

- Accumulation Shares
- Income Shares

These Shares may be further designated as:

Class A	Class	N
Class B	Class	O
Class C	Class	P
Class D	Class	Q
Class E	Class	R
Class F	Class	S
Class G	Class	T
Class H	Class	U
Class I	Class	V
Class J	Class	W
Class K	Class	X
Class L	Class	Y
Class M	Class Z	

Details of these Share Classes, and the investors the Shares are available to, are set out in Appendix 1.

Holders of income Shares are entitled to be paid the income attributed to such Shares on the relevant interim and annual allocation dates. Holders of accumulation Shares are not entitled to be paid the income attributable to such Shares, but that income is automatically transferred to (and retained as part of) the capital assets of the Fund at the end of the relevant distribution period and is reflected in the price of an accumulation Share.

Where a Fund has different Classes, each Class may attract different charges and so monies may be deducted from Classes in unequal proportions. In these circumstances the proportionate interests of the Classes within a Fund will be adjusted accordingly.

Shareholders are entitled (subject to certain restrictions) to switch all or part of their Shares in a Class or a Fund for Shares in another Class within the same Fund or for Shares of the same or another Class within a different Fund of the Company. Details of this switching facility and the restrictions are set out in paragraph 3A).

The Company may introduce a regular savings facility at a later date.

Shares in the Company are not listed or dealt on any investment exchange.

### **Changes to the Company**

Where any changes are proposed to be made to the Company or a Fund the ACD will assess whether the change is fundamental, significant or notifiable in accordance with COLL 4.3. If the change is regarded as fundamental, Shareholder approval will be required. If the change is regarded as significant, not less than 60 days' prior written notice will be given to Shareholders. If the change is regarded as notifiable, Shareholders will receive suitable notice of the change.

### **3. INVESTMENT OBJECTIVES, POLICIES AND OTHER DETAILS OF THE FUNDS**

Investment of the assets of each of the Funds must comply with COLL and the investment objective and policy of the relevant Funds. Details of these investment objectives and policies are set out in Appendix 1.

The eligible markets on which the Funds may invest are set out in Appendix 2. A detailed statement of the general investment and borrowing restrictions and the extent to which the Company may employ EPM techniques is set out in Appendix 3.

Historical performance data for each Fund is set out in Appendix 4.

### **Investor Profile**

The Funds are aimed at investors who are looking to invest for the medium to long term and investors should be prepared to hold their investment for at least 5 years, who are prepared to accept fluctuations in the value of their capital, including capital loss, and who are also prepared to accept the possibility of paying income and capital gains tax on returns.

### **Investment Manager**

The Investment Manager to each Fund is UBS, whose address is set out in Appendix 5.

### **A) BUYING, REDEEMING AND SWITCHING SHARES**

The dealing office of the ACD is open from 9.00 am until 5.00 p.m. on each Dealing Day to receive requests for the purchase, redemption and switching of Shares.

Subject to and in accordance with COLL the issue or cancellation of Shares may take place through the Company directly.

It is the ACD's policy generally not to hold Shares or seek to make a profit from holding Shares. Investors buy and redeem Shares through the ACD who nets them to reduce the number of Shares issued or cancelled by the Company. When carrying out deals in Shares the ACD acts as principal but does not profit from this activity.

### **Buying Shares**

#### **Procedure**

Shares may be bought directly from the ACD or through your professional adviser or other intermediary. Any intermediary who recommends an investment in the Company to you may be entitled to receive commission from the ACD.

Shares in all Funds can be bought by sending an application form to Thesis Unit Trust Management Limited at the dealing office of the Administrator, or by obtaining an application form by telephoning the ACD's Customer Enquiry Line on 0333 300 0375. Alternatively, Shares may be purchased through the means of electronic communications (as set out in the paragraph headed 'Electronic Communications' below). Application forms may be obtained from Thesis Unit Trust Management Limited at the dealing office of the Administrator.

In addition, the ACD may from time to time make arrangements to allow Shares to be bought on-line or through other communication media. The ACD has the right to reject, on reasonable grounds relating to the circumstances of the applicant, any application for Shares in whole or part, and in this event the ACD will return any money sent, or the balance of such monies, at the risk of the applicant.

Any subscription monies remaining after a whole number of Shares have been issued will not be returned to the applicant. Instead, smaller denomination Shares will be issued. A smaller denomination Share is equivalent to one ten thousandth of a larger denomination Share.

Remittances should be in Sterling.

Other currencies will only be acceptable at the ACD's discretion.

### **Electronic Communications**

The ACD will accept instructions to transfer or renunciation of title to Shares on the basis of an authority communicated by electronic means and sent by the Shareholder, or delivered on their behalf by a person that is authorised by the FCA or regulated in another jurisdiction by an equivalent supervisory authority, subject to:

1. Prior agreement between the ACD and the person making the communication as to:
  - a. the electronic media by which such communications may be delivered; and
  - b. how such communications will be identified as conveying the necessary authority; and
2. Assurance from any person who may give such authority on behalf of the investor that they will have obtained the required appointment in writing from the Shareholder.

### **Documents the buyer will receive**

A contract note giving details of the number and price of Shares bought will be issued no later than the end of the Business Day following the later of receipt of the application to buy Shares and the valuation point by reference to which the price is determined, together with, where appropriate, a notice of the applicant's right to cancel.

Settlement is due on receipt by the buyer of the contract note. An order for the purchase of Shares will only be deemed to have been accepted by the ACD once it is in receipt of cleared funds for the application. If settlement is not made within a reasonable period, then the ACD has the right to cancel any Shares issued in respect of the application.

Share certificates will not be issued in respect of Shares. Ownership of Shares will be evidenced by an entry on the Register. Statements in respect of periodic distributions on Shares will show the number of Shares held by the recipient. Individual statements of a Shareholder's (or, when Shares are jointly held, the first-named holder's) Shares will also be issued at any time on request by the registered holder.

### **Minimum Subscriptions and Holdings**

The minimum initial subscription for each Class of Shares in a Fund is £7,000. Any subsequent subscription must be not less than £1,000. Shareholders must maintain a minimum holding of Shares of £7,000 in value. The ACD may at its discretion accept subscriptions and holdings lower than the minimum amount

If following a redemption a holding in any Class of Share should fall below the minimum holding for that Class, the ACD has a discretion to require redemption of that Shareholder's entire holding in that Class of Share.

## **Redeeming Shares**

### **Procedure**

Every Shareholder has the right to require that the Company redeem their Shares on any Dealing Day unless the value of Shares which a Shareholder wishes to redeem will mean that the Shareholder will hold Shares with a value less than the required minimum holding in the relevant Class, in which case the Shareholder may be required to redeem their entire holding in that Class of Share in the relevant Fund.

Shares in all Funds can be redeemed by making a request to redeem to the Registrar, by telephoning 0333 300 0375 or through UBS on 0207 567 5757 and through financial intermediaries. In addition, the ACD may from time to time make arrangements to allow Shares to be redeemed on-line or through other communication media.

### **Documents a redeeming Shareholder will receive**

A contract note giving details of the number and price of Shares redeemed will be sent to the redeeming Shareholder (or the first-named Shareholder, in the case of joint Shareholders) together with (if sufficient written instructions have not already been given) a form of renunciation for completion and execution by the Shareholder (or, in the case of a joint holding, by all the joint Shareholders) no later than the end of the Business Day following the later of the request to redeem Shares or the valuation point by reference to which the price is determined. Cheques in satisfaction of the redemption monies will be issued within four Business Days of the later of (a) receipt by the ACD of the form of renunciation (or other sufficient written instructions) duly signed and completed by all the relevant Shareholders together with any other appropriate evidence of title, and (b) the valuation point following receipt by the ACD of the request to redeem.

Where a cheque for redemption monies remains un-presented for period of six years after it has been drawn, the redemption monies will cease to be treated as client money and shall be paid over to the ACD for its own account. This will not be done without first obtaining the Shareholder's written consent, writing to the last known address of a Shareholder informing them of the proposal, undertaking to make good any valid claim against any released balances and provided the ACD has made and retained records of all balances released from client bank accounts.

### **Minimum Redemption**

Part of a Shareholder's holding may be redeemed but the ACD reserves the right to refuse a redemption request if the value of the Shares of any Fund to be redeemed is less than £1,000.

### **Switching**

A Shareholder in a Fund may at any time switch all or some of their Shares of one Class or Fund ('**Original Shares**') for Shares of another Class or Fund (the '**New Shares**'), subject to the restrictions defined in this Prospectus. The number of New Shares issued will be determined by reference to the respective prices of New Shares and Original Shares at the valuation point applicable at the time the Original Shares are redeemed and the New Shares are issued.

A request to switch may be made in writing to the Registrar, by telephoning 0333 300 0375 or through UBS on 020 7567 5757 and through financial intermediaries. The Shareholder will be required to provide written instructions to the Registrar or their client adviser, as appropriate (which, in the case of joint Shareholders must be signed by all

the joint Shareholders) before switching is effected. Switching forms may be obtained from the Registrar or the client's client adviser.

The ACD may at its discretion charge a fee on the switching of Shares between Funds although has no current plans to do so.

If the switch would result in the Shareholder holding a number of Original Shares or New Shares of a value which is less than the minimum holding in the Class concerned, the ACD may, if it thinks fit, convert the whole of the applicant's holding of Original Shares to New Shares (and made a charge on switching on such conversion) or refuse to effect any switch of the Original Shares. No switch will be allowed during any period when the right of Shareholders to require the redemption of their Shares is suspended. Save as otherwise specifically set out, the general provisions on procedures relating to redemption will apply equally to a switch. A duly completed switching form must be received by the ACD before the valuation point on a Dealing Day in the Fund or Funds concerned to be dealt with at the prices at the valuation point on that Dealing Day, or at such other date as may be approved by the ACD. Switching requests received after a valuation point will be held over until the next day that is a Dealing Day in the relevant Fund or Funds.

The ACD may adjust the number of New Shares to be issued to reflect the application of any charge on switching together with any other charges, or dilution adjustments in respect of the application for the New Shares or redemption or cancellation of the Original Shares as may be permitted pursuant to COLL.

**Please note that a switch of Shares in one Fund for Shares in any other Fund is treated as a redemption and sale of the Original Shares and a purchase of New Shares and will, for persons subject to United Kingdom taxation, be a realisation for the purposes of capital gains taxation.**

**A Shareholder who switches Shares in one Fund for Shares in any other Fund (or who switches between Classes of Shares) will not be given a right by law to withdraw from or cancel the transaction.**

#### **ACD's Ability to Convert Shares**

Where the ACD considers it is in the best interests of the Shareholders, the ACD may convert a Shareholder's holding in one Class of Shares to another Class of Shares in the same Fund. The ACD shall give prior written notice to the Shareholders concerned of the proposed conversion, including details of the new Class of Shares and reminding Shareholders of their right to redeem.

#### **Dealing charges**

The price per Share at which Shares are bought or redeemed is the Net Asset Value per Share and any dilution adjustment that may be applied. Any initial charge (preliminary charge) or redemption charge is payable in addition to the price.

#### **Preliminary Charge**

The ACD may impose a charge on the price of Shares in each Class. The preliminary charge in respect of all Shares is currently 5.25% of the price of such Shares, with the exception of the below Funds for which the preliminary charge in respect of all Shares is 7%:

TM UBS (UK) - Global Balanced Fund

TM UBS (UK) - Global Growth Fund

TM UBS (UK) - Global Yield Fund

The preliminary charge is payable to the ACD.

### **Redemption Charge**

The ACD may make a charge on the redemption of Shares in each Class. At present no redemption charge is levied on any Class of Shares.

The ACD may introduce a redemption charge on any Class of Shares or vary the rate or method of calculation of any redemption charge only in accordance with the FCA rules and after the ACD has made available a revised version of the Prospectus showing the rate of charge and its commencement. Any redemption charge introduced will apply only to Shares sold since its introduction but not to Shares previously in issue.

### **Charges on Switching**

On the switching of Shares between Funds or Classes in the Company the Instrument of Incorporation authorises the Company to impose a charge on switching. The charge will not exceed an amount equal to the then prevailing preliminary charge for the New Shares. If a redemption charge is payable in respect of the Original Shares, this may become payable instead of, or as well as, the then prevailing preliminary charge for the New Shares. The charge on switching is payable by the Shareholder to the ACD. An SDRT provision may also be levied on the redemption of the Original Shares. The ACD does not currently charge a switching fee.

### **New Charges and Increase in Charges**

The ACD may, at any time, introduce a new charge or expense or increase the rate of a current charge or expense only in accordance with COLL and after the ACD has made available a revised Prospectus showing the new charge or expense or the proposed increase and its commencement date.

### **Other dealing information**

#### **Dilution adjustment**

The basis on which the Company's investments are valued for the purpose of calculating the price of Shares as stipulated in COLL and the Instrument of Incorporation is summarised in paragraphs 3B) and C). The actual cost of buying or redeeming a Fund's investments may be higher or lower than the mid-market value used in calculating the Share price - for example, due to dealing charges, taxes, or through dealing at prices other than the mid-market price. Under certain circumstances (for example, large volumes of deals) this may have a material adverse effect on the existing/continuing Shareholders' interest in the Fund. In order to prevent this effect, called "dilution", and in order to protect the interests of existing/continuing Shareholders, the ACD has the power to apply a "dilution adjustment" to the price on the purchase and/or redemption of Shares. If a dilution adjustment is not applied in such circumstances, this may have an adverse effect on the future growth of the Scheme Property of the Company. If applied, the dilution adjustment will be made to the price of the Fund, with the effect that any extra capital invested/retained will become part of the relevant Fund and not paid to the ACD.

The dilution adjustment for each Fund will be calculated by reference to the estimated costs of dealing in the underlying investments of that Fund, including any dealing spreads, commission and transfer taxes. The price of each Class of Share in a Fund will

be calculated separately but any dilution adjustment will, in percentage terms, affect the price of Shares of each Class identically.

The need to apply a dilution adjustment will depend on the volume of net purchases or redemptions of the Shares. The ACD may apply a discretionary dilution adjustment on the issue or redemption of such Shares if, in its opinion, (i) the existing Shareholders (for purchases) or continuing Shareholders (for redemptions) might otherwise materially be adversely affected and (ii) in so far as practicable, applying a dilution adjustment is fair to all existing and potential Shareholders. In determining the rate of any dilution adjustment, the ACD may, in order to reduce volatility, take account of the trend of a Fund to expand or contract and the transaction in Shares at a particular valuation point. Unless it is disadvantageous to Shareholders, the dilution adjustment will normally be applied in the following circumstances:

1. on a Fund experiencing large levels of net purchases or redemptions relative to its size; For these purposes, a large level of net dealing is defined as net purchases or a redemption of 1% or more of the value of the Fund;
2. in any other case where the ACD is of the opinion that the interests of existing/continuing Shareholders or potential Shareholders require the imposition of a dilution adjustment.

As dilution is directly related to the inflows and outflows of monies from a Fund it is not possible to predict accurately whether dilution is likely to occur at any future point in time or how frequently the ACD will need to make such a dilution adjustment. The actual dilution adjustment applied will depend on market conditions at or around the time at which the deal is struck. Based on historical information the ACD considers that dilution adjustments are likely to vary between 0.05% and 0.5% of the single price of a Fund and will be applied to approximately 50 transactions per annum in each Fund.

For illustrative purposes, the table below shows historic information on dilution adjustments to the Share price:

Name	Estimated Dilution Adjustment (%) applicable for purchases as at 31 December 2023	Estimated Dilution Adjustment (%) applicable for sales as at 31 December 2023	Number of days on which a Dilution Adjustment has been applied over the period 1 January 2023 to 31 December 2023
TM UBS (UK) - UK Equity Fund	0.071	0.442	4
TM UBS (UK) - Balanced Fund	0.042	0.071	3
TM UBS (UK) - Growth Fund	0.045	0.140	3
TM UBS (UK) - Income Focus Fund	0.046	0.210	1
TM UBS (UK) - Global Balanced Fund	0.054	0.124	1
TM UBS (UK) - Global Growth Fund	0.066	0.139	1
TM UBS (UK) - Global Yield Fund	0.043	0.122	8

Name	Estimated Dilution Adjustment (%) applicable for purchases as at 31 December 2023	Estimated Dilution Adjustment (%) applicable for sales as at 31 December 2023	Number of days on which a Dilution Adjustment has been applied over the period 1 January 2023 to 31 December 2023
TM UBS (UK) - Global Equity Fund	0.083	0.157	1

### **Market timing**

The ACD may refuse to accept a new subscription in the Company or a switch from another Fund if, in the opinion of the ACD, it has reasonable grounds for refusing to accept a subscription or a switch from them. In particular, the ACD may exercise this discretion if it believes the Shareholder has been or intends to engage in market timing.

For these purposes, market timing activities include investment techniques which involve short term trading in and out of Shares generally to take advantage of variation in the price of Shares between the daily valuation points in the Company. Short term trading of this nature may often be detrimental to long term Shareholders, in particular, the frequency of dealing may lead to additional dealing costs which can affect long term performance.

### **Money laundering**

As a result of legislation in force in the United Kingdom to prevent money laundering, the ACD is responsible for compliance with money laundering regulations. In order to implement these procedures, in certain circumstances investors may be asked to provide proof of identity when buying or redeeming Shares. Until satisfactory proof of identity is provided, the ACD reserves the right to refuse to issue Shares, pay the proceeds of the redemption of Shares, or pay income on Shares to the investor.

Please refer to 'Electronic verification' under 'General Information' for more detail.

### **Transfers**

Shareholders are entitled to transfer their Shares to another person or body. All transfers must be in writing in the form of an instrument of transfer approved by the ACD for this purpose. Completed instruments of transfer must be returned to the ACD in order for the transfer to be registered by the ACD. The ACD may refuse to register a transfer unless an amount equivalent to the applicable SDRT has been paid.

### **Restrictions and compulsory transfer and redemption**

The ACD may from time to time impose such restrictions as it may think necessary for the purpose of ensuring that no Shares are acquired or held by any person in breach of the law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory or which would result in the Company incurring any liability to taxation which the Company is not able to recoup itself or suffering any other adverse consequence. In this connection, the ACD may, inter alia, reject in its discretion any application for the purchase, redemption, transfer or switching of Shares.

If it comes to the notice of the ACD that any Shares ('**affected Shares**')

- (i) are owned directly or beneficially in breach of any law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory; or
- (ii) would result in the Company incurring any liability to taxation which the Company would not be able to recoup itself or suffering any other adverse consequence (including a requirement to register under any securities or investment or similar laws or governmental regulation of any country or territory); or
- (iii) are held in any manner by virtue of which the Shareholder or Shareholders in question is/are not qualified to hold such Shares or if it reasonably believes this to be the case;

the ACD may give notice to the Shareholder(s) of the affected Shares requiring the transfer of such Shares to a person who is qualified or entitled to own them or that a request in writing is given for the redemption of such Shares in accordance with COLL. If any Shareholder upon whom such a notice is served does not within thirty days after the date of such notice transfer their affected Shares to a person qualified to own them or submit a written request for their redemption to the ACD or establish to the satisfaction of the ACD (whose judgement is final and binding) that they or the beneficial owner is qualified and entitled to own the affected Shares, they shall be deemed upon the expiry of that thirty day period to have given a request in writing for the redemption or cancellation (at the discretion of the ACD) of all the affected Shares.

A Shareholder who becomes aware that they are holding or owns affected Shares shall immediately, unless they have already received a notice as set out above, either transfer all their affected Shares to a person qualified to own them or submit a request in writing to the ACD for the redemption of all their affected Shares.

Where a request in writing is given or deemed to be given for the redemption of affected Shares, such redemption will be effected in the same manner as provided for under COLL.

### **Issue of Shares in exchange for in specie assets**

The ACD may arrange for the Company to issue Shares in exchange for assets other than cash, but will only do so where the Depositary has taken reasonable care to determine, in accordance with COLL, that the Company's acquisition of those assets in exchange for the Shares concerned is not likely to result in any material prejudice to the interests of Shareholders.

The ACD will ensure that the beneficial interest in the assets is transferred to the Company with effect from the issue of the Shares.

The ACD will not issue Shares in any Fund in exchange for assets the holding of which would be inconsistent with the investment objective of that Fund.

### **In specie redemptions**

If a Shareholder requests the redemption of Shares the ACD may, where it considers the deal to be substantial in relation to the total size of the Fund concerned or in some way advantageous or detrimental to the Fund, arrange, having given prior notice in writing to the Shareholder that in place of payment for the Shares in cash, the Company transfers property or, if required by the Shareholder, the net proceeds of sale of the relevant property, to the Shareholder.

The ACD will select the property to be transferred in consultation with the Depositary. The Depositary must take reasonable care to ensure that the property transferred would not be likely to result in any material prejudice to the interests of Shareholders.

### **Suspension of dealings in the Company**

The ACD may, with the prior agreement of the Depositary, or must if the Depositary so requires, temporarily suspend the issue, cancellation, sale and redemption of Shares (including any purchase and redemption on switching) in any or all of the Funds where due to exceptional circumstances it is in the interests of Shareholders in the Fund (for example, but without limitation, on the closure or suspension of dealing on a relevant stock exchange, or the inability of the ACD to ascertain properly the value of any or all of the assets or realise any or all of the assets of a Fund). The ACD or the Depositary must immediately inform the FCA of the suspension.

Notice of the suspension will be provided to Shareholders as soon as practicable after commencement of the suspension. The notification will draw Shareholders' attention to the exceptional circumstances which resulted in the suspension, and inform Shareholders how to obtain the information described in the following sentence. The ACD will publish (on its website or by other means) sufficient details to keep Shareholders appropriately informed about the suspension including, if known, its likely duration. During the suspension, the ACD shall not be obliged to deal in the Shares, but must comply with as many of its obligations regarding valuation and pricing as are practicable in the light of the suspension. The ACD and Depositary must review any such suspension at least every 28 days and inform the FCA of the results of their review. Any such suspension may only continue so long as it is justified having regard to the interest of Shareholders.

The ACD may agree, during the suspension, to deal in Shares in which case all deals accepted during, and outstanding prior to, the suspension will be undertaken at a price calculated at the first valuation point after restart of dealing in Shares.

Recalculation of the Share price for the purposes of purchases and redemptions will commence on the next relevant valuation point following the ending of the suspension.

### **Governing law**

All deals in Shares are governed by English law.

### **Client Money Rules**

The FCA Handbook contains provisions (known as the '**Client Money Rules**') designed to safeguard client money in the hands of authorised persons. However, the CASS rules also provide that money need not be treated as client money in respect of a delivery versus payment transaction, for the purpose of settling a transaction in relation to units in a regulated collective investment scheme such as the Company, provided that:

1. The ACD receives the money from a client in relation to the ACD's obligation to issue Shares in the fund in accordance with COLL; or
2. The money is held in the course of redeeming Shares, where the proceeds are paid to the client within the timeframe specified in COLL.

Where money is received in either of the circumstances set out in 1. or 2. above, the ACD must cease to operate the exemption if, by close of business on the Business Day following receipt of the money, it has not paid it over to the Depositary or the client or, if direct issues and cancellations of Shares by the Company are permitted, to the Company, as applicable.

In order to facilitate management of the Company, the ACD makes use of the delivery versus payment exemption on the issue of Shares in respect of money received other than in the form of cheques. Money received in other payment forms for the issue of Shares is, therefore, not protected under the Client Money Rules until the delivery versus payment exemption period has expired. Money received by the ACD in the form of redemptions, cheques or other remittances is paid directly into a client money account maintained by the ACD with an Approved Bank, as defined in the FCA Rules, and protected in line with the Client Money Rules. No interest is payable by the ACD on monies credited to this account.

Money deposited into an account with a third party may have a security interest, lien or right of set-off in relation to the money, to the extent permitted by the Client Money Rules.

In certain circumstances, if the ACD has lost touch with an investor, the ACD will be permitted to pay the investor's client money balance to a registered charity after six years. The ACD will not do so until reasonable efforts have been made to contact the investor. The investor will still be entitled to recover this money from the ACD at a later date irrespective of whether the ACD has paid the money to charity. This is subject to the rules in COLL, which require the ACD to transfer any distribution payment which remains unclaimed after a period of six years from the date of payment to the Company's capital property.

## **B) VALUATION OF THE COMPANY**

The price of a Share is calculated by reference to the Net Asset Value of the Fund to which it relates. There shall only be a single price for a Share in any Fund. The Net Asset Value per Share is currently calculated at 12 noon on each Dealing Day.

The ACD may at any time during a Business Day carry out an additional valuation if it considers it desirable to do so.

Valuations may be carried out for effecting a scheme of amalgamation or reconstruction which do not create a Valuation Point for the purposes of dealings. Where permitted and subject to the Regulations, the ACD may in certain circumstances (for example where a significant event has occurred since the closure of a market) substitute a price with a more appropriate price which in its opinion reflects a fair and reasonable price for that investment.

The ACD will, upon completion of each valuation, notify the Depositary of the price of Shares, of each Class of each Fund and the amount of any dilution adjustment applicable in respect of any purchase or redemption of Shares, except where calculated purely for performance purposes.

## **c) CALCULATION OF THE NET ASSET VALUE**

The value of the property of the Company or Fund (as the case may be) shall be the value of its assets less the value of its liabilities determined in accordance with the following provisions.

- 1 All the property (including receivables) is to be included, subject to the following provisions.
- 2 Property which is not cash (or other assets dealt with in paragraph 3 below) or a contingent liability transaction shall be valued as follows and the prices used shall (subject as follows) be the most recent prices which it is practicable to obtain:

- 2.1 units or shares in a collective investment scheme:
  - 2.1.1 if a single price for buying and redeeming units or shares is quoted, at that price; or
  - 2.1.2 if separate buying and redemption prices are quoted, at the average of the two prices provided the buying price has been reduced by any preliminary charge included therein and the redemption price has been increased by any exit or redemption charge attributable thereto; or
  - 2.1.3 if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no recent price exists, or, if the most recent price available does not reflect the ACD's best estimate of the value of the units or shares, at a value which, in the opinion of the ACD, is fair and reasonable;
- 2.2 any other transferable security:
  - 2.2.1 if a single price for buying and redeeming the security is quoted, at that price; or
  - 2.2.2 if separate buying and redemption prices are quoted, at the average of the two prices; or
  - 2.2.3 if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no recent price exists, or, if the most recent price available does not reflect the ACD's best estimate of the value of the security, at a value which in the opinion of the ACD, is fair and reasonable;
- 2.3 property other than that described in 2.1 and 2.2 above at a value which, in the opinion of the ACD, is fair and reasonable.
- 3 Cash and amounts held in current and deposit accounts and in other time related deposits shall be valued at their nominal values.
- 4 Property which is a contingent liability transaction shall be treated as follows:
  - 4.1 if it is a written option (and the premium for writing the option has become part of the property), deduct the amount of the net valuation of premium receivable. If the property is an off exchange option the method of valuation shall be agreed between the ACD and the Depositary;
  - 4.2 if it is an off exchange future, include it at the net value of closing out in accordance with a valuation method agreed between the ACD and the Depositary;
  - 4.3 if it is any other form of contingent liability transaction, include it at the mark to market value (whether as a positive or negative value). If the property is an off exchange derivative, include it at a valuation method agreed between the ACD and the Depositary.
- 5 In determining the value of the Scheme Property, all instructions given to issue or cancel Shares shall be assumed to have been carried out (and any cash paid or received) whether or not this is the case.
- 6 Subject to paragraphs 7 and 8 below, agreements for the unconditional sale or purchase of property which are in existence but uncompleted shall be assumed to

have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the valuation takes place and if, in the opinion of the ACD, their omission will not materially affect the final net asset amount.

- 7 Futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options shall not be included under paragraph 6.
- 8 All agreements are to be included under paragraph 6 which are, or ought reasonably to have been, known to the person valuing the property.
- 9 Deduct an estimated amount for anticipated tax liabilities at that point in time including (as applicable and without limitation) capital gains tax, income tax, corporation tax, value added tax, stamp duty, stamp duty reserve tax and any foreign taxes or duties.
- 10 Deduct an estimated amount for any liabilities payable out of the property and any tax thereon treating periodic items as accruing from day to day.
- 11 Deduct the principal amount of any outstanding borrowings whenever repayable and any accrued but unpaid interest on borrowings.
- 12 Add an estimated amount for accrued claims for tax of whatever nature which may be recoverable.
- 13 Add any other credits or amounts due to be paid into the Scheme Property.
- 14 Add a sum representing any interest or any income accrued due or deemed to have accrued but not received.
- 15 Currencies or values in currencies other than Sterling shall be converted at the relevant valuation point at a rate of exchange that is not likely to result in any material prejudice to the interests of Shareholders or potential shareholders.
- 16 Deduct the total amount of any performance fee that has accrued as at that time (if any) based on the calculation summarised in the Prospectus.

### **Price per Share in each Fund and each Class**

The price per Share at which Shares are bought or redeemed is the Net Asset Value per Share and any dilution adjustment that may be applied. Any preliminary charge, redemption charge or SDRT provision is payable in addition to the price.

### **Pricing Basis**

The ACD deals on a forward pricing basis. A forward price is the price calculated at the next valuation point after the purchase or redemption is deemed to be accepted by the ACD.

### **Publication of Prices**

The most recent prices will appear daily on the Trustnet website at [www.trustnet.com](http://www.trustnet.com) and can also be obtained by telephone on 01483 783 900.

For reasons beyond the control of the ACD, these may not necessarily be the current prices.

The cancellation price last notified to the Depository is available from the ACD upon request.

The ACD does not accept responsibility for the accuracy of the prices published in or for the non-publication of prices for reasons beyond the control of the ACD.

#### **D) RISK FACTORS**

**Potential investors should consider the following risk factors before investing in the Company (or, in the case of specific risks applying to specific Funds, in those Funds).**

##### **General**

The investments of the Company are subject to normal market fluctuations and other risks inherent in investing in securities. Consequently, the value of shares in all Funds and the income derived from them can go down as well as up and as a result an investor may not get back the amount originally invested. This can be as a result of market movements and also variations on the exchange rates between currencies.

There can be no assurance that any appreciation in value of investments will occur. The value of investments and the income derived from them may fall as well as rise and investors may not recoup the original amount invested in the Company. There is no assurance that the investment objective of any Fund will actually be achieved.

##### **Effect of Preliminary Charge**

The ACD's preliminary charge (see paragraph 3A)) is deducted from an investment at the outset and an equivalent rise in the value of shares is required before the original investment can be recovered. Consequently an investor who realises their shares after a short period may not (even in the absence of a fall in the value of the relevant investments) realise the amount originally invested. Therefore, the Shares should be viewed as a mid to long term investment.

##### **Suspension of Dealings in Shares**

Investors are reminded that in certain circumstances their right to redeem Shares may be suspended (see paragraph 3A)).

##### **Currency Exchange Rates**

Depending on an investor's currency of reference, currency fluctuations may adversely affect the value of an investment.

##### **Emerging Markets**

Where Funds invest in some overseas markets, these investments may carry risks associated with failed or delayed settlement of market transactions and with the registration and custody of securities.

Investment in emerging markets may involve a higher than average risk.

Investors should consider whether or not investment in such Funds is either suitable for or should constitute a substantial part of an investors portfolios.

Companies the subject of investment in emerging markets may not be subject:

- (a) to accounting, auditing and financial reporting standards, practices in disclosure requirements comparable to those applicable to companies in major markets;
- (b) to the same level of government supervision and regulation of stock exchanges as countries with more advanced securities markets. Accordingly, certain emerging markets may not afford the same level of investor protection as would apply in more developed jurisdictions;
- (c) restrictions on foreign investment in emerging markets may preclude investment in certain securities by certain Funds and, as a result, limit investment opportunities for the Funds. Substantial government involvement in, and influence on, the economy may affect the value of securities in certain emerging markets;
- (d) the reliability of trading and settlement systems in some emerging markets may not be equal to that available in more developed markets, which may result in delays in realising investment;
- (e) lack of liquidity and efficiency in certain of the stock markets or foreign exchange markets in certain emerging markets may mean that from time to time ACD may experience more difficulty in purchasing or selling holdings of securities than it would in a more developed market.

### **Smaller Companies**

Funds investing in smaller companies invest in transferable securities that may be less liquid than the securities of larger companies, as a result of inadequate trading volume or restrictions on trading. Securities in smaller companies may possess greater potential for capital appreciation, but also involve risks, such as limited product lines, markets and financial or managerial resources and trading in such securities may be subject to more abrupt price movements than trading in the securities of larger companies.

### **Charges to Capital**

Where the objective of a Fund is to treat the generation of income as a higher priority than capital growth, or the generation of income and capital growth have equal priority, all or part of the ACD's fee (and any other charges) may be charged against capital instead of income. **It should be noted that, where fees are charged to capital, this may result in capital erosion or constrain capital growth.**

Currently, the **TM UBS (UK) - Income Focus Fund** and the **TM UBS (UK) - Global Yield Fund** deduct all charges including, the ACD's fee, against capital.

### **Dilution adjustment**

Investors should note that in certain circumstances a dilution adjustment may be applied on their purchase or redemption of Shares (see paragraph 3A)). Where a dilution adjustment is not applied, the Fund in question may incur dilution, which may constrain capital growth.

### **Liabilities of the Company**

Each Fund will be charged with the liabilities, expenses, costs and charges of the Company attributable to that Fund and within the Fund's charges will be allocated between Classes in accordance with the terms of issue of shares of those Classes.

As the Company is an umbrella company, each Fund has a specific segregated portfolio of assets to which any liabilities attributable or allocated to a particular Fund shall be met first out of the property attributable or allocated to that particular Fund. Accordingly the assets of each Fund belong exclusively to that Fund and shall not be used to discharge directly, or indirectly, the liabilities of, or claims against, any other person or body, including the Company, or any other Fund, and shall not be available for any such purpose.

Any liabilities, expenses, costs or charges which are not attributable to one Fund only and allocated in accordance with the FCA Rules, may be reallocated by the ACD, provided that such reallocation shall be done in a manner which is fair to the Shareholders of the Company generally.

The ACD would normally expect any such reallocation to be effected on a pro rata basis having regard to the Net Asset Values of the relevant Funds. If there is any such reallocation the ACD will advise shareholders of it in the next succeeding annual or half yearly report to Shareholders.

While provisions of the OEIC Regulations provide for segregated liability between Funds, the concept of segregated liability is relatively new. Accordingly, where claims are brought by local creditors in foreign courts, or under foreign law contracts, it is not known how those foreign courts will react to Regulation 11A and 11B of the OEIC Regulations.

Shareholders are not, however, liable for the debts of the Company. A Shareholder is not liable to make any further payment to the Company after they have paid the purchase price of the Shares.

## **Derivatives**

**Derivative transactions may be used in each Fund solely for the purposes of hedging and efficient portfolio management and are not intended to increase the risk profile of any Fund.**

A Fund may be invested in derivatives or a forward transaction but only for the purposes of hedging with the aim of reducing the risk profile of a Fund, or reducing costs. Hedging against a decline in the value of portfolio positions does not eliminate fluctuations in the values of portfolio positions nor prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus moderating the decline in the positions' value. Such hedge transactions also limit the opportunity for gain if the value of the portfolio position should increase. Additionally, it may not be possible for a Fund to hedge against an exchange rate or interest rate fluctuation that is so generally anticipated if it is not able to enter into a hedging transaction at a price sufficient to protect a Fund from the decline in value of the portfolio position anticipated as a result of such a fluctuation.

Where derivative instruments are utilised for hedging purposes, the risk of loss to the Fund may be increased where the value of the derivative instrument and the value of the security or position which it is hedging are insufficiently correlated. Such imperfect correlation may prevent a Fund from achieving the intended hedge or expose a Fund to risk of loss. While a Fund may enter into such transactions to seek to reduce exchange rate and interest rate risks, unanticipated changes in currency, interest rates and equity markets may result in a poorer overall performance of the relevant Fund. Movements in currencies may render hedging ineffective. For a variety of reasons, the ACD may not seek to establish (or may not otherwise obtain) a perfect correlation between such hedging instruments and the portfolio holdings being hedged.

## **Hedge funds**

Each Fund can invest in other collective investment schemes that in turn invest in hedge funds. Hedge funds are generally unregulated, can be aggressively managed, use derivatives and other high risk Financial Instruments, be less transparent, have higher charges, and employ more complex investment strategies than funds generally available to the public, and therefore are high risk.

## **Counterparty risk in over-the-counter markets**

A Fund may enter into transactions in over-the-counter markets which will expose the Fund to the credit of its counterparties and their ability to satisfy the terms of such contracts. For example, a Fund may enter into agreements or use other derivative techniques, each of which exposes a Fund to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of bankruptcy or insolvency of a counterparty, a Fund could experience delays in liquidating the position and significant losses, includes declines in the value of its investment during the period in which a Fund seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights. There is also a possibility that the above agreements and derivative techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. In such circumstances investors may be unable to recover any losses incurred.

## **Legal and Regulatory Risks**

Legal and regulatory (including taxation) changes could adversely affect the Company. Regulation (including taxation) of investment vehicles such as the Company is subject to change. The effect of any future legal or regulatory (including taxation) change on the Company is impossible to predict, but could be substantial and have adverse consequences on the rights and returns of shareholders.

## **Conflicts Policy**

Transactions may be effected in which the ACD has, either directly or indirectly, an interest that may potentially involve a conflict of its obligation to the Company. Where a conflict cannot be avoided, the ACD will have regard to its fiduciary responsibility to act in the best interests of the Company and its investors. The ACD will ensure that investors are treated fairly and that such transactions are effected on terms which are not less favourable to the Company than if the potential conflict had not existed.

## **Exchange-Traded Funds**

An investment by a Fund in Exchange Traded Funds (or an ETF) generally presents the same primary risks as an investment in a collective investment fund. Funds investing in ETFs are exposed not only to movements in the value of the underlying asset but also to the risk that the issuer or counterparty gets into financial problems. In addition, an ETF may be subject to the following risks:

- (1) a discount of the ETF's shares to its net asset value;
- (2) failure to develop an active or liquid trading market for the ETF's shares. The lack of a liquid secondary market, in particular, may make it very difficult for the Funds to sell the ETFs it holds and there can be no guarantee that a secondary trading market will develop;
- (3) the listing / relevant exchange halting trading of the ETF's shares;

- (4) failure of the ETF's shares to track the quoted reference index;
- (5) the re-weighting of; and
- (6) the holding of troubled or illiquid securities in the quoted reference index.

Certain of the ETFs in which a Fund may invest are leveraged and this can cause their prices to be more volatile and their value to fall below the value of the underlying asset. The more a Fund invests in leveraged ETFs, the more this leverage will increase any losses on those investments.

ETFs may involve duplication of management fees and certain other expenses, as the Fund indirectly bears their proportionate share of any expenses paid by the ETFs in which it invests and whilst most ETFs quote an ongoing charge figure or a total expense ratio, swap-based ETFs and currency hedged ETFs may have additional costs which are not included in these figures.

### **Exchange Traded Notes**

Exchange Traded Notes (or an ETN) are subject to credit risk, including the credit risk of the issuer, and the value of the ETN may drop due to a downgrade in the issuer's credit rating, despite the underlying market benchmark of strategy remaining unchanged. The general credit market environment can also affect the creditworthiness of the issuer, causing the value of the ETN to fluctuate significantly. Changes in interest rate conditions can also affect the value of the ETN. Generally, if interest rates fall, the value of these investments rises. Conversely, if interest rates rise, their value falls.

The value of an ETN may also be influenced by time to maturity, level of supply and demand for the ETN, volatility and lack of liquidity in tracked assets, and economic, legal, political, or geographic events that affect the underlying asset that is tracked (or referenced) in the ETN.

Although most ETNs will quote an annual management charge ratio, this may not include all of the costs involved in running the investment and they do not always quote a total expense ratio figure.

### **Custody Risk**

The Depositary may delegate the function of safekeeping of Financial Instruments to the Custodian, who may in turn appoint custody agents. The Depositary or Custodian or custody agents may hold Financial Instruments in fungible accounts (meaning the assets are interchangeable) or omnibus accounts (resulting in accounts being combined). The use of omnibus accounts gives rise to a potential risk that there could be a shortfall in the Financial Instruments held in such an account should the total of the Financial Instruments be less than the aggregate entitlement of the Company. It is expected that such risks will be mitigated by the Custodian's trade matching and reconciliation processes, however in the event of an irreconcilable shortfall, the affected clients would bear the risk of any shortfall on a pro-rata basis and the Company may not recover all of its Financial Instruments.

### **Infectious Diseases**

Infectious diseases that pose significant threats to human health may be highly disruptive to global economies and markets. The economic and market disruptions caused by infectious diseases could significantly impact the value of the Scheme Property of the Company (or a Fund) and the value of distributions paid to Shareholders.

## **E) MANAGEMENT AND ADMINISTRATION**

### **Authorised Corporate Director**

The ACD is Thesis Unit Trust Management Limited, a private company limited by shares, incorporated in England and Wales under the Companies Act 1985 on 6 February 1998 with company number 3508646.

The directors of the ACD are:

S R Mugford	Finance Director
D W Tyerman	Chief Executive Officer
S E Noone	Client Service Director
D K Mytnik	Non-Executive Director
V R Smith	Non-Executive Director
C A E Lawson	Independent Non-Executive Director
C J Willson	Independent Non-Executive Director
N C Palios	Non-Executive Chair

Registered Office and Head Office: Exchange Building, St John's Street,  
Chichester, West Sussex PO19 1UP

Share Capital: Issued and paid up: £5,673,167

All directors are also directors of ConBrio Fund Partners Limited and members of the governing body of TUTMAN LLP, both authorised fund managers within the same group as the ACD. D W Tyerman, S R Mugford and S E Noone perform senior management functions within those entities. D W Tyerman and S R Mugford also hold directorships of other companies within the Thesis group and perform senior management functions within Thesis Asset Management Limited, which acts as an investment manager for some authorised funds operated by the ACD.

D K Mytnik, V R Smith and N C Palios also hold non-executive directorships of other companies within the Thesis group. They and C J Willson and C A E Lawson are not engaged in other business activities that are of significance to the Company.

The ACD acts as authorised fund manager of other regulated collective investment schemes. Details of these schemes, as at the date of this Prospectus, are set out at Appendix 6.

The ACD is the sole director of the Company and is responsible for managing and administering the Company's affairs in compliance with COLL.

#### *Delegated functions*

The ACD has delegated the below to:

- registration function to Northern Trust Global Services SE, UK branch;

- administration and fund accounting functions to Northern Trust Global Services SE, UK branch; and
- the investment management function to UBS.

Refer to the below 'Terms of Appointment' for details.

### **Terms of Appointment**

The appointment of the ACD has been made under an agreement dated 30 June 2009, and amended on 16 July 2012, between the Company and the ACD (the '**ACD Agreement**').

The ACD Agreement provides that the appointment of the ACD may be terminated upon resolution of the Company in general meeting giving not less than 3 months' prior notice to the ACD or forthwith in certain circumstances by the ACD to the Company or the Depositary, or by the Depositary or the Company to the ACD. Termination cannot take effect until the FCA has approved the change of ACD.

The ACD is entitled to its pro rata fees and expenses to the date of termination and any additional expenses necessarily realised in settling or realising any outstanding obligations. No compensation for loss of office is provided for in the agreement. The ACD Agreement provides indemnities to the ACD other than for certain matters including those arising by reason of its fraud, negligence, wilful default, breach of duty or its bad faith, in the performance of its duties and obligations.

Under the ACD Agreement the ACD is entitled to delegate all of its functions to third parties, including without limitation, its investment advisory, administration and registrar functions.

The fees to which the ACD is entitled are set out in paragraphs 3A) and F).

The ACD is authorised and regulated by the FCA.

### **The Depositary**

The Depositary of the Company is NatWest Trustee and Depositary Services Limited, a private limited company registered in England and Wales with company number 11194605.

The ultimate holding company of the Depositary is NatWest Group plc, which is incorporated in Scotland.

The Depositary's registered and head office address is 250 Bishopsgate, London EC2M 4AA. The address of its office which handles matters relating to the Company is set out in Appendix 5.

The Depositary's principal activity is the provision of trustee and depositary services.

The Depositary is established in the UK and is authorised and regulated by the FCA to act as a depositary of a UK UCITS or a UK AIF.

#### *Duties of the Depositary*

The Depositary is responsible for the safekeeping of the Scheme Property, monitoring the cash flows of the Company and must ensure that certain processes carried out by the ACD are performed in accordance with the applicable rules and scheme documents.

### *Terms of Appointment*

The appointment of the Depositary has been made under the terms of the Depositary Agreement between the Company, the ACD and the Depositary.

The Depositary Agreement provides that the Depositary be engaged to maintain the safe custody of the Scheme Property and to fulfil other duties required in the OEIC Regulations and COLL.

The powers, duties, rights and obligations of the Depositary, the Company and the ACD under the Depositary Agreement shall, to the extent of any conflict, be overridden by the FCA Rules.

Under the Depositary Agreement the Depositary has the power to appoint sub-custodians and may include in such appointment powers to sub-delegate. The Depositary has delegated custody of the Scheme Property to UBS Europe SE Luxembourg Branch (the '**Custodian**'). Contact details for the Custodian are set out in Appendix 5. The Custodian has, in turn, sub-delegated the custody of assets in certain markets in which the Company may invest to various sub-delegates ('**sub-custodians**').

A list of sub-custodians is set out in Appendix 7. Investors should note that the list of sub-custodians is updated only at each Prospectus review.

To the extent permitted by applicable law and the UK UCITS Regulations, the Depositary will not be held liable for any loss incurred by it, or through any of its agents in carrying out its obligations or functions, unless such loss arises as a direct result of the fraud, wilful default, negligence or intentional failure of the Depositary to properly fulfil its obligations under the Depositary Agreement.

The Depositary Agreement provides that the Depositary will be indemnified by the Company in respect of any liabilities suffered or incurred by the Depositary in the proper performance of its obligations and duties under the Depositary Agreement except in the case of fraud or negligent breach of the Depositary Agreement or of any applicable laws.

The Depositary Agreement may be terminated on six months' notice by the Company, the Depositary or the ACD or earlier on certain breaches or the insolvency of a party. However, termination of the Depositary Agreement will not take effect, nor may the Depositary retire voluntarily, until the appointment of a new Depositary has taken place.

Details of the fees payable to the Depositary are set out in the paragraph titled "Depositary's Fees, Charges and Expenses" of this Prospectus.

### *Conflicts of interest*

The Depositary may act as the depositary of other authorised unit trusts or open-ended investment companies and as trustee or custodian of other collective investment schemes.

It is possible that the Depositary and/or its delegates and sub-delegates may in the course of its or their business be involved in other financial and professional activities which may on occasion have potential conflicts of interest with the Company, a particular Fund, one or more Shareholders, the ACD and/or other funds managed by the ACD or other funds for which the Depositary acts as the depositary, trustee or custodian. The Depositary will, however, have regard in such event to its obligations under the Depositary Agreement and the FCA Rules and, in particular, will use reasonable endeavours to ensure that the performance of its duties will not be impaired by any such involvement it may have and that any conflicts which may arise will be resolved fairly

and in the best interests of Shareholders collectively so far as practicable, having regard to its obligations to other clients.

As the Depositary operates independently from the Company, Shareholders, the ACD and the Custodian, the Depositary does not anticipate any conflicts of interest arising between it and any of the aforementioned parties.

The Depositary is under no obligation to account to the ACD, the Company or the Shareholders for any profits or benefits it makes or receives that are made or derived from or in connection with its role as depositary.

#### *Updated Information*

Up-to-date information regarding the Depositary, its duties, its conflicts of interest and the delegation of its safekeeping functions will be made available to Shareholders on request.

#### **The Investment Manager**

The ACD has appointed UBS to provide investment management and advisory services to the ACD in respect of all Funds.

The address of the Investment Manager is set out in Appendix 5.

#### *Terms of Appointment*

The Investment Advisory Agreement between the ACD and the Investment Manager may be terminated: (i) immediately on written notice by the ACD if it is in the interests of the Shareholders; or (ii) on written notice by the Investment Manager or the ACD upon 60 days' notice.

Under the Investment Advisory Agreement the ACD provides indemnities to the Investment Manager (except in the case of any matter arising as a direct result of its fraud, negligence, default or bad faith). The ACD may be entitled under the indemnities in the ACD Agreement to recover from the Company amounts paid by the ACD under the indemnities in the Investment Advisory Agreement.

The Investment Manager will be liable for certain losses suffered by the ACD, or the Company subject, in the absence of fraud, to certain limitations on the Investment Manager's liability.

The principal activity of UBS is acting as an investment manager and adviser. The Investment Manager is required to comply with its own execution policy. A copy of the Investment Manager's execution policy is available on request from the ACD, or may be available from the Investment Manager's website, listed in Appendix 5.

The Investment Manager is authorised by the Prudential Regulation Authority and subject to regulation by the FCA, and limited regulation by the Prudential Regulation Authority. Details about the extent of its regulation by the Prudential Regulation Authority are available, on request, from UBS.

The Investment Manager's duties under the Investment Advisory Agreement include making recommendations and advising the ACD on matters of policy (including advice on borrowing); searching out and evaluating investment opportunities; analysing the performance of companies in which assets have been invested; considering and effecting the purchase or sale of particular assets and payments into and withdrawals from

accounts maintained by the Depositary; and ensuring that assets are managed in compliance with all applicable laws and regulations.

The ACD has delegated to the Investment Manager all rights and powers as are necessary for the discharge by the Investment Manager of its duties under the Investment Advisory Agreement, and the Investment Manager is authorised to make decisions on behalf of the ACD in relation to the management, purchase, sale, retention, exchange or other dealings with assets, and has full discretion to make such investments on such markets as such times as the Investment Manager thinks fit and otherwise to act as it shall deem appropriate.

Under the Investment Advisory Agreement, the Investment Manager may delegate to any person the performance of its duties and services required to be performed by it under that Agreement.

### **Registrar, Administrator and Fund Accountant**

The ACD has appointed Northern Trust Global Services SE, UK branch to provide registration, administration and fund accounting services to the Company under an investment fund services agreement.

Northern Trust Global Services SE, UK branch is authorised and regulated by the FCA. Its registered office is set out in Appendix 5.

The duties of the Registrar and Administrator include:

- maintaining the Register;
- receiving and processing requests for subscriptions for, or redemptions of, shares in the Company;
- administering the payment of distributions to Shareholders in the Company;
- dealing with certain regulatory reporting requirements on behalf of the Company and the ACD;
- maintaining the accounting records of the Company;
- assisting in calculating the Net Asset Value of the Company, as well as to provide fund accounting services in respect of the Company.

### **The Auditor**

The auditor of the Company is PricewaterhouseCoopers LLP and the address of the auditor is set out in Appendix 5.

### **Register**

The Register is kept and may be inspected at the Registrar's office located at 50 Bank Street, London E14 5NT during normal business hours by any Shareholder or any Shareholder's duly authorised agent.

### **Administrator Corporate Governance**

The ACD has appointed ISS Proxy Monitor to provide (from time to time) corporate governance services (including the voting of holdings at meetings) on behalf of the Company.

## **Conflicts of Interest**

The ACD, UBS and other companies within the UBS group may, from time to time, act as investment managers or advisers to other funds or sub-funds that follow similar investment objectives to those of the Funds. It is therefore possible that the ACD and/or the Investment Manager may in the course of their business have potential conflicts of interest with the Company or a particular Fund. Each of the ACD and UBS will, however, have regard in such event to its obligations under the ACD Agreement and the Investment Advisory Agreement respectively and, in particular, to its obligation to act in the best interests of the Company so far as practicable, having regard to its obligations to other clients, when undertaking any investment business where potential conflicts of interest may arise.

Refer to paragraph 8 for information on the Depositary.

## **F) FEES AND EXPENSES**

### **General**

The fees, costs and expenses relating to the authorisation and incorporation and establishment of the Company (or of any Fund formed after this Prospectus is superseded), the offer of Shares, the preparation and printing of this Prospectus and the fees of the professional advisers to the Company in connection with the offer will be borne by the ACD or a company in the UBS group.

All fees or expenses payable by a Shareholder or out of the Scheme Property are set out in this section. The Company may also pay out of the property of the Company charges and expenses incurred by the Company, which will include the following expenses:

1. the fees and expenses payable to the ACD (which will include the fees and expenses payable to the Investment Manager) and to the Depositary;
2. expenses incurred in acquiring and disposing of investments;
3. fees in respect of the publication and circulation of details of the Net Asset Value;
4. the fees and expenses of the auditors and tax, legal and other professional advisers of the Company;
5. the costs of convening and holding Shareholder meetings (including meetings convened by Shareholders);
6. the costs of printing and distributing reports, accounts and any prospectus (apart from the costs of distributing any key investor information documents), publishing prices and any costs incurred as a result of periodic updates of any prospectus and any other administrative expenses;
7. any reasonable general disbursements relating to postage and communication costs incurred in the proper performance of the transfer agent's duties relating to the Company, which are currently carried on by the Registrar;
8. taxation and duties payable by the Company;
9. interest on and charges incurred in borrowings;

10. any amount payable by the Company under any indemnity provisions contained in the Instrument of Incorporation or any agreement with any functionary of the Company;
11. fees of the FCA under the Financial Services and Markets Act 2000 and the corresponding periodic fees of any regulatory authority in a country or territory outside the United Kingdom in which Shares are or may be marketed.

It is not currently proposed to seek a listing for the Shares on any stock exchange, but if a listing is sought in the future the fees connected with the listing will be payable by the Company.

Value Added Tax is payable on these charges where appropriate.

#### Allocation of payments

Save in relation to the **TM UBS (UK) - Income Focus Fund** and the **TM UBS (UK) - Global Yield Fund**, where all expenses may be attributed to capital, expenses of the remaining Funds are allocated between capital and income in accordance with COLL.

**It should be noted that, where fees are charged to capital, this may result in capital erosion or constrain capital growth.**

#### **Charges Payable to the ACD**

In payment for carrying out its duties and responsibilities the ACD is entitled to take an annual fee out of each Fund as a percentage of the Net Asset Value of such Fund calculated on a mid-market basis.

The annual management charge accrues daily and is payable monthly. The current management charge, for each Fund, is set out in Appendix 1.

The current annual fee payable to the ACD for a Class may only be increased in accordance with COLL and after the ACD has made available a revised Prospectus showing the new rate of charge and its commencement date.

The ACD is also entitled to all reasonable, properly documented, out of pocket expenses incurred in the performance of its duties which may include legal and professional expenses of the ACD in relation to the proper performance of the ACD's duties under the ACD Agreement, or related to documents amending the ACD Agreements, all postage and communication costs incurred in the proper performance of duties under the ACD Agreement and all expenses incurred in notarising documents.

In respect of the annual management charge for the **TM UBS (UK) - Global Yield Fund** and the **TM UBS (UK) - Income Focus Fund**, the ACD's fee will be charged against the capital of the Fund, and not the income.

In respect of the remaining Funds, the annual management charge will be charged against the income of these Funds, except where the investment objective of a Fund is to meet the generation of income as a higher priority than capital growth, or the generation of income and capital growth have equal priority, in which case all or part of the ACD's fee may be charged against capital instead of against income. However, such a change will only apply with the approval of the Depositary.

If a Class's expenses in any period exceed its income the ACD may take that excess from the capital property attributable to that Class.

**It should be noted that, where fees and/or expenses are charged to capital, this policy may result in capital erosion or constrain capital growth in respect of a Fund.**

**Investment Manager’s Fees**

The Investment Manager’s fees and expenses (plus VAT thereon) will be paid by the ACD out of its remuneration under the ACD Agreement. Research costs will be paid for by the Investment Manager out of this fee and shall not be borne by the Company.

**Depositary’s Fees, Charges and Expenses**

**Periodic charge**

The Depositary is entitled to receive out of the property of each Fund, by way of remuneration, a periodic charge which will accrue daily and will be paid monthly. The rate of the periodic fee is agreed between the ACD and the Depositary and in relation to each Fund is calculated on a sliding scale on the following basis:

- 0.0100% per annum            on the first £50 million of the Scheme Property and
- 0.0075% per annum            on the balance

The fee is calculated by reference to the value of each Fund on each Business Day. The fee is payable out of the property attributable to each Fund.

The first accrual in relation to any Fund will take place in respect of the period beginning on the day on which the first valuation of that Fund is made and ending on the last Business Day on which that day falls.

**Transaction charges and custody charges**

In addition to the above periodic fees, the Depositary shall also be entitled to be paid transaction charges and custody charges in relation to transaction handling and safekeeping of Scheme Property as follows:

Item	Range
Transaction Charges	£7.50 to £180.00
Custody Charges	Up to 0.9% of the value of the holding involved

These charges vary from country to country depending on the markets and the type of transaction involved.

Transaction charges accrue at the time the transactions are effected and are payable as soon as is reasonably practicable and in any event not later than the last Business Day of the month when such charges arose or as otherwise agreed between the ACD and the Depositary. Custody charges accrue and are payable as agreed from time to time by the ACD and the Depositary.

Where relevant, the Depositary may make a charge for (or otherwise benefit from) providing services in relation to: distributions, the provision of banking services, holding money on deposit, lending money, or engaging in stock lending or derivative transactions, in relation to the Company and may purchase or sell or deal in the purchase

or sale of Scheme Property, provided always that the services concerned and any such dealing are in accordance with the provisions of the FCA Handbook.

The Depositary will also be entitled to payment and reimbursement of all costs, liabilities and expenses properly incurred in the performance of, or arranging the performance of, functions conferred on it by the Depositary Agreement, the FCA Handbook or by the general law.

On a winding up of the Company or the redemption of a class of Shares (if applicable), the Depositary will be entitled to its *pro rata* fees, charges and expenses to the date of winding up, the termination, or the redemption (as appropriate) and any additional expenses necessarily realised in settling or receiving any outstanding obligations.

Any value added tax on any fees, charges or expenses payable to the Depositary will be added to such fees, charges or expenses.

In each case such payments, expenses and disbursements may be payable to any person (including the ACD or any associate or nominee of the Depositary or of the ACD) who has had the relevant duty delegated to it pursuant to the FCA Handbook by the Depositary.

Expenses not directly attributable to a particular Fund will be allocated between Funds. In such case such expenses and disbursements will also be payable if incurred by a person (including the ACD or an associate or nominee of the Depositary or of the ACD) who has had the relevant duty delegated to it pursuant to COLL by the Depositary.

Any increase to the current fees and charges may only be made in accordance with COLL and after the ACD has made available a revised Prospectus showing the new rate of charge and its commencement date.

### **Registrar**

The ACD will pay the appointed transfer agent and Registrar, on behalf of the Company, the following on-going and registration expenses:

- a) fees and expenses in respect of establishing and maintaining the Register (and any plan sub-register) and related functions;
- b) expenses incurred in producing, distributing and dispatching income and other payments to Shareholders.

In return for paying, or satisfying, (a) and (b) the ACD will collect from the Company and pay to the transfer agent and Registrar an administration charge. The administration charge varies with the volume of unit dealing, the number of holdings and the number of distributions, the ACD will make a maximum charge of 0.1% to cover these costs. This charge will accrue daily and be paid monthly represented by the Net Asset Value of the Fund calculated on each Business Day. The valuation used for each day that is not a Business Day will be the value calculated on the previous Business Day.

Disbursements listed in the Fees and Expenses section above will also be paid from the Company.

### **Additional Administration**

The Company's expenses in relation to the provision of pricing, accounting and taxation services by the ACD will be paid out of the annual management charge.

### **Allocation of Fees and Expenses between Funds**

All the above fees, duties and charges (other than those borne by the ACD) will be charged to the Fund in respect of which they were incurred. Where an expense is not considered to be attributable to any one Fund, the expense will normally be allocated to all Funds pro-rata to the value of the Net Asset Value of the Funds, although the ACD has discretion to allocate these fees and expenses in a manner that it considers fair to the Company and to the Shareholders generally.

## **G) INSTRUMENT OF INCORPORATION**

The Instrument of Incorporation of the Company (which is available for inspection at the ACD's offices at Exchange Building, St. John's Street, Chichester, West Sussex PO19 1UP) contains provisions to the following effect:

### **1. Share Capital**

- (a) The Company may from time to time issue Shares of different Classes, and the ACD may by resolution from time to time create additional Classes in respect of a Fund (whether or not falling within one of the Classes in existence on incorporation).
- (b) The ACD may by resolution from time to time create additional Funds with such investment objectives and such restrictions as to geographic area, economic sector, monetary zone or category of transferable security and denominated in such currencies as the ACD from time to time determines.
- (c) The special rights attaching to a Class are not (unless otherwise expressly provided by the conditions of issue of such Shares) deemed to be varied by:
  - (i) the creation, allotment or issue of further Shares of any Class ranking *pari passu* with them;
  - (ii) the switch of Shares of any Class into Shares of another Class;
  - (iii) the creation, allotment, issue or redemption of Shares of another Class within the same Fund, provided that the interests of that other Class in the Fund represent fairly the financial, contributions and benefits of Shareholders of that Class;
  - (iv) the creation, allotment, issue or redemption of Shares of another Fund;
  - (v) the exercise by the ACD of its powers to re-allocate assets, liabilities, expenses, costs or charges not attributable to one Fund or to terminate a Fund; or
  - (vi) the passing of any resolution at a meeting of another Fund which does not relate to the Fund in which the Class is interested.

### **2. Transfer of Shares**

- (a) All transfers of registered Shares must be effected by transfer in writing in any usual or common form or in any other form as may be approved by the ACD.
- (b) A single instrument of transfer may not be given in respect of more than one Class.
- (c) In the case of a transfer to joint holders, the number of joint holders to whom a Share is to be transferred may not exceed four.

- (d) The Company may refuse to register a transfer of Shares unless an SDRT provision has been paid.

### **3. Income**

The following provisions apply in respect of Shares in issue in the Funds:

- (a) An allocation of income (whether annual or interim) to be made in respect of each Share issued by the Company or sold by the ACD during the accounting period in respect of which that income allocation is made shall be of the same amount as the allocation to be made in respect of the other Shares of the same Class issued in respect of the same Fund. This may include a capital sum (**'income equalisation'**) representing the ACD's best estimate of the amount of income included in the price of that Share. This may be either the actual amount of income included in the issue price of that Share or an amount arrived at by taking the aggregate of the amounts of income included in the price in respect of all Shares of that Class bought or redeemed by Shareholders in the accounting period in question and dividing that aggregate amount by the number of such Shares and applying the resultant average to each of the Shares in question.
- (b) Each allocation of income made in respect of any Fund at a time when more than one Class is in issue in respect of that Fund shall be done by reference to the relevant Shareholders' proportionate interests in the property of the Fund in question. These will be ascertained for each Class as follows:
- (i) A notional account will be maintained for each Class. Each account will be referred to as a "Proportion Account".
- (ii) The word "proportion" in this context means the proportion that the balance on a Proportion Account at the relevant time bears to the balance on all the Proportion Accounts of a Fund at that time. The proportionate interest of a Class of Share in the assets and income of a Fund is its "proportion".
- (iii) There will be credited to a Proportion Account:
- the subscription money (excluding any preliminary charges or dilution adjustment) for the issue of Shares of the relevant Class;
  - that Class's proportion of the amount by which the Net Asset Value of the Fund exceeds the total subscription money for all Shares in the Fund;
  - that Class's proportion of the Fund's income received and receivable; and
  - any notional tax benefit under paragraph (v) below.
- (iv) There will be debited to a Proportion Account:
- the redemption payment for the cancellation of Shares of the relevant Class;

- the Class's proportion of the amount by which the Net Asset Value of the Fund falls short of the total subscription money for all Shares in the Fund;
  - all distributions of income (including equalisation) made to Shareholders of that Class;
  - all costs, charges and expenses incurred solely in respect of that Class;
  - that Class's share of the costs, charges and expenses incurred in respect of that Class and one or more other Classes in the Fund, but not in respect of the Fund as a whole;
  - that Class's share of the costs, charges and expenses incurred in respect of or attributable to the Fund as a whole;
  - any SDRT charge; and
  - any notional tax liability under paragraph (v).
- (v) Any tax liability in respect of the Fund and any tax benefit received or receivable in respect of the Fund will be allocated between Classes in order to achieve, so far as possible, the same result as would have been achieved if each Class were itself a Fund so as not materially to prejudice any Class. The allocation will be carried out by the ACD after consultation with the Company's auditors.
- (vi) Where a Class is denominated in a currency that is not the base currency of the Company, the balance on the Proportion Account shall be converted into the base currency of the Company in order to ascertain the proportions of all Classes. Conversions between currencies shall be at a rate of exchange decided by the ACD as being a rate that is not likely to result in any material prejudice to the interests of Shareholders or potential shareholders.
- (vii) The Proportion Accounts are memorandum accounts maintained for the purpose of calculating proportions. They do not represent debts from the Company to Shareholders or the other way round.

Each credit and debit to a Proportion Account shall be allocated to that account on the basis of that Class's proportion immediately before the allocation. All such adjustments shall be made as are necessary to ensure that on no occasion on which the proportions are ascertained is any amount counted more than once.

When Shares are issued thereafter each such Share shall represent the same proportionate interest in the Property of the relevant Fund as each other Share of the same type and Class then in issue in respect of that Fund.

The Company may adopt a method of calculating the amount of income to be allocated between the Shares in issue (or the Shares in issue in respect of any Fund) which is different to that set out in paragraph 3(b) above provided that the ACD is satisfied that such method is fair to Shareholders and that it is reasonable to adopt such method in the given circumstances.

#### **4. Number of Directors**

Unless otherwise determined by an extraordinary resolution of Shareholders the number of directors shall not at any time exceed one.

#### **5. Removal of ACD**

The Company may by ordinary resolution remove the ACD before the expiry of its period of office, notwithstanding any provisions in the Instrument of Incorporation or in any agreement between the Company and the ACD, but the removal will not take effect until the FCA has approved the ACD's removal and a new ACD approved by the FCA has been appointed.

#### **6. Proceedings at General Meetings**

- (a) Prior to each general meeting a director other than the ACD or an associate of the ACD, or if no such nomination is made, the Depositary, shall nominate an individual to act as chairman and if that person is not present within fifteen minutes (which shall be deemed a reasonable time) after the time appointed for holding the meeting or is not willing to act, the Shareholders present shall choose one of their number to be chairman of the meeting.
- (b) The chairman of any quorate meeting may with the consent of the meeting adjourn the meeting from time to time (or without date) and from place to place, and if they are directed by the meeting to adjourn they must do so. No business can be transacted at an adjourned meeting which might not lawfully have been transacted at the meeting from which the adjournment took place.
- (c) The Shareholders have rights under COLL to demand a poll. In addition to these, a poll may be demanded by the chairman of the meeting or by the ACD on any resolution put to the vote of a general meeting.
- (d) Unless a poll is required, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book or computer record of proceedings will be conclusive evidence of that fact. If a poll is required, it shall be taken in such manner as the chairman may direct.
- (e) The chairman may take any action they reasonably consider appropriate and not in contravention of any of the provisions of the Prospectus or the Instrument of Incorporation for, for example, the safety of people attending a general meeting, the proper and orderly conduct of the general meeting or in order to reflect the wishes of the majority.

#### **7. Corporations Acting by Representatives**

- (a) Any corporation which is a Shareholder may by resolution of its directors or other governing body and in respect of any Share or Shares of which it is the holder authorise such individual as it thinks fit to act as its representative at any general meeting of the Shareholders or of any Class meeting or Fund meeting. The individual so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise in respect of such Share or Shares if it were an individual Shareholder.
- (b) Any corporation which is an ACD may by resolution of its directors or other governing body authorise such individual as it thinks fit to act as its representative at any general meeting of the Shareholders or of any Class

meeting or Fund meeting or at any meeting of the ACD. The person so authorised shall be entitled to exercise the same powers at such meeting or Fund Meeting or at any meeting on behalf of such corporation as the corporation could exercise if it were an individual director.

## **8. Class and Fund Meetings**

The provisions of the Instrument of Incorporation relating to meetings shall apply to Class meetings and Fund meetings in the same way as they apply to general meetings.

## **9. Instrument of Incorporation**

- (a) The Instrument of Incorporation may be amended by resolution of the ACD to the extent permitted by COLL.
- (b) In the event of any conflict arising between any provision of the Instrument of Incorporation and the Regulations, the Regulations will prevail.

## **10. Indemnity**

The Instrument of Incorporation contains provisions indemnifying the ACD, other officers and the Company's auditors against liability in certain circumstances otherwise than in respect of their negligence, default, breach of duty or breach of trust, and indemnifying the Depositary against liability in certain circumstances otherwise than in respect of its failure to exercise due care and diligence.

## **H) SHAREHOLDER MEETINGS AND VOTING RIGHTS**

### **Annual General Meeting**

The Company has elected to dispense with annual general meetings with effect from 19 August 2006. Resolutions will be voted upon at Extraordinary General Meetings.

### **Class and Fund Meetings**

The provisions below, unless the context otherwise requires, apply to Class meetings and meetings of Funds as they apply to general meetings of the Company, but by reference to Shares of the Class or Fund concerned and the Shareholders and value and prices of such Shares.

### **Requisitions of Meetings**

The ACD may requisition a general meeting at any time.

Shareholders may also requisition a general meeting of the Company. A requisition by Shareholders must state the objects of the meeting, be dated, be signed by Shareholders who, at the date of the requisition, are registered as holding not less than one-tenth in value of all Shares then in issue and the requisition, must be deposited at the head office of the Company. The ACD must convene a general meeting no later than eight weeks after receipt of such requisition.

### **Notice and Quorum**

Shareholders will receive at least 14 days' notice of a Shareholders' meeting and are entitled to be counted in the quorum and vote at such meeting either in person or by

proxy. The quorum for a meeting is two Shareholders, present in person or by proxy. If after a reasonable time from the time set for an adjourned meeting there is not two Shareholders present in person or by proxy, the quorum for the adjourned meeting shall be one Shareholder entitled to be counted in a quorum present at the meeting. Notices of meetings and adjourned meetings will be sent to Shareholders at their registered addresses.

The procedure in which notices or documents may be served on Shareholders is set out under 'General Information'.

### **Voting Rights**

At a meeting of Shareholders, on a show of hands every Shareholder who (being an individual) is present in person or (being a corporation) is present by its representative properly authorised in that regard, has one vote.

On a poll vote, a Shareholder may vote either in person or by proxy. The voting rights attaching to each Share are such proportion of the voting rights attached to all the Shares in issue that the price of the Share bears to the aggregate price(s) of all the Shares in issue at a date to be determined by the ACD and stated in the notice of the meeting which is a reasonable time before the notice of meeting was sent out.

A Shareholder entitled to more than one vote need not, if they vote, use all their votes or cast all the votes they use in the same way.

Except where COLL or the Instrument of Incorporation of the Company require an extraordinary resolution (which needs 75% of the votes cast at the meeting to be in favour if the resolution is to be passed) any resolution required by COLL will be passed by a simple majority of the votes validly cast for and against the resolution.

Where a resolution (including an extraordinary resolution) is required to conduct business at a meeting of Shareholders and every Shareholder is prohibited under COLL 4.4.8R(4) from voting, a resolution may, with the prior written agreement of the Depositary to the process, instead be passed with the written consent of the Shareholder representing 50% or more (or for an extraordinary resolution representing 75%) of the Shares in issue.

The ACD may not be counted in the quorum for a meeting and neither the ACD nor any associate (as defined in COLL) of the ACD is entitled to vote at any meeting of the Company except in respect of Shares which the ACD or associate holds on behalf of or jointly with a person who, if the registered Shareholder, would be entitled to vote and from whom the ACD or associate has received voting instructions.

In the case of joint Shareholders, the vote of the most senior who votes, whether in person or by proxy, must be accepted to the exclusion of the votes of the other joint Shareholders. For this purpose seniority must be determined by the order in which the names stand in the Register.

"Shareholders" in this context means Shareholders entered on the Register at a time to be determined by the ACD and stated in the notice of the meeting which is a reasonable time before the notices of the relevant meeting are sent out.

### **Variation of Class rights**

The rights attached to a Class or Fund may be varied in accordance with COLL.

## **I) TAXATION**

**The following summary is based on current UK law and HM Revenue & Customs practice. It summarises the UK tax position of Investment Companies with Variable Capital ('ICVCs') and Shareholders who are UK tax resident. However, it should not be regarded as exhaustive and investors are advised to obtain specific advice from their professional tax adviser. Levels and bases of, and reliefs from, taxation are subject to change in the future.**

### **Taxation of the Company and the Funds**

The Company is an umbrella ICVC and each Fund is treated as a separate Authorised Investment Fund for tax purposes. Income of each Fund is deemed to be distributed for tax purposes, even when it is accumulated. References to distributions include deemed distributions of accumulated income.

Each Fund will make dividend distributions except where over 60% of the Fund's property has been invested at all times throughout the distribution period in interest paying and related investments, in which case it will make interest distributions. A Fund that makes interest distributions is referred to as a '**Bond Fund**' and a Fund that makes dividend distributions is referred to as an '**Equity Fund**'.

#### **(A) Income**

Each Fund is liable to corporation tax on its income after relief for management expenses (which include fees payable to the ACD and to the Depositary) at the basic rate of income tax. The rate of corporation tax applicable to each Fund is equal to the basic rate of income tax.

Where the Fund is a Bond Fund, the gross amount of any interest distributions is an allowable expense for corporation tax purposes and no tax should actually be paid on that part of the income funding the interest distributions.

Dividend income received by each Fund from investments in UK resident and overseas companies should fall within an exemption from corporation tax. Dividend income received from foreign companies may be subject to withholding tax or other taxation in the foreign jurisdiction. Any foreign tax suffered by a Fund may normally be deducted from the UK tax due on that income or treated as an expense in calculating the amount of that income subject to corporation tax.

#### **(B) Capital Gains**

Capital gains realised by each Fund on a disposal of its investments are exempt from corporation tax on chargeable gains. In the unlikely event that a Fund should be considered to be trading in securities for tax purposes, any gains made by it would be treated as income and taxed accordingly.

#### **(C) Stamp Duty Reserve Tax**

Stamp duty reserve tax ('**SDRT**') is generally charged on any agreements to transfer shares of ICVCs (other than transactions handled by the fund manager) to third parties at a rate of 0.5% of the consideration.

No SDRT charge arises on the issue or surrender of shares of ICVCs.

However, investors may be subject to an SDRT charge where Shares in the Fund are surrendered and the investors receive assets from the Fund (rather than cash) which are not in proportion to each investor's share of the total assets held by the Fund.

## **Taxation of Shareholders**

### **(A) Income**

For tax purposes, an ICVC is treated as distributing the whole of the income available for distribution in each of its distribution periods, whether actually distributed or accumulated by the Fund. Distributions may be made as interest distributions or dividend distributions as set out below.

The distribution accounts of the Company for any of its distribution periods may show income available for distribution as either (i) an interest distribution or (ii) a dividend distribution. The type of distribution that either actually takes or is deemed to take place depends on the source and composition of the income within the relevant Fund.

Where more than 60% of a Fund is invested in "qualifying investments" (broadly speaking interest paying investments, see further below) distributions made will be interest distributions in relation to such a Fund. Where this is not the case, distributions made by a Fund will be dividend distributions.

All Shareholders will be sent tax vouchers stating the make-up of their distributions and showing their taxable income.

### **Interest distributions**

#### UK resident individuals

Interest distributions paid by a Fund (save in respect of distributions to certain qualifying Shareholders) are treated as yearly interest and, as such, are subject to income tax.

No income tax is required to be deducted at source from interest distributions with the result that Shareholders will receive interest distributions gross of any tax.

Basic rate taxpayers are entitled to a personal savings allowance, higher rate taxpayers are entitled to a reduced personal savings allowance and additional rate taxpayers have no personal savings allowance.

Basic rate, higher rate and additional rate taxpayers will pay income tax (in the case of basic rate and higher rate taxpayers, on the amount in excess of the applicable personal savings allowance) on any income distributions at the basic rate, the higher rate or the additional rate (as applicable).

#### UK corporate Shareholders

If, at any point in an accounting period of a UK corporate Shareholder, a Fund fails to satisfy the "qualifying investment" test, Shares held by the UK corporate Shareholder in respect of such Fund are treated as if the Shares in respect of such a corporate's accounting period (including gains, profits and losses) are rights under a creditor loan relationship and will be taxed

or relieved as an income receipt or expense on a "fair value accounting" basis. Accordingly, such a corporate Shareholder may, depending on its own circumstances, incur a charge to corporation tax on an unrealised increase in the value of its holding of Shares (and, likewise, obtain relief against corporation tax for an unrealised reduction in the value of its holding of Shares).

A Fund will fail to satisfy the "**qualifying investments**" test at any time when more than 60% of its assets by market value comprise government and corporate debt securities, cash on deposit, certain derivative contracts or holdings in other collective investment schemes which at any time in the relevant accounting period do not themselves satisfy the "qualifying investments" test, or other interest bearing securities.

Interest distributions paid to UK corporate Shareholders may be paid without deduction of income tax at source.

### **Dividend distributions**

Dividend distributions paid by a Fund are treated as if they are dividends.

#### UK resident individuals

UK resident individuals liable to income tax at the basic rate, higher rate or additional rate will be taxed at the appropriate dividend rate on the receipt of dividend distributions subject to the availability of allowances and reliefs including the annual dividend allowance.

#### UK corporate Shareholders

UK resident corporate Shareholders must split their dividend distributions into franked and unfranked income portions according to the percentage split given on the tax voucher. The unfranked portion is, to the extent it comprises UK source income, generally treated as an annual payment received after deduction of income tax at the basic rate, whereas the balance is treated as franked income – i.e. a dividend. Both annual payments and dividends are liable to corporation tax in the hands of UK corporate Shareholders although the franked dividend portion should fall within an exemption from corporation tax.

## **(B) Chargeable gains**

#### UK resident individuals

Shareholders who are resident in the UK may be liable to UK taxation on capital gains arising from the sale or other disposal, including a redemption of Shares. A switch of Funds is treated as a disposal for capital gains tax purposes. Gains will be tax-free if after deduction of allowable losses they fall within an individual's annual capital gains exemption.

Gains in excess of the annual exemption amount are taxed at the lower rate of capital gains tax to the extent that together with an individual's taxable income they do not exceed the upper limit of the basic rate income tax band and at the higher rate to the extent that they exceed that limit.

#### UK corporate Shareholders

UK corporate Shareholders (whose Shares are not treated as creditor loan relationships) will be charged to corporation tax on any gains realised after the deduction of allowable losses (if any).

**The ACD reserves the right to redeem the Shares of any Shareholder who jeopardises the tax status of the Company.**

### **Income equalisation – tax implications**

The price of a Share of a particular Class is based on the value of that Class' entitlement in the relevant Fund, including the income of the relevant Fund since the previous distribution or, in the case of accumulation Shares, deemed distribution. In the case of the first distribution received or accumulation made in respect of a Share, part of the amount, namely the equalisation payment, is treated as a return of capital and is not taxable as income in the hands of the Shareholder. This amount is, however, in the case of income Shares, deducted from the cost of the Share in computing any capital gains. Equalisation applies only to Shares purchased during the relevant accounting period. It is calculated as the average amount of income included in the issue price of all Shares of the relevant Class issued during the period.

### **UK information reporting regime**

Open-ended investment companies are required to report details of interest distributions paid to UK, and many non-UK investors. Dividend distributions and payments made to ISA investors are not within the scope of these rules but see the paragraphs dealing with "International Tax Compliance" below.

### **Tax Elected Fund ('TEF') regime**

The ACD may, in the future, seek to elect some or all of the Funds into the TEF regime if it considers that it would be advantageous for the majority of investors in the Company to do so. If a Fund is elected into the TEF regime, the UK tax treatment of the relevant Fund and its investors would be different to that set out above.

### **International Tax Compliance**

The Company is required to comply with the International Tax Compliance Regulations.

The International Tax Compliance Regulations transpose into UK law rules and obligations derived from international standards and inter-governmental agreements entered into by the UK which are aimed at increasing transparency and reducing tax evasion. The regulations include rules derived from the US Foreign Account Tax Compliance Act ('**FATCA**') and the OECD Common Reporting Standard for Automatic Exchange of Financial Account Information ('**CRS**').

To be compliant with the International Tax Compliance Regulations the Company must collect information about each Shareholder's tax residence and, in certain circumstances, provide information about Shareholders' shareholdings to HMRC. HMRC may in turn share this information with overseas tax authorities. Such tasks may be delegated to the Administrator.

### **Shareholders should note that:**

- **they may be asked to provide additional information (including information regarding their tax residence) to the ACD or the Administrator to enable the Company to satisfy these obligations;**

- **the ACD or Administrator may report these details, along with information about a Shareholder's holding, to HMRC; and**
- **HMRC may subsequently exchange this information with other governments or tax authorities in other jurisdictions.**

If a Shareholder fails to provide the information required by the Company to comply with its obligations to HMRC this may result in the ACD taking appropriate action against the Shareholder, including invoking the compulsory transfer and redemption provisions set out in this Prospectus. The Shareholder may also be liable for any penalties suffered by the ACD. The ACD may deduct the amount of any penalty from the Shareholder's account.

## **J) WINDING UP OF THE COMPANY OR TERMINATION OF A FUND**

The Company will not be wound up except as an unregistered company under Part V of the Insolvency Act 1986 or under COLL. A Fund must not be terminated, except under COLL, or by being wound up under Part V of the Insolvency Act 1986 (as modified by regulation 33C of the OEIC Regulations) as an unregistered company.

Where the Company is to be wound up, or a Fund is to be terminated under COLL, such winding up, or termination, may only be commenced when (a) effect has been given under regulation 21 of the OEIC Regulations to proposals to wind up the affairs of the Company, or to make alterations to the Company's instrument of incorporation and prospectus that would be required if a Fund was to be terminated, and (b) a statement has been prepared and delivered to the FCA under COLL 7.3.5 R (solvency statement) and received by the FCA prior to satisfaction of the condition (a).

The Company must not be wound up, or a Fund terminated under COLL, if there is a vacancy in the position of ACD at the relevant time.

The Company or a Fund may be wound up under COLL:

- if an extraordinary resolution to that effect is passed by Shareholders; or
- if the period (if any) fixed for the duration of the Company or a particular Fund by the Instrument of Incorporation expires, or an event (if any) occurs on the occurrence of which the Instrument of Incorporation provides that the Company or a particular Fund is to be wound up (for example, if the share capital of the Company is below its prescribed minimum or the Net Asset Value of the Fund is less than £10 million, or if a change in the laws or regulations of any country means that, in the ACD's opinion, it is desirable to terminate the Fund); or
- on the date stated in any agreement by the FCA in response to a request from the ACD for the winding up of the Company, or a request to terminate a Fund; or
- on the effective date of a duly approved scheme of arrangement which is to result in the Company, or a Fund, ceasing to hold any Scheme Property; or
- in the case of a company being an umbrella, on the date on which all of its sub-funds fall within (d) above or have otherwise ceased to hold any Scheme Property, despite the company may have assets and liabilities that are not attributable to any particular sub-fund.

On the occurrence of any of the above:

- (a) the parts of COLL relating to valuation and pricing and dealing and investment and borrowing powers will cease to apply to the Company or the particular Fund;
- (b) the Company will cease to issue and cancel Shares in the Company or the relevant Fund and the ACD shall cease to sell or redeem Shares or arrange for the Company to issue or cancel them for the Company or the relevant Fund;
- (c) no transfer of a Share shall be registered and no other change to the Register shall be made without the sanction of the ACD;
- (d) where the Company is being wound-up, the Company shall cease to carry on its business except in so far as it is beneficial for the winding up of the Company;
- (e) the corporate status and powers of the Company and, subject to (a) and (d) above, the powers of the ACD shall continue until the Company is dissolved.

The ACD shall, as soon as practicable after the Company or the Fund falls to be wound up, realise the assets and meet the liabilities of the Company or the Fund and, after paying out or retaining adequate provision for all liabilities properly payable and retaining provision for the costs of winding up, arrange for the Depositary to make one or more interim distributions out of the proceeds to Shareholders proportionately to their rights to participate in the Scheme Property of the Company or the Fund. If the ACD has not previously notified Shareholders of the proposal to wind up the Company or terminate the Fund, the ACD shall, as soon as practicable after the commencement of winding up of the Company or the termination of the Fund, give written notice of the commencement to the Shareholders. When the ACD has caused all of the Scheme Property to be realised and all of the liabilities of the Company or the particular Fund to be realised, the ACD shall arrange for the Depositary to make a final distribution to Shareholders on or prior to the date on which the final account is sent to Shareholders of any balance remaining in proportion to their holdings in the Company or Fund.

As soon as reasonably practicable after completion of the winding up of the Company or the particular Fund, the Depositary shall notify the FCA that the winding up has been completed. On completion of a winding up of the Company, the Company will be dissolved and any money (including unclaimed distributions) still standing to the account of the Company will be paid into court within one month of the dissolution.

Following the completion of a winding up of either the Company or a Fund, the ACD must prepare a final account showing how the winding up took place and how the Scheme Property was distributed. The auditors of the Company shall make a report in respect of the final account stating their opinion as to whether the final account has been properly prepared. This final account and the auditors' report must be sent to the FCA and to each Shareholder within two months of the completion of the winding up.

As the Company is an umbrella company, any liabilities attributable or allocated to a particular Fund under COLL shall be met first out of the property attributable or allocated to that particular Fund. Accordingly the assets of each Fund belong exclusively to that Fund and shall not be used to discharge directly, or indirectly, the liabilities of, or claims against, any other person or body, including the Company, or any other Fund, and shall not be available for any such purpose. Any liabilities, expenses, costs or charges which are not attributable to one Fund only and allocated in accordance with the FCA Rules, may be reallocated by the ACD, provided that such reallocation shall be done in a manner which is fair to the Shareholders of the Company generally.

## **K) GENERAL INFORMATION**

### **Accounting Periods**

The annual accounting period of the Company ends each year on 31 March (the accounting reference date). The interim accounting period ends each year on 30 September for each Fund, except for the **TM UBS (UK) - Income Focus Fund** which has additional income interim accounting dates on 30 June and 31 December, in each year.

### **Income Allocations**

Allocations of income are made in respect of the income available for allocation in each accounting period.

Distributions of income are paid on or before the annual income allocation date of 31 May and on or before the interim allocation date of 30 November in each year, for each Fund except for the **TM UBS (UK) - Income Focus Fund** which has additional income allocation dates on 31 August and the last day of February, in each year.

Each holder of income Shares is entitled, on the interim income allocation date and the annual income allocation date, to the income attributable to their holding. Holders of accumulation Shares are not entitled to be paid the income attributable to such Shares, but that income is automatically transferred to (and retained as part of) the capital assets of the Company at the end of the relevant distribution period and is reflected in the price of an accumulation Share. On the income allocation dates, an amount, as determined by the ACD, in accordance with the Instrument of Incorporation, is either paid, reinvested or accumulated to those Shareholders who are entitled to the distribution by evidence of their holding on the Register at the previous accounting date.

Distributions of income will be paid by BACS, cheque or any other means agreed between the ACD and the relevant Shareholder from time to time.

If a distribution remains unclaimed for a period of six years after it has become due, it will be forfeited and will revert to the relevant Fund (or, if that no longer exists, to the Company).

The amount available for distribution in any accounting period is calculated by taking the aggregate of the income received or receivable for the account of the relevant Fund in respect of that period, and deducting the charges and expenses of the relevant Fund paid or payable out of income in respect of that accounting period. The ACD then makes such other adjustments as it considers appropriate (and after consulting the Company's auditors as appropriate) in relation to taxation, income equalisation, income unlikely to be received within 12 months following the relevant income allocation date, income which should not be accounted for on an accrual basis because of lack of information as to how it accrues, transfers between the income and capital account and any other adjustments (including for amortisation) which the ACD considers appropriate after consulting the auditors.

The Company may operate income equalisation in relation to any of the Funds. Income Equalisation is effectively a repayment of the income equalisation paid by the Shareholder as part of the purchase price. It is a return of capital, and is not taxable. Rather it should be deducted from the allowable cost of the Shares for capital gains tax purposes. Refer to paragraph 12 ('income equalisation').

## **Annual Reports**

Annual reports of the Company will be published within four months of each annual accounting period and half-yearly reports will be published within two months of each interim accounting period and are available free of charge to anyone who requests from the ACD. The half yearly reports are prepared long reports.

## **Documents of the Company**

The following documents may be inspected free of charge between 9.30 am and 4.30 pm on every Business Day at the offices of the ACD (at the address set out in Appendix 5):

- (a) the most recent annual and half-yearly reports of the Company;
- (b) the Instrument of Incorporation (and any amending instrument of incorporation);
- (c) the most recent version of the Prospectus;
- (d) the most recent version of the Company's key investor information documents; and
- (e) the material contracts referred to below.

Shareholders may obtain copies of the above documents from the ACD. The ACD may make a charge at its discretion for copies of documents (apart from in relation to the annual and half yearly long reports of the Company which are available free of charge upon request from the ACD).

## **Risk Management**

Upon the request of a Shareholder, the ACD shall provide certain information supplementary to this prospectus which relates to:

- (a) the quantitative limits which apply in the risk management of the Funds;
- (b) the methods used in relation to (a) above; and
- (c) any recent development of the risk and yields of the main categories of investment which apply to each Fund.

## **Summary of the ACD's Haircut Policy**

The ACD may have to provide or receive collateral in entering into certain derivative transactions for the Company. In doing so, the ACD may apply a haircut to that collateral. A "haircut" is a percentage that is subtracted from the market value of an asset that is being used as collateral.

The ACD will judge, on a case-by-case basis, the extent and type of collateral to use when negotiating with counterparties and clearing houses and the haircut policy which it will apply.

Where cash is received as collateral it will not be invested in anything other than cash or short-term deposit accounts.

Cash and any form of security, guarantee or indemnity provided by way of security in accordance with COLL requirements and as agreed between the relevant Investment

Manager and the ACD for the discharge of any liability arising from a transaction will be deemed to be permitted for the purposes of the Company's collateral policy.

### **Material Contracts**

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

- (a) the ACD Agreement dated 01 July 2009 between the Company and the ACD;
- (b) the Investment Advisory Agreement dated 01 July 2009 between the ACD and UBS; and
- (d) the Depositary Agreement dated 01 July 2009 between the Company, the ACD and the Royal Bank of Scotland plc novated in favour of the Depositary with effect from 31 August 2011.

Details of the above contracts are given in paragraph 3E) above.

### **Electronic Verification**

The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, The Proceeds of Crime Act 2002, SYSC and Joint Money Laundering Steering Group guidance notes (which are updated from time to time) state that the ACD must check your identity and the source of the money invested. The ACD may also request verification documents from parties associated with you. In some cases, documentation may be required from officers performing duties on behalf of bodies corporate. The checks may include an electronic search of information held about you (or your associated party) on the electoral roll and using credit reference agencies. The credit reference agency may check the details you (or your associated party) supply against any particulars on any database (public or otherwise) to which they have access and may retain a record of that information although this is only to verify identity and will not affect your (or your associated party's) credit rating. They may also use your (or your associated party's) details in the future to assist other companies for verification purposes. If you apply for Shares you are giving the ACD permission to ask for this information in line with the Data Protection Laws. If you invest through a financial adviser they must fill an identity verification certificate on your behalf and send it to the ACD with your application.

### **Data Protection**

The personal details of each applicant for Shares and each Shareholder will be held by the ACD and/or the Administrator as its agent in accordance with the Data Protection Laws for the purposes of carrying out the ACD's agreement with each Shareholder. This may include the transfer of such data to other members of the ACD's group and to other businesses providing services to the ACD (including their offices outside the UK), where the transfer is necessary for the provision of services in relation to the ACD's role as operator of the Company. The data protection laws and other laws of these countries may not be as comprehensive as those that apply within the UK. In these instances the ACD will take steps to ensure that your privacy rights are respected. Shareholders have the right to access their personal data processed by the ACD together with (in certain circumstances) the right to object to the processing of such data for legitimate reasons. A copy of the ACD's Privacy Notice relating to investors is available at [www.tutman.co.uk](http://www.tutman.co.uk) or on request from [compliance@tutman.co.uk](mailto:compliance@tutman.co.uk).

### **Complaints**

Complaints concerning the operation or marketing of the Company, or any of the Funds, may be referred to the ACD.

If a complaint cannot be resolved satisfactorily with the ACD, it may be referred to the Financial Ombudsman Service at Exchange Tower, London E14 9SR.

A copy of the complaints handling procedure is available from the ACD on request.

### **Non-Accountability for profits**

Neither the Company, the ACD, the Depositary, the Investment Manager (or any associate of the same) or the auditor is liable to account to either each other or to Shareholders for any profits or benefits it makes or receives that are made or derived from or in connection with:

- (a) dealings in the Shares of the Company; or
- (b) any transaction in the Scheme Property; or
- (c) the supply of services to the Company.

### **Notices served on Shareholders**

Any notice or document to be served upon a Shareholder will be duly served if it is:

- a) delivered to the Shareholder's address as appearing in the Register;
- b) delivered by using an electronic medium in accordance with the provisions of paragraph 'Electronic Communications'.

Any notice or document served by post is deemed to have been served on the second Business Day following the day on which it is posted.

Any document left at a registered address or delivered other than by post is deemed to have been served on that day.

Any document or notice to be served on or information to be given to a Shareholder, must be in legible form. For this purpose, any form is legible form which:

- a) is consistent with the ACD's knowledge of how the recipient of the document wishes or expects to receive the document;
- b) is capable of being provided in hard copy by the ACD;
- c) enables the recipient to know or record the time of receipt; and
- d) is reasonable in the context.

The ACD must obtain the prior approval of Shareholders by extraordinary resolution for any proposed change to the Company that is a fundamental change. This is a change or event which:

- a) changes the purpose or nature of the Company;
- b) may materially prejudice a Shareholder;
- c) alters the risk profile of the Company; or
- d) introduces a new type of payment out of the Company property.

## **Remuneration**

The ACD has established and applies a remuneration policy, procedure and practice (together, the '**Remuneration Policy**') which is consistent with, and promotes, sound and effective risk management, and does not encourage risk-taking that is inconsistent with the risk profile or the Instrument of Incorporation. The Remuneration Policy applies to staff whose professional activities have a material impact on the risk profile of the ACD or the Company. The Remuneration Policy does not impair compliance with the ACD's duty to act in the best interests of the Company.

Details of the up-to-date Remuneration Policy including, but not limited to, a description of how remuneration and benefits are calculated and the identity of persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee, are available on [www.tutman.co.uk](http://www.tutman.co.uk).

A paper copy of such information can be obtained (free of charge) upon request at the offices of the ACD.

## **Risk Management**

- 11.1 The ACD uses a risk management process (including a risk management policy) enabling it to monitor and measure at any time the risk of the Funds' positions and their contribution to the overall risk profile of the Funds.
- 11.2 The following details of the risk management process must be regularly notified to the FCA and at least on an annual basis:
  - 11.2.1 a true and fair view of the types of derivatives and forward transactions to be used within the Funds together with their underlying risks and any relevant quantitative limits.
  - 11.2.2 the methods for estimating risks in derivative and forward transactions.
- 11.3 The ACD must assess, monitor and periodically review:
  - 11.3.1 the adequacy and effectiveness of the risk management policy and of the arrangements, processes and techniques referred to in COLL 6.12.5R;
  - 11.3.2 the level of compliance by the ACD with the risk management policy and with those arrangements, processes and techniques referred to in COLL 6.12.5R; and
  - 11.3.3 the adequacy and effectiveness of measures taken to address any deficiencies in the performance of the risk management process.

The ACD must notify the FCA of any material changes to the risk management process.

## **Telephone calls**

Telephone calls may be recorded for regulatory, training or monitoring purposes.

Recordings will be provided on request for a period of least five years from the date of such recording or, where requested by a competent authority, for a period of seven years where the ACD can identify the call. If an investor asks the ACD to send a recording of a particular call the ACD may ask for further information to help identify the exact call to which the request relates to.

## APPENDIX 1

### THE FUNDS

The Funds, and their investment objectives and policies, are set out below:

#### **TM UBS (UK) - UK EQUITY FUND**

Investment Objective	To provide capital growth net of fees from a portfolio of investments over the longer term (5 year rolling period).	
Investment Policy	<p>The Fund will invest principally (85-100%) in UK equities (defined as companies incorporated, domiciled or with a significant proportion of their business in the UK), and the Fund may also invest in global equities (0-15%), with a view to maximising potential returns.</p> <p>Equity investment will normally be made by direct investment, however the Fund may also invest indirectly (up to 15%) via collective investment vehicles (including those managed or operated by the ACD or its associate).</p> <p>The Fund may also invest in transferable securities, money market instruments, deposits and warrants.</p> <p>The Fund will be actively managed which means the Investment Manager decides which investments to buy and sell, and when.</p>	
Performance Comparator	<p>The Fund uses the Investment Association UK All Companies peer group for performance comparison purposes. This peer group is not a target and the Fund is not constrained by it.</p> <p>The peer group has been selected as a comparator for performance because the way in which the Fund is managed as defined in the Fund's investment policy is most closely aligned to the description of this Investment Association sector, and is therefore an appropriate comparator for the Fund's performance.</p> <p>The ACD reserves the right to change the peer group following consultation with the Depositary and in accordance with the rules of COLL. A change could arise, for example, where the ACD determines that an alternative may be more appropriate. Shareholders will be notified of such a change through an update to the Prospectus and the change noted in the subsequent annual and half yearly reports.</p>	
Name of Share(s)	<p>Class C Accumulation Shares</p> <p>Class C Income Shares</p> <p>Class F Accumulation Shares</p> <p>Class F Income Shares</p>	
Charge for investment research	Not applicable	
Annual Management Charge(s)	<p>Class C Accumulation and Income</p> <p>1.00%</p>	<p>Class F Accumulation and Income</p> <p>0.75%</p>
Available to:	<p>Only to clients investing through platforms and UBS' clients, at the ACD's discretion</p>	<p>Only to clients investing through platforms and UBS' clients, at the ACD's discretion</p>
Available from:	15 February 2011	5 September 2013

Other details	<p>The investment objective and investment policy of the Fund were adopted on 27 June 2007 when the Fund merged with the Resolution Pro-Active Fund.</p> <p>The name of the Fund was changed from Resolution UK Equity Fund on 4 July 2014</p> <p>The Investment Manager to the Fund changed from Premier Funds Managers Limited to UBS on 1 July 2007.</p>
Fund launch date	16 February 2004.

## **TM UBS (UK) - BALANCED FUND**

Investment Objective	To generate income and capital growth through active management of a diversified portfolio.	
Investment Policy	<p>The Fund's exposure will be mainly to equities and bonds (at least 60%). The equity and bond allocations will each have exposure to the UK. Equity exposure will typically be between 34–64% of which, 17-42% of the Fund will be in UK equities (defined as companies incorporated, domiciled or with a significant proportion of their business in the UK) and bond exposure will typically be between 31- 61%. All bond allocations will be UK bonds issued in sterling or global bonds either issued in or hedged back to sterling.</p> <p>The above exposure will be gained mainly (60% or more) through the use of collective investment vehicles (including those managed or operated by the ACD or its associate). All other exposure will be attained from direct investments.</p> <p>At the Investment Manager's discretion, the Fund may also invest in other transferable securities, money market instruments, cash and near cash. It is not intended that the Fund invests in derivative instruments.</p> <p>The Fund will be actively managed which means the Investment Manager decides which investments to buy and sell, and when.</p>	
Performance Comparator	<p>The Fund uses the ARC Sterling Balanced Asset Private Client Index as a performance comparator. This benchmark is not a target and the Fund is not constrained by it. The ARC Sterling Balanced Asset Private Client Index is a risk based index that is designed to provide an accurate reflection of the actual returns an investor can expect for a given risk appetite. For the ARC Sterling Balanced Asset Private Client Index, the relative risk to equity markets is 40% - 60%. This benchmark has been selected as a comparator because this risk to equity markets is closely aligned with the Fund's investment policy.</p> <p>The ACD reserves the right to change the benchmark following consultation with the Depositary and in accordance with the rules of COLL. A change could arise, for example, where the ACD determines that an alternative may be more appropriate. Shareholders will be notified of such a change through an update to the Prospectus and the change noted in the subsequent annual and half yearly reports.</p>	
Name of Share(s)	<p>Class C Accumulation Shares</p> <p>Class C Income Shares</p> <p>Class F Accumulation Shares</p> <p>Class F Income Shares</p>	
Charge for investment research	Not applicable	
Annual Management Charge(s)	<p>Class C Accumulation and Income</p> <p>1.00%</p>	<p>Class F Accumulation and Income</p> <p>0.75%</p>
Available to:	<p>Only to clients investing through platforms and UBS' clients, at the ACD's discretion</p>	<p>Only to clients investing through platforms and UBS' clients, at the ACD's discretion</p>
Available from:	15 February 2011	5 September 2013

Other details	The name of the Fund was changed from Resolution Managed Balanced Fund on 1 April 2011. The name of the Fund was changed from Resolution UK Balanced Fund on 4 July 2014. The name of the Fund was changed from TM UBS (UK) – UK Balanced Fund on 27 September 2021.
Fund launch date	11 September 2008.

## **TM UBS (UK) - GROWTH FUND**

Investment Objective	To provide capital growth net of fees from a portfolio of investments over the longer term (5 year rolling period).	
Investment Policy	<p>The Fund's core exposure will be to equities and bonds with an emphasis on equities. The equity and bond allocations will each have exposure to the UK. Equity exposure will typically be between 56-86 %, of which, 30-55% of the Fund will be in UK equities (defined as companies incorporated, domiciled or with a significant proportion of their business in the UK) and bond exposure will typically be between 9-39%. All bond allocations will be UK bonds issued in sterling or global bonds either issued in or hedged back to sterling.</p> <p>The above exposure will be gained mainly (60% or more) through the use of collective investment vehicles (including those managed or operated by the ACD or its associate). All other exposure will be attained from direct investments.</p> <p>At the Investment Manager's discretion, the Fund may also invest in other transferable securities, money market instruments, cash and near cash. It is not intended that the Fund invests in derivative instruments.</p> <p>The Fund will be actively managed which means the Investment Manager decides which investments to buy and sell, and when.</p>	
Performance Comparator	<p>The Fund uses the ARC Sterling Steady Growth Private Client Index as a performance comparator. This benchmark is not a target and the Fund is not constrained by it. The ARC Steady Growth Private Client Index is a risk based index that is designed to provide an accurate reflection of the actual returns an investor can expect for a given risk appetite. For the ARC Sterling Steady Growth Private Client Index, the relative risk to equity markets is 60% - 80%. This benchmark has been selected as a comparator because this risk to equity markets is closely aligned with the Fund's investment policy.</p> <p>The ACD reserves the right to change the peer group following consultation with the Depositary and in accordance with the rules of COLL. A change could arise, for example, where the ACD determines that an alternative may be more appropriate. Shareholders will be notified of such a change through an update to the Prospectus and the change noted in the subsequent annual and half yearly reports.</p>	
Name of Share(s)	<p>Class C Accumulation Shares</p> <p>Class C Income Shares</p> <p>Class F Accumulation Shares</p> <p>Class F Income Shares</p>	
Charge for investment research	Not applicable	
Annual Management Charge(s)	Class C Accumulation and Income	Class F Accumulation and Income
	1.00%	0.75%
Available to:	Only to clients investing through platforms and UBS' clients, at the ACD's discretion	Only to clients investing through platforms and UBS' clients, at the ACD's discretion
Available from:	15 February 2011	5 September 2013

Other details	The name of the Fund was changed from Resolution Managed Growth Fund on 1 April 2011. The name of the Fund was changed from Resolution UK Growth Fund on 4 July 2014. The name of the Fund was changed from TM UBS (UK) – UK Growth Fund on 27 September 2021.
Fund launch date	11 September 2008.

**TM UBS (UK) - INCOME FOCUS FUND**

Investment Objective To generate income from a portfolio of investments over the longer term (5 year rolling period).

Investment Policy The Fund’s core exposure will be to income producing equities and bonds (at least 60%) with more of an emphasis on equity income. The equity and bond allocations will each have exposure to the UK. Equity exposure will typically be between 46-76%, of which 36-62% of the Fund will be in UK equities (defined as companies incorporated, domiciled or with a significant proportion of their business in the UK) and bond exposure will typically be between 19-49%. All bond allocations will be UK bonds issued in sterling or global bonds either issued in or hedged back to sterling.

The above exposure will be gained through any combination of collective investment vehicles (including those managed or operated by the ACD or its associate) and direct investments, which may fluctuate depending on the market conditions and opportunities available.

At the Investment Manager’s discretion, the Fund may also invest in other transferable securities, money market instruments, cash and near cash. It is not intended that the Fund invests in derivative instruments.

The Fund will be actively managed which means the Investment Manager decides which investments to buy and sell, and when.

Performance Comparator The Fund uses a composite benchmark comprised of the Investment Association UK Equity Income (60%), the Investment Association Sterling Corporate Bond (25%) and the Investment Association UK Gilts (15%) for performance comparison purposes only. This benchmark is not a target and the Fund is not constrained by it. These peer groups have been selected as a composite comparator for performance because the way in which the Fund is managed as defined in the Fund’s investment policy is most closely aligned to the description of these Investment Association sectors, and is therefore an appropriate comparator for the Fund’s performance.

The ACD reserves the right to change the peer groups following consultation with the Depositary and in accordance with the rules of COLL. A change could arise, for example, where the ACD determines that an alternative may be more appropriate. Shareholders will be notified of such a change through an update to the Prospectus and the change noted in the subsequent annual and half yearly reports.

Name of Share(s) Class C Accumulation Shares  
Class C Income Shares  
Class F Accumulation Shares  
Class F Income Shares

Charge for investment research Not applicable

	Class C Accumulation and Income	Class F Accumulation and Income
Annual Management Charge(s)	1.00%	0.75%

Available to:	Only to clients investing through platforms and UBS' clients, at the ACD's discretion	Only to clients investing through platforms and UBS' clients, at the ACD's discretion
Available from:	15 February 2011	5 September 2013
Other details	<p>The name of the Fund was changed from Resolution Managed Income Fund on 1 April 2011.</p> <p>The name of the Fund was changed from Resolution UK Income Fund on 15 October 2012.</p> <p>The name of the Fund was changed from Resolution UK Income Focus Fund on 4 July 2014.</p> <p>The name of the Fund was changed from TM UBS (UK) – Income Focus Fund on 27 September 2021.</p>	
Fund launch date	11 September 2008.	

## **TM UBS (UK) - GLOBAL BALANCED FUND**

Investment Objective	To generate income and capital growth net of fees from a portfolio of investments over the longer term (5 year rolling period).	
Investment Policy	<p>The Fund's main exposure will be to bonds (31-61%) and equities (34-64%), across any geographical sector.</p> <p>All bond allocations will be in sterling or sterling hedged instruments.</p> <p>The above exposure will be gained primarily (70% or more) through the use of collective investment vehicles (including those managed or operated by the ACD or its associate). All other exposure will be attained from direct investments.</p> <p>At the Investment Manager's discretion, the Fund may also invest in other transferable securities, money market instruments, cash and near cash.</p> <p>The Fund will be actively managed which means the Investment Manager decides which investments to buy and sell, and when.</p>	
Performance Comparator	<p>The Fund uses the ARC Sterling Balanced Asset Private Client Index as a performance comparator. This benchmark is not a target and the Fund is not constrained by it. The ARC Sterling Balanced Asset Private Client Index is a risk based index that is designed to provide an accurate reflection of the actual returns an investor can expect for a given risk appetite. For the ARC Sterling Balanced Asset Private Client Index, the relative risk to equity markets is 40% - 60%. This benchmark has been selected as a comparator because this risk to equity markets is closely aligned with the Fund's investment policy.</p> <p>The ACD reserves the right to change the benchmarks or peer group following consultation with the Depositary and in accordance with the rules of COLL. A change could arise, for example, where the ACD determines that an alternative may be more appropriate. Shareholders will be notified of such a change through an update to the Prospectus and the change noted in the subsequent annual and half yearly reports.</p>	
Name of Share(s)	<p>Class C Accumulation Shares</p> <p>Class C Income Shares</p> <p>Class F Accumulation Shares</p> <p>Class F Income Shares</p>	
Charge for investment research	Not applicable	
Annual Management Charge(s)	<p>Class C Accumulation and Income</p> <p>Up to 1.00% (currently 0.99%)</p>	<p>Class F Accumulation and Income</p> <p>Up to 0.75% (currently 0.74%)</p>
Available to:	<p>Only to clients investing through platforms and UBS' clients, at the ACD's discretion</p>	<p>Only to clients investing through platforms and UBS' clients, at the ACD's discretion</p>
Available from:	<p>15 February 2011</p>	<p>5 September 2013</p>
Other details	The name of the Fund was changed from Resolution Global Balanced Fund on 4 July 2014.	

Fund launch date 8 September 2010.

## **TM UBS (UK) - GLOBAL GROWTH FUND**

Investment Objective	To provide capital growth net of fees through a portfolio of investments over the longer term (5 year rolling period).	
Investment Policy	The Fund's exposure will be to global equities and bonds with an emphasis on global equities (56-86%) and to a lesser extent bonds (9-39 %), across any geographical sector.  All bond allocations will be in sterling or sterling hedged instruments.  The above exposure will be gained primarily (70% or more) through the use of collective investment vehicles (including those managed or operated by the ACD or its associate). All other exposure will be attained from direct investments.  At the Investment Manager's discretion, the Fund may also invest in other transferable securities, money market instruments, cash and near cash.  The Fund will be actively managed which means the Investment Manager decides which investments to buy and sell, and when.	
Performance Comparator	The Fund uses the ARC Sterling Steady Growth Private Client Index as a performance comparator. This benchmark is not a target and the Fund is not constrained by it. The ARC Sterling Steady Growth Private Client Index is a risk based index that is designed to provide an accurate reflection of the actual returns an investor can expect for a given risk appetite. For the ARC Steady Growth Private Client Index, the relative risk to equity markets is 60% - 80%. This benchmark has been selected as a comparator because this risk to equity markets is closely aligned with the Fund's investment policy.  The ACD reserves the right to change the benchmarks or peer group following consultation with the Depositary and in accordance with the rules of COLL. A change could arise, for example, where the ACD determines that an alternative may be more appropriate. Shareholders will be notified of such a change through an update to the Prospectus and the change noted in the subsequent annual and half yearly reports.	
Name of Share(s)	Class C Accumulation Shares Class C Income Shares Class F Accumulation Shares Class F Income Shares	
Charge for investment research	Not applicable	
Annual Management Charge(s)	Class C Accumulation and Income 1.00%	Class F Accumulation and Income 0.75%
Available to:	Only to clients investing through platforms and UBS' clients, at the ACD's discretion	Only to clients investing through platforms and UBS' clients, at the ACD's discretion
Available from:	15 February 2011	5 September 2013
Other details	The name of the Fund was changed from Resolution Global Growth Fund on 4 July 2014.	
Fund launch date	8 September 2010.	

## **TM UBS (UK) - GLOBAL YIELD FUND**

Investment Objective	To generate income through a portfolio of investments over the longer term (5 year rolling period). There is also the potential for capital growth, although that is not the focus of the fund.	
Investment Policy	The Fund's core exposure will be to bonds (49-79%) and equities (between 16 and 46%), with more of an emphasis on bonds, and in each case across any geographical sector.  The above exposure will be gained primarily (70% or more) through the use of collective investment vehicles (including those managed or operated by the ACD or its associate). All other exposure will be attained from direct investments.  All bond allocations will be in sterling or sterling hedged instruments.  At the Investment Manager's discretion, the Fund may also invest in other transferable securities, money market instruments, cash and near cash.  The Fund will be actively managed which means the Investment Manager decides which investments to buy and sell, and when.	
Performance Comparator	The Fund uses the ARC Sterling Cautious Private Client Index as a performance comparator. This benchmark is not a target and the Fund is not constrained by it. The ARC Sterling Cautious Private Client Index is a risk based index that is designed to provide an accurate reflection of the actual returns an investor can expect for a given risk appetite. For the ARC Cautious Private Client Index, the relative risk to equity markets is 0% - 40%. This benchmark has been selected as a comparator because this risk to equity markets is closely aligned with the Fund's investment policy.  The ACD reserves the right to change the benchmarks or peer group following consultation with the Depositary and in accordance with the rules of COLL. A change could arise, for example, where the ACD determines that an alternative may be more appropriate. Shareholders will be notified of such a change through an update to the Prospectus and the change noted in the subsequent annual and half yearly reports.	
Name of Share(s)	Class C Accumulation Shares Class C Income Shares Class F Accumulation Shares Class F Income Shares	
Charge for investment research	Not applicable	
Annual Management Charge(s)	Class C Accumulation and Income 1.00%	Class F Accumulation and Income 0.75%

Available to:      Only to clients investing through platforms and UBS' clients, at the ACD's discretion      Only to clients investing through platforms and UBS' clients, at the ACD's discretion

Available from:      15 February 2011      5 September 2013

Other details      The name of the Fund was changed from Resolution Global Yield Fund on 4 July 2014.

Fund launch date      8 September 2010.

**TM UBS (UK) - GLOBAL EQUITY FUND**

Investment Objective	To provide long term capital growth net of fees from a portfolio of investments over the longer term (5 year rolling period).	
Investment Policy	<p>The Fund's core exposure will be to equities (80-100%), across any geographical sector.</p> <p>The above exposure will be gained primarily (70% or more) through the use of collective investment vehicles (including those managed or operated by the ACD or its associate). All other exposure will be attained from direct investments.</p> <p>At the Investment Manager's discretion, the Fund may also invest in other transferable securities, money market instruments, cash and near cash.</p> <p>The Fund will be actively managed which means the Investment Manager decides which investments to buy and sell, and when.</p>	
Performance Comparator	<p>The Fund uses the ARC Sterling Equity Risk Private Client Index as a performance comparator. This benchmark is not a target and the Fund is not constrained by it. The ARC Sterling Equity Risk Private Client Index is a risk based index that is designed to provide an accurate reflection of the actual returns an investor can expect for a given risk appetite. For the ARC Cautious Private Client Index, the relative risk to equity markets is 80% - 110%. This benchmark has been selected as a comparator because this risk to equity markets is closely aligned with the Fund's investment policy.</p> <p>The ACD reserves the right to change the benchmarks or peer group following consultation with the Depositary and in accordance with the rules of COLL. A change could arise, for example, where the ACD determines that an alternative may be more appropriate. Shareholders will be notified of such a change through an update to the Prospectus and the change noted in the subsequent annual and half yearly reports.</p>	
Name of Share(s)	<p>Class C Accumulation Shares</p> <p>Class C Income Shares</p> <p>Class F Accumulation Shares</p> <p>Class F Income Shares</p>	
Charge for investment research	Not applicable	
Annual Management Charge(s)	Class C Accumulation and Income	Class F Accumulation and Income
	1.00%	0.75%
Available to:	Only to clients investing through platforms and UBS' clients, at the ACD's discretion	Only to clients investing through platforms and UBS' clients, at the ACD's discretion
Available from:	17 September 2012	5 September 2013
Other details	The name of the Fund was changed from Resolution Global Equity	

Fund launch date

Fund on 4 July 2014.  
17 September 2012.

## **APPENDIX 2**

### **ELIGIBLE MARKETS**

A market is an 'eligible market' if it is:

- a) a regulated market (as defined in the FCA Glossary);
- b) a market in the United Kingdom or an EEA State which is regulated, operates regularly and is open to the public; or
- c) a market which the ACD, after consultation with, and notification to, the Depositary, determines is appropriate for the purpose of investment of, or dealing in, the property of a Fund. In accordance with the relevant criteria in COLL, such a market must be regulated; operate regularly; be recognised as a market or exchange or as a self-regulating organisation by an overseas regulator; be open to the public; be adequately liquid; and have adequate arrangements for unimpeded transmission of income and capital to, or to the order of, investors.

Detailed below are the additional eligible markets on which the Company is currently permitted to deal.

#### **ELIGIBLE SECURITIES MARKETS ADOPTED**

Australia	- ASX Group
Brazil	- BM&FBOVEPA
Canada	- TSX Venture Exchange
	- Montreal Stock Exchange
	- Toronto Stock Exchange
Channel Islands	- Channel Islands Stock Exchange (CISX)
Hong Kong	- Hong Kong Stock Exchange Exchange
The Republic of Korea	- Korea Composite Stock Price Index
México	- Bolsa Mexicana de Valores
New Zealand	- New Zealand Stock Exchange (NZX)
Singapore	- Singapore Exchange
South Africa	- JSE Limited
Switzerland	- SIX Swiss Exchange AG
Thailand	- Stock Exchange of Thailand
Others	- ICMA

## **ELIGIBLE DERIVATIVES MARKETS ADOPTED**

Any authorised and regulated market in the UK and the European Economic Area which fulfils the requirements of the eligible markets regime

Eurex

Australian	-	ASX Group
Canada	-	Montreal Exchange
	-	Toronto Stock Exchange
Hong Kong	-	Hong Kong Stock Exchange
Japan	-	Tokyo Stock Exchange
	-	Osaka Securities Exchange
New Zealand	-	New Zealand Futures & Options Exchange
Singapore	-	Singapore Exchange
South Africa	-	JSE Limited
Switzerland	-	Eurex
United States	-	Chicago Mercantile Exchange
	-	Chicago Board Options Exchange (CBOE)
	-	NASDAQ OMX Futures
	-	CME Group
	-	New York Stock Exchange
	-	NYSE Arca Equities
	-	NASDAQ OMX PHLX

## **APPENDIX 3**

### **INVESTMENT MANAGEMENT AND BORROWING POWERS OF THE COMPANY**

#### **1 Investment restrictions**

The property of each Fund will be invested with the aim of achieving the investment objective of that Fund but subject to the limits on investment set out in COLL. These limits apply to each Fund as summarised below.

#### **2 Prudent spread of risk**

The ACD must ensure that, taking account of the investment objective and policy of the Funds as stated in the most recently published version of this Prospectus, the Scheme Property of the Funds aims to provide a prudent spread of risk.

#### **3 Treatment of obligations**

3.1 Where COLL allows a transaction to be entered into or an investment to be retained only (for example, investment in warrants and nil and partly paid securities and the general power to accept or underwrite) if possible obligations arising out of the investment transactions or out of the retention would not cause any breach of any limits in COLL 5, it must be assumed that the maximum possible liability of the Funds under any other of those rules has also to be provided for.

3.2 Where a rule in COLL permits an investment transaction to be entered into or an investment to be retained only if that investment transaction, or the retention, or other similar transactions, are covered:

3.2.1 it must be assumed that in applying any of those rules, each Fund must also simultaneously satisfy any other obligation relating to cover; and

3.2.1 no element of cover must be used more than once.

#### **4 UK UCITS: permitted types of Scheme Property**

4.1 The Scheme Property of a Fund must, subject to its investment objective and policy and except where otherwise provided by COLL 5, consist solely of any or all of:

4.1.1 transferable securities;

4.1.2 approved money-market instruments;

4.1.3 units in collective investment schemes;

4.1.4 derivatives and forward transactions;

4.1.5 deposits; and

4.1.6 movable and immovable property that is necessary for the direct pursuit of the Company's business;

in accordance with the rules in COLL 5.2.

- 4.2 The requirements on spread do not apply until the expiry of a period of six months after the date of effect of the authorisation order in respect of the Funds (or on which the initial offer commenced if later) provided that the requirement to maintain prudent spread of risk is complied with.
- 4.3 It is not intended that the Funds will have an interest in any immovable property or tangible movable property.

## **5 Transferable Securities**

- 5.1 A transferable security is an investment which is any of the following:
- 5.1.1 a share;
  - 5.1.2 a debenture;
  - 5.1.3 an alternative debenture;
  - 5.1.4 a government and public security;
  - 5.1.5 a warrant; or
  - 5.1.6 a certificate representing certain securities (as such terms are defined in the FCA Glossary).
- 5.2 An investment is not a transferable security if the title to it cannot be transferred, or can be transferred only with the consent of a third party.
- 5.3 In applying paragraph 5.2 to an investment which is issued by a body corporate, and which is a share or a debenture (as such terms are defined in the FCA Glossary), the need for any consent on the part of the body corporate or any members or debenture holders of it may be ignored.
- 5.4 An investment is not a transferable security unless the liability of the holder of it to contribute to the debts of the issuer is limited to any amount for the time being unpaid by the holder of it in respect of the investment.

## **6 Investment in transferable securities**

- 6.1 A Fund may invest in a transferable security only to the extent that the transferable security fulfils the following criteria:
- 6.1.1 the potential loss which the Fund may incur with respect to holding the transferable security is limited to the amount paid for it;
  - 6.1.2 its liquidity does not compromise the ability of the ACD to comply with its obligation to redeem Shares at the request of any qualifying Shareholder (see COLL 6.2.16R(3));
  - 6.1.3 reliable valuation is available for it as follows:
    - 6.1.3.1 in the case of a transferable security admitted to or dealt in on an eligible market, where there are accurate, reliable and regular prices which are either market prices or prices made available by valuation systems independent from issuers;

- 6.1.3.2 in the case of a transferable security not admitted to or dealt in on an eligible market, where there is a valuation on a periodic basis which is derived from information from the issuer of the transferable security or from competent investment research;
- 6.1.4 appropriate information is available for it as follows:
  - 6.1.4.1 in the case of a transferable security admitted to or dealt in on an eligible market, where there is regular, accurate and comprehensive information available to the market on the transferable security or, where relevant, on the portfolio of the transferable security;
  - 6.1.4.2 in the case of a transferable security not admitted to or dealt in on an eligible market, where there is regular and accurate information available to the ACD on the transferable security or, where relevant, on the portfolio of the transferable security;
- 6.1.5 it is negotiable; and
- 6.1.6 its risks are adequately captured by the risk management process of the ACD.
- 6.2 Unless there is information available to the ACD that would lead to a different determination, a transferable security which is admitted to or dealt in on an eligible market shall be presumed:
  - 6.2.1 not to compromise the ability of the ACD to comply with its obligation to redeem Shares at the request of any qualifying Shareholder; and
  - 6.2.2 to be negotiable.
- 6.3 Not more than 5% in value of a Fund is to consist of warrants.

## **7 Closed end funds constituting transferable securities**

- 7.1 A unit in a closed end fund shall be taken to be a transferable security for the purposes of investment by a Fund, provided it fulfils the criteria for transferable securities set out in paragraph 6 (Investment in transferable securities), and either:
  - 7.1.1 where the closed end fund is constituted as an investment company or a unit trust:
    - 7.1.1.2 it is subject to corporate governance mechanisms applied to companies; and
    - 7.1.1.3 where another person carries out asset management activity on its behalf, that person is subject to national regulation for the purpose of investor protection; or
  - 7.1.2 where the closed end fund is constituted under the law of contract:
    - 7.1.2.1 it is subject to corporate governance mechanisms equivalent to those applied to companies; and

7.1.2.2 it is managed by a person who is subject to national regulation for the purpose of investor protection.

## **8 Transferable securities linked to other assets**

- 8.1 A Fund may invest in any other investment which shall be taken to be a transferable security for the purposes of investment by a Fund provided the investment:
- 8.1.1 fulfils the criteria for transferable securities set out in paragraph 6 (Investment in transferable securities) above; and
  - 8.1.2 is backed by or linked to the performance of other assets, which may differ from those in which a Fund can invest.
- 8.2 Where an investment in paragraph 8.1 contains an embedded derivative component (see COLL 5.2.19R(3A)), the requirements of COLL 5.2 with respect to derivatives and forwards will apply to that component.

## **9 Approved Money-Market Instruments**

- 9.1 An approved money-market instrument is a money-market instrument which is normally dealt in on the money market, is liquid and has a value which can be accurately determined at any time.
- 9.2 A money-market instrument shall be regarded as normally dealt in on the money market if it:
- 9.2.1 has a maturity at issuance of up to and including 397 days;
  - 9.2.2 has a residual maturity of up to and including 397 days;
  - 9.2.3 undergoes regular yield adjustments in line with money market conditions at least every 397 days; or
  - 9.2.4 has a risk profile, including credit and interest rate risks, corresponding to that of an instrument which has a maturity as set out in paragraphs 9.2.1 or 9.2.2 or is subject to yield adjustments as set out in paragraph 9.2.3.
- 9.3 A money-market instrument shall be regarded as liquid if it can be sold at limited cost in an adequately short time frame, taking into account the obligation of the ACD to redeem Shares at the request of any qualifying Shareholder (see COLL 6.2.16R(3)).
- 9.4 A money-market instrument shall be regarded as having a value which can be accurately determined at any time if accurate and reliable valuations systems, which fulfil the following criteria, are available:
- 9.4.1 enabling the ACD to calculate a Net Asset Value in accordance with the value at which the instrument held in the portfolio could be exchanged between knowledgeable willing parties in an arm's length transaction; and
  - 9.4.2 based either on market data or on valuation models including systems based on amortised costs.

- 9.5 A money-market instrument that is normally dealt in on the money market and is admitted to or dealt in on an eligible market shall be presumed to be liquid and have a value which can be accurately determined at any time unless there is information available to the ACD that would lead to a different determination.

## **10 Transferable securities and money-market instruments generally to be admitted or dealt in on an Eligible Market**

- 10.1 Transferable securities and approved money-market instruments held within a Fund must be:
- 10.1.1 admitted to or dealt on an eligible market within paragraph 11.1; or
  - 10.1.2 dealt on an eligible market within paragraph 11.1.2.
  - 10.1.3 admitted to or dealt in on an eligible market within paragraph 11.2; or
  - 10.1.3 for an approved money-market instrument not admitted to or dealt in on an eligible market, within paragraph 12.1; or
  - 10.1.4 recently issued transferable securities provided that:
    - 10.1.4.1 the terms of issue include an undertaking that application will be made to be admitted to an eligible market; and
    - 10.1.4.2 such admission is secured within a year of issue.
- 10.2. However, a Fund may invest no more than 10% of the Scheme Property in transferable securities and approved money-market instruments other than those referred to in paragraph 10.1

## **11 Eligible markets regime: requirements**

- 11.1 A market is eligible for the purposes of the rules in COLL if it is:
- 11.1.1 a regulated market as defined in the FCA Glossary;
  - 11.1.2 a market in the United Kingdom or an EEA State which is regulated, operates regularly and is open to the public; or
  - 11.1.3 any market within paragraph 11.2.
- 11.2 A market not falling within paragraph 11.1 is eligible for the purposes of COLL if:
- 11.2.1 the ACD, after consultation with and notification to the Depositary, decides that market is appropriate for investment of, or dealing in, the Scheme Property;
  - 11.2.2 the market is included in a list in the Prospectus; and
  - 11.2.3 the Depositary has taken reasonable care to determine that:
    - 11.2.3.1 adequate custody arrangements can be provided for the investment dealt in on that market; and

11.2.3.2 all reasonable steps have been taken by the ACD in deciding whether that market is eligible.

11.3 In paragraph 11.2.1, a market must not be considered appropriate unless it is regulated, operates regularly, is recognised as a market or exchange or as a self regulatory organisation by an overseas regulator, is open to the public, is adequately liquid and has adequate arrangements for unimpeded transmission of income and capital to or for the order of investors.

11.4 The eligible markets in which the Funds may invest are set out in Appendix 2.

## **12 Money-market instruments with a regulated issuer**

12.1 In addition to instruments admitted to or dealt in on an eligible market, a Fund may invest in an approved money-market instrument provided it fulfils the following requirements:

12.1.1 the issue or the issuer is regulated for the purpose of protecting investors and savings; and

12.1.2 the instrument is issued or guaranteed in accordance with paragraph 13 (Issuers and guarantors of money-market instruments).

12.2 The issue or the issuer of a money-market instrument, other than one dealt in on an eligible market, shall be regarded as regulated for the purpose of protecting investors and savings if:

12.2.1 the instrument is an approved money-market instrument;

12.2.2 appropriate information is available for the instrument (including information which allows an appropriate assessment of the credit risks related to investment in it), in accordance with paragraph 14 (Appropriate information for money-market instruments); and

12.2.3 the instrument is freely transferable.

## **13 Issuers and guarantors of money-market instruments**

13.1 A Fund may invest in an approved money-market instrument if it is:

13.1.1 issued or guaranteed by any one of the following:

13.1.1.1 a central authority of the United Kingdom or an EEA State or, if the EEA State is a federal state, one of the members making up the federation;

13.1.1.2 a regional or local authority of the United Kingdom or an EEA State;

13.1.1.3 the Bank of England, European Central Bank or a central bank of an EEA State;

13.1.1.4 the European Union or the European Investment Bank;

13.1.1.5 a non-EEA State or, in the case of a federal state, one of the members making up the federation;

- 13.1.1.6 a public international body to which the United Kingdom or one or more EEA States belong; or
- 13.1.2 issued by a body, any securities of which are dealt in on an eligible market; or
- 13.1.3 issued or guaranteed by an establishment which is:
  - 13.1.3.1 subject to prudential supervision in accordance with criteria defined by UK or European Union law; or
  - 13.1.3.2 subject to and complies with prudential rules considered by the FCA to be at least as stringent as those laid down by UK or European Union law.
- 13.2 An establishment shall be considered to satisfy the requirement in 13.1.3.2 if it is subject to and complies with prudential rules, and fulfils one or more of the following criteria:
  - 13.2.1 it is located in the European Economic Area;
  - 13.2.2 it is located in an OECD country belonging to the Group of Ten;
  - 13.2.3 it has at least investment grade rating;
  - 13.2.4 on the basis of an in-depth analysis of the issuer, it can be demonstrated that the prudential rules applicable to that issuer are at least as stringent as those laid down by UK or European Union law.

#### **14 Appropriate information for money-market instruments**

- 14.1 In the case of an approved money-market instrument within paragraph 13.1.2 or issued by a body of the type referred to in COLL 5.2.10EG; or which is issued by an authority within paragraph 13.1.1.2 or a public international body within paragraph 13.1.1.6 but is not guaranteed by a central authority within paragraph 13.1.1.1, the following information must be available:
  - 14.1.1 information on both the issue or the issuance programme, and the legal and financial situation of the issuer prior to the issue of the instrument, verified by appropriately qualified third parties not subject to instructions from the issuer;
  - 14.1.2 updates of that information on a regular basis and whenever a significant event occurs; and
  - 14.1.3 available and reliable statistics on the issue or the issuance programme.
- 14.2 In the case of an approved money-market instrument issued or guaranteed by an establishment within paragraph 13.1.3, the following information must be available:
  - 14.2.1 information on the issue or the issuance programme or on the legal and financial situation of the issuer prior to the issue of the instrument;
  - 14.2.2 updates of that information on a regular basis and whenever a significant event occurs; and

14.2.3 available and reliable statistics on the issue or the issuance programme, or other data enabling an appropriate assessment of the credit risks related to investment in those instruments.

14.3 In the case of an approved money-market instrument:

14.3.1 within paragraphs 13.1.1.1, 13.1.1.4 or 13.1.1.5; or

14.3.2 which is issued by an authority within paragraph 13.1.1.2 or a public international body within paragraph 13.1.1.6 and is guaranteed by a central authority within paragraph 13.1.1.1;

information must be available on both the issue or the issuance programme, and on the legal and financial situation of the issuer prior to the issue of the instrument.

## **15 Spread: general**

15.1 This paragraph 15 on spread does not apply in respect of transferable securities or an approved money-market instrument to which paragraph 16 applies.

15.2 The specific limits are set out as follows:

15.3 For the purposes of this requirement companies included in the same group for the purposes of consolidated accounts as defined in accordance with s.399 of the Companies Act 2006, Directive 2013/34/EU, or in the same group in accordance with international accounting standards, are regarded as a single body.

15.4 Not more than 20% in value of the Scheme Property is to consist of deposits with a single body.

15.5 Not more than 5% in value of the Scheme Property is to consist of transferable securities or approved money-market instruments issued by any single body.

15.6 The limit of 5% in paragraph 15.5 is raised to 10% in respect of up to 40% in value of the Scheme Property. Covered bonds need not to be taken into account for the purpose of applying the limit of 40%.

15.7 The limit of 5% in paragraph 15.5 is raised to 25% in value of the Scheme Property in respect of covered bonds, provided that when a Fund invests more than 5% in covered bonds issued by a single body the total value of covered bonds held must not exceed 80% in value of the Scheme Property.

15.8 In applying paragraphs 15.5 and 15.6 certificates representing certain securities are to be treated as equivalent to the underlying security.

15.9 The exposure to any one counterparty in an OTC derivative transaction must not exceed 5% in value of the Scheme Property. This limit is raised to 10% where the counterparty is an Approved Bank.

15.10 Not more than 20% in value of the Scheme Property is to consist of transferable securities and approved money-market instruments issued by the same group (as referred to in paragraph 15.3).

15.11 Not more than 20% in value of a Fund is to consist of the units of any one collective investment scheme.

- 15.12 In applying the limits in paragraphs 15.4, 15.5, 15.6, 15.8 and 15.9 in relation to a single body, and subject to paragraph 15.7, not more than 20% in value of the Scheme Property is to consist of any combination of two or more of the following:
- 15.12.1 transferable securities (including covered bonds) or approved money-market instruments issued by that body; or
  - 15.12.2 deposits made with that body; or
  - 15.12.3 exposures from OTC derivatives transactions made with that body.
- 15.13 The ACD must ensure that counterparty risk arising from an OTC derivative transaction is subject to the limits set out in paragraphs 15.9 and 15.12 above.
- 15.14 When calculating the exposure of a Fund to a counterparty in accordance with the limits set out in paragraph 15.9, the ACD must use the positive mark-to-market value of the OTC derivative contract with that counterparty.
- 15.15 The ACD may net the OTC derivative positions of a Fund with the same counterparty provided:
- a) it is able legally to enforce netting arrangements with the counterparty on behalf of the Fund; and
  - b) the netting arrangements in paragraph a) above do not apply to any other exposures the Fund may have with that same counterparty.
- 15.14 The ACD may reduce the exposure of the Scheme Property to a counterparty to an OTC derivative transaction through the receipt of collateral. Collateral received must be sufficiently liquid so that it can be sold quickly at a price that is close to its pre-sale valuation.
- 15.15 The ACD must take collateral into account in calculating exposure to counterparty risk in accordance with the limits set out in paragraph 15.9 when it passes collateral to the counterparty to an OTC derivative transaction on behalf of a Fund.
- 15.16 Collateral passed in accordance with paragraph 15.15 may be taken into account on a net basis only if the ACD is able legally to enforce netting arrangements with this counterparty on behalf of the Fund.
- 15.17 The ACD must calculate the issuer concentration limits referred to in the paragraphs above on the basis of the underlying exposure created through the use of OTC derivatives in accordance with the commitment approach.
- 15.18 In relation to exposures arising from OTC derivative transactions, as referred to in paragraph 15.12, the ACD must include in the calculation any counterparty risk relating to the OTC derivative transactions.

## **16 Spread: Government and public securities**

- 16.1 The following applies in respect of transferable securities and approved money-market instruments ('**such securities**') that are issued by:
- a) the United Kingdom or an EEA State;

- b) a local authority of the United Kingdom or an EEA State;
  - c) a non-EEA State; or
  - d) a public international body to which the United Kingdom or one or more EEA States belong.
- 16.2 Where no more than 35% in value of the Scheme Property is invested in such securities issued by any one body, there is no limit on the amount which may be invested in such securities or in any one issue.
- 16.3 A Fund may invest more than 35% in value of the Scheme Property in such securities issued by any one body provided that:**
- 16.3.1 the ACD has before any such investment is made consulted with the Depositary and as a result considers that the issuer of such securities is one which is appropriate in accordance with the investment objective of the Fund;**
  - 16.3.2 no more than 30% in value of the Scheme Property consists of such securities of any one issue;**
  - 16.3.3 the Scheme Property includes such securities issued by that or another issuer, of at least six different issues; and**
  - 16.3.4 the disclosures in COLL 3.2.6R(8) and COLL 4.2.5R(3)(i) have been made.**
- 16.4 In relation to such securities:**
- 16.4.1 issue, issuer and guarantor include guarantee, guaranteed and guarantor; and**
  - 16.4.2 an issue differs from another if there is a difference as to repayment date, rate of interest, guarantor or other material terms of the issue.**
- 16.5 Notwithstanding paragraph 15.1 above, and subject to paragraphs 15.3 and 15.4, in applying the 20% limit in paragraph 15.12 with respect to a single body, such securities issued by that body shall be taken into account.

## **17 Investment in collective investment schemes**

- 17.1 A Fund may invest in units in a collective investment scheme ('**second scheme**') provided that no more than 30% of the value of the Scheme Property is invested in second schemes within paragraph 17.1.2 to 17.1.5 and only if the second scheme complies with the following requirements:
- 17.1.1 it is a UK UCITS or satisfies the conditions necessary for it to enjoy the rights conferred by the UCITS Directive as implemented in the EEA; or
  - 17.1.2 it is a recognised scheme that is authorised by the supervisory authorities of Guernsey, Jersey or the Isle of Man (provided the requirements of COLL 5.2.13AR are met); or
  - 17.1.3 it is authorised as a Non-UCITS retail scheme (provided the requirements of COLL 5.2.13AR(1)(a), (3) and (4) are met); or

- 17.1.4 it is authorised in an EEA State (provided the requirements of COLL 5.2.13AR are met); or
- 17.1.5 it is authorised by the competent authority of an OECD member country (other than an EEA State) which has:
- i. signed the IOSCO Multilateral Memorandum of Understanding; and
  - ii. approved the scheme's management company, rules and depositary/custody arrangements;
- (provided the requirements of COLL 5.2.13AR are met);
- 17.1.6 it is a scheme which complies, where relevant, with COLL 5.2.15R (Investment in associated collective investment schemes) and COLL 5.2.16R (Investment in other group schemes); and
- 17.1.7 it is a scheme which has terms which prohibit more than 10% in value of the Scheme Property consisting of units in collective investment schemes.
- 17.2 Up to 100% of the Scheme Property of any Fund may consist of units in collective investment schemes. Where a substantial proportion of the Company's assets are invested in other collective investment schemes, the maximum level of management fees that may be charged to the Company and to the other collective investment schemes in which it invests should not exceed 2.5% per annum plus VAT if applicable. However, it is expected that the actual annual management fee will not exceed 2%.
- 17.3 Where the second scheme is an umbrella, the provisions in paragraphs 17.1.6 and 17.1.7 above and COLL 5.2.11R (Spread: general) apply to each sub-fund as if it were a separate scheme.
- 17.4 A Fund may invest in or dispose of (and the property of the Fund may include) units in a second scheme managed or operated by (or, if it is an open-ended investment company has as its authorised corporate director) the ACD or an associate of the ACD, provided that the following rules are complied with:
- 17.4.1 the Funds must not invest in or dispose of such units unless:
- (a) there is no charge in respect of the investment in or the disposal of units in the second scheme; or
  - (b) the ACD is under a duty to pay to the Fund by the close of business on the fourth Business Day next after the agreement to buy or to sell the amount referred to in paragraphs 17.4.1(c) and 17.4.1(d);
  - (c) on investment, either:
    - (i) any amount by which the consideration paid by the Fund for the units in the second scheme exceeds the price that would have been paid for the benefit of the second scheme had the units been newly issued or sold by it; or

(ii) if such price cannot be ascertained by the ACD, the maximum amount of any charge permitted to be made by the seller of units in the second scheme;

(d) on disposal, the amount of any charge made for the account of the authorised fund manager or operator of the second scheme or an Associate of any of them in respect of the disposal.

17.5 In paragraphs 17.4.1(a) to 17.4.1(d) above:

17.5.1 any addition to or deduction from the consideration paid on the acquisition or disposal of units in the second scheme, which is applied for the benefit of the second scheme and is, or is like, a dilution levy made in accordance with COLL 6.3.8 R, is to be treated as part of the price of the units and not as part of any charge; and

17.5.2 any switching charge made in respect of an exchange of units in one sub-fund or separate part of the second scheme for units in another sub-fund or separate part of that scheme is to be included as part of the consideration paid for the units.

17.6 The requirements of COLL 5.2.13AR are that:

17.6.1 the second scheme is an undertaking:

(a) with the sole object of collective investment in transferable securities or in other liquid financial assets, as referred to in COLL 5, of capital raised from the public and which operate on the principle of risk-spreading; and

(b) with units which are, at the request of holders, repurchased or redeemed, directly or indirectly, out of those undertakings' assets (action taken by a scheme to ensure that the price of its units on an investment exchange does not significantly vary from their net asset value shall be regarded as equivalent to such repurchase or redemption);

17.6.2 the second scheme is authorised under laws which provide that they are subject to supervision considered by the FCA to be equivalent to that laid down in the law of the United Kingdom, and that cooperation between the FCA and the supervisory authorities of the second scheme is sufficiently ensured;

17.6.3 the level of protection for unitholders in the second scheme is equivalent to that provided for unitholders in a UK UCITS, and in particular that the rules on asset segregation, borrowing, lending, and uncovered sales of transferable securities and approved money-market instruments are equivalent to the requirements of COLL 5; and

17.6.4 the business of the second scheme is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period.

- 17.7 Each Fund may invest in or dispose of (and the property of the Fund may include) Shares in another Fund, provided that the requirements of COLL 5.2.15R and 5.2.16R are complied with.

## **18 Investment in nil and partly paid securities**

A transferable security or an approved money-market instrument on which any sum is unpaid falls within a power of investment only if it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by the Fund, at the time when payment is required, without contravening the rules in COLL 5.

## **19 Derivatives**

- 19.1 **Under COLL derivatives are permitted for UK UCITS for investment purposes and derivative transactions may be used for the purposes of hedging or meeting the investment objective or both.**

**The Funds do not currently intend to use Scheme Property to invest in derivatives and forward transactions under COLL, other than for the purposes of efficient portfolio management techniques (see "Efficient Portfolio Management" below) which is not expected to have a detrimental effect on the risk profile of the Funds.**

Any use of derivative instruments would be used in accordance with COLL 5.3.11G including the 'Guidelines for competent authorities and UCITS management companies' (ESMA/2012/832EN)' report issued by the European Securities and Markets Authority on 18 December 2012.

- 19.2 A transaction in derivatives must have the underlying consisting of any or all of the following to which the Fund is dedicated:

19.2.1 transferable securities permitted under COLL 5.2.8 R(3)(a) to (c) and COLL 5.2.8 R(3)(e) ;

19.2.2 approved money-market instruments permitted under COLL 5.2.8R(3)(a) to COLL 5.2.8R(3)(d);

19.2.3 deposits permitted under COLL 5.2.26R;

19.2.4 derivatives permitted under COLL 5.2.20R;

19.2.5 collective investment scheme units permitted under COLL 5.2.13R;

19.2.6 financial indices which satisfy the criteria set out at COLL 5.2.20AR;

19.2.7 interest rates;

19.2.8 foreign exchange rates; and

19.2.9 currencies.

- 19.3 A transaction in a derivative must:

19.3.1 be in an approved derivative; or

- 19.3.2 be one which complies with COLL 5.2.23R (OTC transactions in derivatives).
- 19.4 A transaction in an approved derivative must be effected on, or under, the rules of an eligible derivatives market.
- 19.5 A transaction in a derivative must not cause a Fund to diverge from its investment objective as stated in the Instrument of Incorporation and the most recently published version of this Prospectus.
- 19.6 A transaction in derivatives must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more, transferable securities, approved money-market instruments, units in collective investment schemes, or derivatives, provided that a sale is not to be considered as uncovered if the conditions in COLL 5.2.22R(1), as read in accordance with the guidance at COLL 5.2.22A G, are satisfied.
- 19.7 Any forward transaction must be with an Eligible Institution or Approved Bank.
- 19.8 A derivative includes an investment which fulfils the following criteria:
- 19.8.1 it allows transfer of the credit risk of the underlying independently from the other risks associated with that underlying;
- 19.8.2 it does not result in the delivery or the transfer of assets other than those referred to in COLL 5.2.6AR, including cash;
- 19.8.3 in the case of an OTC derivative, it complies with the requirements in COLL 5.2.23R (OTC transactions in derivatives); and
- 19.8.4 its risks are adequately captured by the risk management process of the ACD and by its internal control mechanisms in the case of risk asymmetry of information between the ACD and the counterparty to the derivative resulting from the potential access of the counterparty to non-public information on persons whose assets are used as the underlying by that derivative.
- 19.9 A Fund may not undertake transactions in derivatives on commodities.

## **20. OTC transactions in derivatives**

- 20.1 Any transaction in an OTC derivative under paragraph 19.3.2 must be:
- 20.1.1 in a future or an option or a contract for differences;
- 20.1.2 with an approved counterparty; a counterparty to a transaction in derivatives is approved only if the counterparty is an Eligible Institution or an Approved Bank; a person whose permission (including any requirements or limitations), as published in the Financial Services Register, permits it to enter into the transaction as principal off-exchange; a CCP that is authorised in that capacity for the purposes of EMIR; a CCP that is recognised in that capacity in accordance with the process set out in article 25 of EMIR; or to the extent not already covered above, a CCP supervised in a jurisdiction that:
- (i) has implemented the relevant G20 reforms on over-the-counter

derivatives to at least the same extent as the United Kingdom; and

(ii) is identified as having done so by the Financial Stability Board in its summary report on progress in implementation of G20 financial regulatory reforms dated 25 June 2019;

- 20.1.3 on approved terms; the terms of the transaction in derivatives are approved only if the ACD: carries out, at least daily, a reliable and verifiable valuation in respect of that transaction corresponding to its fair value and which does not rely only on market quotations by the counterparty and can enter into one or more further transactions to sell, liquidate or close out that transaction at any time, at its fair value; and
- 20.1.4 capable of reliable valuation; a transaction in derivatives is capable of reliable valuation only if the ACD having taken reasonable care determines that, throughout the life of the derivative (if the transaction is entered into), it will be able to value the investment concerned with reasonable accuracy:
  - 20.1.4.1 on the basis of an up-to-date market value which the ACD and the Depositary have agreed is reliable; or
  - 20.1.4.2 if the value referred to in paragraph 20.1.4.1 is not available, on the basis of a pricing model which the ACD and the Depositary have agreed uses an adequate recognised methodology; and
- 20.1.5 subject to verifiable valuation; a transaction in derivatives is subject to verifiable valuation only if, throughout the life of the derivative (if the transaction is entered into) verification of the valuation is carried out by:
  - 20.1.5.1 an appropriate party which is independent from the counterparty of the derivative at an adequate frequency and in such a way that the ACD is able to check it; or
  - 20.1.5.2 a department within the ACD which is independent from the department in charge of managing the Company and which is adequately equipped for such a purpose.
- 20.2 The jurisdictions that falls within paragraphs 20.1.2(i) and (ii) above are Australia, France, Germany, Hong Kong, Italy, Japan, the Netherlands, Singapore, Spain, Switzerland, and the United States of America.
- 20.3 For the purposes of paragraph 20.1.3, "fair value" is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.
- 20.4 The Depositary must take reasonable care to ensure that the ACD has systems and controls that are adequate to ensure compliance with paragraphs 20.1.2 to 20.1.5.

The following additional provisions apply:
- 20.5 The ACD must:

- 20.5.1 establish, implement and maintain arrangements and procedures which ensure appropriate, transparent and fair valuation of the exposure of each Fund to OTC derivatives; and
- 20.5.2 ensure that the fair value of the OTC derivative is subject to adequate, accurate and independent assessment;
- 20.6 Where the arrangements and procedures referred to in paragraph 20.5 involve the performance of certain activities of third parties, the ACD must comply with the requirements of SYSC 8.1.13R and COLL 6.6A.4R(5) and (6).

## **21 Risk management**

The ACD must use a risk management process as reviewed by the Depositary enabling it to monitor and measure as frequently as appropriate the risk of a Fund's positions and their contribution to the overall risk profile of the Fund.

## **22 Investment in deposits**

**The Fund may invest in deposits only with an Approved Bank and which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months.**

## **23 Significant influence**

- 23.1 The Company must not acquire transferable securities issued by a body corporate and carrying rights to vote (whether or not on substantially all matters) at a general meeting of that body corporate if:
  - 23.1.1 immediately before the acquisition, the aggregate of any such securities held by the Company gives the Company power to significantly influence the conduct of business of that body corporate; or
  - 23.1.2 the acquisition gives the Company that power.
- 23.2 For the purposes of paragraph 23.1, the Company is to be taken to have power significantly to influence the conduct of business of a body corporate if it can, because of the transferable securities held by it, exercise or control the exercise of 20% or more of the voting rights in that body corporate (disregarding for this purpose any temporary suspension of voting rights in respect of the transferable securities of that body corporate).

## **24 Concentration**

A Fund:

- 24.1 must not acquire transferable securities (other than debt securities) which:
  - 24.1.1 do not carry a right to vote on any matter at a general meeting of the body corporate that issued them; and
  - 24.1.2 represent more than 10% of those securities issued by that body corporate;
- 24.2 must not acquire more than 10% of the debt securities issued by any single body;

- 24.3 must not acquire more than 25% of the units in a collective investment scheme;
- 24.4 must not acquire more than 10% of the approved money-market instruments issued by any single body; and
- 24.5 need not comply with the limits in paragraphs 24.2 to 24.4 if, at the time of acquisition, the net amount in issue of the relevant investment cannot be calculated.

## **25 Schemes replicating an index**

Please note that this investment power is not relevant for any of the existing Funds although it may be applicable to any new Funds of the Company.

- 25.1 Notwithstanding paragraph 15 (Spread: general) a Fund may invest up to 20% in value of the Scheme Property in shares and debentures which are issued by the same body where the stated investment policy is to replicate the composition of a relevant index which satisfies the criteria specified in paragraphs 25.5 to 25.8 below.**
- 25.2 Replication of the composition of a relevant index shall be understood to be a reference to replication of the composition of the underlying assets of that index, including the use of techniques and instruments permitted for the purpose of efficient portfolio management.**
- 25.3 The 20% limit in paragraph 25.1 can be raised for a particular Fund up to 35% in value of the Scheme Property, but only in respect of one body and where justified by exceptional market conditions.**
- 25.4 In the case of a Fund replicating an index the Scheme Property need not consist of the exact composition and weighting of the underlying in the relevant index in cases where the Fund's investment objective is to achieve a result consistent with the replication of an index rather than an exact replication.
- 25.5 The indices referred to above are those which satisfy the following criteria:
  - 25.5.1 The composition is sufficiently diversified;
  - 25.5.2 The index represents an adequate benchmark for the market to which it refers; and
  - 25.5.3 The index is published in an appropriate manner.
- 25.6 The composition of an index is sufficiently diversified if its components adhere to the spread and concentration requirements in COLL 5.2.
- 25.7 An index represents an adequate benchmark if its provider uses a recognised methodology which generally does not result in the exclusion of a major issuer of the market to which it refers.
- 25.8 An index is published in an appropriate manner if:
  - 25.8.1 it is accessible to the public;
  - 25.8.2 the index provider is independent from the index-replicating Fund; this does not preclude index providers and the Fund from forming part of the

same group, provided that effective arrangements for the management of conflicts of interest are in place.

## **26 Derivatives exposure**

- 26.1 A Fund may invest in derivatives and forward transactions as long as the exposure to which the Fund is committed by that transaction itself is suitably covered from within its Scheme Property. Exposure will include any initial outlay in respect of that transaction.
- 26.2 Cover ensures that a Fund is not exposed to the risk of loss of property, including money, to an extent greater than the net value of the Scheme Property. Therefore, a Fund must hold Scheme Property sufficient in value or amount to match the exposure arising from a derivative obligation to which the Fund is committed. Paragraph 27 (Cover for transactions in derivatives and forward transactions) sets out detailed requirements for cover of a Fund.
- 26.3 Cover used in respect of one transaction in derivatives or forward transaction must not be used for cover in respect of another transaction in derivatives or a forward transaction.

## **27 Cover for transactions in derivatives and forward transactions**

- 27.1 The Company may invest in derivatives and forward transactions as part of its investment policy provided:
- a) its global exposure relating to derivatives and forward transactions held in the Company does not exceed the net value of the Scheme Property; and
  - b) its global exposure to the underlying assets does not exceed in aggregate the investment limits laid down in paragraph 15 above.
- 27.2 The ACD must calculate the global exposure of the Company on at least a daily basis.
- 27.3 For the purposes of this section, exposure is must be calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate any positions.
- 27.4 The ACD must calculate the global exposure of the Company either as:
- a) the incremental exposure and leverage generated through the use of derivatives and forward transactions (including embedded derivatives as referred to in COLL 5.2.19R(3A), which may not exceed 100% of the net value of the Scheme Property of the Company by way of the commitment approach; or
  - b) the market risk of the Scheme Property of the Company by way of the value at risk approach.
- 27.5 The ACD must ensure that the method selected above is appropriate, taking into account:
- a) the investment strategy pursued by the Company;
  - b) the types and complexities of the derivatives and forward transactions used; and

c) the proportion of the Scheme Property comprising derivatives and forward transactions.

- 27.6 Where the Company employs techniques and instruments including repo contracts or stock lending transactions in order to generate additional leverage or exposure to market risk, the ACD must take those transactions into consideration when calculating global exposure.
- 27.7 For the purposes of this paragraph, value at risk means a measure of the maximum expected loss at a given confidence level over the specific time period.
- 27.8 Where the ACD uses the commitment approach for the calculation of global exposure, it must:
- 27.8.1 ensure that it applies this approach to all derivative and forward transactions (including embedded derivatives as referred to in COLL5.2.19R(3A), whether used as part of the Company's general investment policy, for the purposes of risk reduction or for the purposes of efficient portfolio management; and
  - 27.8.2 convert each derivative or forward transaction into the market value of an equivalent position in the underlying asset of that derivative or forward (standard commitment approach).
- 27.9 The ACD may apply other calculation methods which are equivalent to the standard commitment approach.
- 27.10 For the commitment approach, the ACD may take account of netting and hedging arrangements when calculating global exposure of the Company, where these arrangements do not disregard obvious and material risks and result in a clear reduction in risk exposure.
- 27.11 Where the use of derivatives or forward transactions does not generate incremental exposure for the Company, the underlying exposure need not be included in the commitment calculation.
- 27.12 Where the commitment approach is used, temporary borrowing arrangements entered into on behalf of the Company need not form part of the global exposure calculation.

## **28. Borrowing**

- 28.1 Cash obtained from borrowing, and borrowing which the ACD reasonably regards an Eligible Institution or an Approved Bank to be committed to provide, is available for cover under the previous paragraph 27 (Cover for transactions in derivatives and forward transactions) as long as the normal limits on borrowing (see below) are observed.
- 28.2 Where, for the purposes of this paragraph the Company borrows an amount of currency from an Eligible Institution or an Approved Bank; and keeps an amount in another currency, at least equal to such borrowing for the time on deposit with the lender (or their agent or nominee), then this applies as if the borrowed currency, and not the deposited currency, were part of the Scheme Property, and the normal limits on borrowing under paragraph 30 (General power to borrow) do not apply to that borrowing.

## **29 Cash and near cash**

- 29.1 Cash and near cash must not be retained in the Scheme Property except to the extent that, this may reasonably be regarded as necessary in order to enable:
- 29.1.1 the pursuit of the Fund's investment objective; or
  - 29.1.2 redemption of Shares; or
  - 29.1.3 efficient management of the Fund in accordance with its investment objective; or
  - 29.1.4 other purposes which may reasonably be regarded as ancillary to the investment objective of the Fund.
- 29.2 During the period of the initial offer the Scheme Property may consist of cash and near cash without limitation.

### **30 General power to borrow**

- 30.1 The Fund may, in accordance with this paragraph 30 and paragraph 26, borrow money for the use of the Fund on terms that the borrowing is to be repayable out of the Scheme Property. This power to borrow is subject to the obligation of the Fund to comply with any restriction in the instrument constituting the Fund.
- 30.2 The Fund may borrow under paragraph 30.1 only from an Eligible Institution or an Approved Bank.
- 30.3 The ACD must ensure that any borrowing is on a temporary basis and that borrowings are not persistent, and for this purpose the ACD must have regard in particular to:
- 30.3.1 the duration of any period of borrowing; and
  - 30.3.2 the number of occasions on which it has resorted to borrowing in any period.
- 30.4 The ACD must ensure that no period of borrowing exceeds three months, without the consent of the Depositary.
- 30.5 These borrowing restrictions do not apply to "back to back" borrowing under COLL 5.3.5R(2).
- 30.6 The Fund must not issue any debenture unless it acknowledges or creates a borrowing that complies with paragraph 30.1 to 30.5.

### **31 Borrowing limits**

- 31.1 The ACD must ensure that the Fund's borrowing does not, on any Business Day, exceed 10% of the value of the Scheme Property of the Fund.
- 31.2 In this paragraph 31, "borrowing" includes, as well as borrowing in a conventional manner, any other arrangement (including a combination of derivatives) designed to achieve a temporary injection of money into the Scheme Property in the expectation that the sum will be repaid.

- 31.3 For each Fund, borrowing does not include any arrangement for the Fund to pay to a third party (including the ACD) any set up costs which the Fund is entitled to amortise and which were paid on behalf of the Fund by the third party.

## **32 Restrictions on lending of money**

- 32.1 None of the money in the Scheme Property of the Fund may be lent and, for the purposes of this prohibition, money is lent by the Fund if it is paid to a person (the 'payee') on the basis that it should be repaid, whether or not by the payee.
- 32.2 Acquiring a debenture is not lending for the purposes of paragraph 32.1; nor is the placing of money on deposit or in a current account.
- 32.3 Paragraph 32.1 does not prevent the Fund from providing an officer of the Fund with funds to meet expenditure to be incurred by them for the purposes of the Fund (or for the purposes of enabling them properly to perform their duties as an officer of the Fund) or from doing anything to enable an officer to avoid incurring such expenditure.

## **33 Restrictions on lending of property other than money**

- 33.1 The Scheme Property of the Fund other than money must not be lent by way of deposit or otherwise.
- 33.2 Transactions permitted by paragraph 37 (Stock lending) are not lending for the purposes of paragraph 33.1.
- 33.3 The Scheme Property of the Fund must not be mortgaged.
- 33.4 Paragraph 31.1 does not prevent a Fund from providing an officer of the Fund with funds to meet expenditure to be incurred by them for the purposes of the Fund (or for the purposes of enabling them properly to perform their duties as an officer of the Fund) or from doing anything to enable an officer to avoid incurring such expenditure.

## **34 General power to accept or underwrite placings**

- 34.1 Any power in COLL 5 to invest in transferable securities may be used for the purpose of entering into transactions to which this section applies, subject to compliance with any restriction in the Instrument of Incorporation.
- 34.2 This section applies, subject to paragraph 34.3, to any agreement or understanding which:
- 34.2.1 is an underwriting or sub-underwriting agreement; or
  - 34.2.2 contemplates that securities will or may be issued or subscribed for or acquired for the account of the Fund.
- 34.3 Paragraph 34.2 does not apply to:
- 34.3.1 an option; or
  - 34.3.2 a purchase of a transferable security which confers a right to:
    - 34.3.2.1 to subscribe for or acquire a transferable security; or

34.3.2.2 to convert one transferable security into another.

34.3.3 The exposure of the Fund to agreements and understandings within paragraph 34.2 must, on any Business Day:

34.3.3.1 be covered in accordance with the requirements of COLL 5.3.3R; and

34.3.3.2 be such that, if all possible obligations arising under them had immediately to be met in full, there would be no breach of any limit in COLL 5.

### **35 Guarantees and indemnities**

35.1 The Fund or the Depositary for the account of the Fund must not provide any guarantee or indemnity in respect of the obligation of any person.

35.2 None of the Scheme Property of the Fund may be used to discharge any obligation arising under a guarantee or indemnity with respect to the obligation of any person.

35.3 Paragraphs 35.1 and 35.2 do not apply in respect of the Fund to:

35.3.1 any indemnity or guarantee given for margin requirements where the derivatives or forward transactions are being used in accordance with the FCA Rules;

35.3.2 an indemnity falling within the provisions of regulation 62(3) (Exemptions from liability to be void) of the OEIC Regulations;

35.3.3 an indemnity (other than any provision in it which is void under regulation 62 of the OEIC Regulations) given to the Depositary against any liability incurred by it as a consequence of the safekeeping of any of the Scheme Property by it or by anyone retained by it to assist it to perform its function of the safekeeping of the Scheme Property; and

35.3.4 an indemnity given to a person winding up a scheme if the indemnity is given for the purposes of arrangements by which the whole or part of the property of that scheme becomes the first property of the Fund and the holders of units in that scheme become the first Shareholders in the Fund.

### **36 Efficient Portfolio Management of all Funds**

36.1 A Fund may use its property to enter into derivative transactions for the purposes of EPM as set out in this paragraph 36. Permitted EPM transactions (excluding stock lending arrangements) are transactions in derivatives (i.e. options, futures, forward transactions or contracts for differences) dealt in or traded on an eligible market; off-exchange options or contracts for differences resembling options; or synthetic futures in certain circumstances. The eligible markets for the Funds are set out in Appendix 2.

36.2 Any forward transactions must be with an approved counterparty (Eligible Institutions, money market institutions etc). A derivatives or forward transaction which would or could lead to delivery of property to the Depositary may be entered into only if such property can be held by the Fund, and the ACD

reasonably believes that delivery of the property pursuant to the transaction will not lead to a breach of COLL.

36.3 There is no limit on the amount of the property which may be used for EPM but the transactions must satisfy the three broadly based requirements set out below:

36.3.1 A transaction must be reasonably believed by the ACD to be economically appropriate to the efficient portfolio management of the Company. This means that, for transactions undertaken to reduce risk or cost (or both), the transaction alone or in combination will diminish a risk or cost of a kind or level that it is sensible to reduce.

EPM must not include speculative transactions.

36.3.2 The purpose of an EPM transaction for the Funds must be to achieve one of the following in respect of a Fund:

Reduction of risk

This allows for the use of the technique of cross-currency hedging in order to switch all or part of the property away from a currency the ACD considers unduly prone to risk, to another currency. This aim also permits the use of tactical asset allocation.

Reduction of cost

The aims of reduction of risk or cost, together or separately, allow the ACD on a temporary basis to use the technique of tactical asset allocation. Tactical asset allocation permits the ACD to undertake a switch in exposure by use of derivatives, rather than through the sale and purchase of the property. If a transaction for a Fund relates to the acquisition or potential acquisition of transferable securities, the ACD must intend that the Fund should invest in transferable securities within a reasonable time and the ACD must thereafter ensure that, unless the position has itself been closed out, that intention is realised within that reasonable time.

The generation of additional capital or income for the fund (so called "enhancement strategies") with an acceptably low level of risk. There is an acceptably low level of risk in any case where the ACD reasonably believes that the Fund is certain (or certain barring events which are not reasonably foreseeable) to derive a benefit. The generation of additional capital or income may arise out of taking advantage of price imperfections or from the receipt of a premium for writing covered call or covered put options (even if the benefit is obtained at the expense of the chance of yet greater benefit) or pursuant to stock lending arrangements as permitted by COLL (see below).

The relevant purpose must relate to property (whether precisely identified or not) which is to be or is proposed to be acquired for the Fund or anticipated cash receipts of the Fund, if due to be received at some time and likely to be received within one month.

## **37 Stock lending**

37.1 The entry into stock lending arrangements or repo contracts for the account of

a Fund is permitted for the generation of additional income for the benefit of the Fund, and hence for its investors.

37.2 The stock lending permitted by this section may be exercised by a Fund when it reasonably appears to the Company to be appropriate to do so with a view to generating additional income for the Fund with an acceptable degree of risk.

37.3 The Company or the Depositary at the request of Company may enter into a repo contract or a stock lending arrangement of the kind described in section 263B of the Taxation of Chargeable Gains Act 1992 (without extension by section 263C), but only if:

37.3.1 all the terms of the agreement under which securities are to be reacquired by the Depositary for the account of the Company are in a form which is acceptable to the Depositary and are in accordance with good market practice;

37.3.2 the counterparty is:

37.3.2.1 an authorised person; or

37.3.2.2 a person authorised by a home state regulator; or

37.3.2.3 a person registered as a broker-dealer with the Securities and Exchange Commission of the United States of America; or

37.3.2.4 a bank, or a branch of a bank, supervised and authorised to deal in investments as principal, with respect to OTC derivatives by at least one of the following federal banking supervisory authorities of the United States of America: the Office of the Comptroller of the Currency; the Federal Deposit Insurance Corporation; the Board of Governors of the Federal Reserve System; and the Office of Thrift Supervision; and

37.3.3 collateral is obtained to secure the obligation of the counterparty under the terms referred to in 37.3.1 and the collateral is:

37.3.3.1 acceptable to the Depositary;

37.3.3.2 adequate; and

37.3.3.3 sufficiently immediate.

37.4 The counterparty for the purpose of paragraph 37.3 is the person who is obliged under the agreement referred to in paragraph 37.3.1 to transfer to the Depositary the securities transferred by the Depositary under the stock lending arrangement or securities of the same kind.

37.5 Paragraph 37.3.3 does not apply to a stock lending transaction made through Euroclear Bank SA/NV's Securities Lending and Borrowing Programme.

37.6 There is no limit on the value of the Scheme Property which may be the subject of stock lending transactions.

### **38. Treatment of collateral**

- 38.1 Collateral is adequate for the purposes of this paragraph 38 only if it is:
- 38.1.1 transferred to the Depositary or its agent;
  - 38.1.2 at least equal in value, at the time of the transfer to the Depositary, to the value of the securities transferred by the Depositary; and
  - 38.1.3 in the form of one or more of:
    - 38.1.4 cash; or
    - 38.1.5 a certificate of deposit; or
    - 38.1.6 a letter of credit; or
    - 38.1.7 a readily realisable security; or
    - 38.1.8 commercial paper with no embedded derivative content; or
    - 38.1.9 a qualifying money market fund.
- 38.2 Where the collateral is invested in units in a qualifying money market fund managed or operated by (or, for an ICVC, whose authorised corporate director is) the ACD or an associate of the ACD, the conditions in paragraph 17.2 must be complied with.
- 38.3 Collateral is sufficiently immediate for the purposes of this paragraph if:
- 38.3.1 it is transferred before or at the time of the transfer of the securities by the Depositary; or
  - 38.3.2 the Depositary takes reasonable care to determine at the time referred to in paragraph 38.3.1 that it will be transferred at the latest by the close of business on the day of the transfer.
- 38.4 The Depositary must ensure that the value of the collateral at all times is at least equal to the value of the securities transferred by the Depositary.
- 38.5 The duty in paragraph 38.4 may be regarded as satisfied in respect of collateral the validity of which is about to expire or has expired where the Depositary takes reasonable care to determine that sufficient collateral will again be transferred at the latest by the close of business on the day of expiry.
- 38.6 Any agreement for transfer at a future date of securities or of collateral (or of the equivalent of either) under this paragraph may be regarded, for the purposes of valuation and pricing of the Company or this Appendix, as an unconditional agreement for the sale or transfer of property, whether or not the property is part of the property of the authorised fund.
- 38.7 Collateral transferred to the Depositary is part of the Scheme Property for the purposes of the rules in COLL, except in the following respects:
- 38.7.1 it does not fall to be included in any calculation of NAV or this Appendix, because it is offset under paragraph 38.6 by an obligation to transfer; and

38.7.2 it does not count as Scheme Property for any purpose of this Appendix other than this paragraph.

38.8 Paragraphs 38.6 and 37.8.1 not apply to any valuation of collateral itself for the purposes of this paragraph.

## APPENDIX 4

### PAST PERFORMANCE

The comparisons below have been based on performance information for each Fund over a five year period. The performance table shows the total annual return up 31 December in each year listed.

The performance information shows the post-tax position and is net of charges (subscription and redemption fees) but does not include the effect of any preliminary charge that may be paid on the purchase of an investment.

Fund / Share Class	2019	2020	2021	2022	2023
<b>TM UBS (UK) – UK Equity Fund</b>					
Class C Shares	16.94	-9.59	16.32	-2.30	6.48
Class F Shares	17.28	-10.93	16.59	-2.03	6.72
<b>TM UBS (UK) – Balanced Fund</b>					
Class C Shares	12.60	2.67	7.50	-9.37	7.94
Class F Shares	12.83	2.80	7.74	-9.14	7.92
<b>TM UBS (UK) – Growth Fund</b>					
Class C Shares	14.84	1.19	11.36	-7.56	8.57
Class F Shares	15.11	1.46	11.66	-7.36	8.89
<b>TM UBS (UK) – Income Focus Fund</b>					
Class C Shares	12.56	-3.15	10.13	-5.57	6.23
Class F Shares	12.73	-2.91	10.40	-5.41	6.43
<b>TM UBS (UK) – Global Balanced Fund</b>					
Class C Shares	13.55	4.67	7.00	-10.97	8.40
Class F Shares	13.80	4.85	7.28	-10.84	8.72
<b>TM UBS (UK) – Global Growth Fund</b>					
Class C Shares	16.62	4.15	10.50	-9.59	9.47
Class F Shares	16.91	4.43	10.75	-9.37	9.73
<b>TM UBS (UK) – Global Yield Fund</b>					
Class C Shares	10.71	4.73	4.19	-11.54	7.64
Class F Shares	11.01	4.96	4.50	-11.30	7.88
<b>TM UBS (UK) – Global Equity Fund</b>					
Class C Shares	20.34	3.59	14.39	-8.88	10.88
Class F Shares	20.56	3.90	14.68	-8.67	11.21

Source of performance data - MorningStar

Up to date performance data can be obtained from the ACD or by contacting UBS.

**These figures refer to the past and past performance is not a reliable indicator of future results. The value of investments and the income from them can go down as well as up and investors may not get back the amounts originally invested.**

**Please read the Company's key investor information documents before investing. Nothing in this Prospectus should be construed as advice and is therefore not a recommendation to buy or sell Shares.**

## **APPENDIX 5**

### **DIRECTORY**

**The Company and Head Office:**

**TM UBS (UK) Fund**

Exchange Building,  
St John's Street,  
Chichester, West Sussex PO19 1UP

**Authorised Corporate Director:**

**Thesis Unit Trust Management Limited**

Exchange Building,  
St John's Street,  
Chichester, West Sussex PO19 1UP

**Investment Manager:**

**UBS AG, London Branch**

5 Broadgate,  
London EC2M 2QS  
[www.ubs.com](http://www.ubs.com)

**Distributors:**

**UBS AG, London Branch**

1 Finsbury Avenue,  
London EC2M 2PP

**Registrar, Administrator and Fund Accountant:**

**Northern Trust Global Services SE, UK branch**

50 Bank Street,  
London E14 5NT

*Dealing Office:*

**Thesis Unit Trust Management Limited**

Sunderland SR43 4AZ

**Depository:**

**NatWest Trustee and Depository Services Limited**

House A, Floor 0, Gogarburn,  
175 Glasgow Road, Edinburgh EH12 1HQ

**Auditors:**

**PricewaterhouseCoopers LLP**

Atria One,  
144 Morrison Street,  
Edinburgh EH3 8EX

**The Financial Conduct Authority (FCA):**

12 Endeavour Square  
London E20 1JN

## APPENDIX 6

### LIST OF OTHER AUTHORISED COLLECTIVE INVESTMENT SCHEMES OPERATED BY THE ACD:

<b><u>Authorised Contractual Schemes</u></b>	<b><u>Authorised Investment Companies with Variable Capital</u></b>	<b><u>Authorised Unit Trusts</u></b>
TM Brunel Pension Partnership ACS	Abaco Fund ICVC Arch House Fund Ariel Fund Bryth ICVC Canterbury Investment Fund CP Investment Funds Destiny Fund ICVC Harroway Capital ICVC Hawarwatza Fund Liberio Portfolio Fund Lime Grove Fund Meadowgate Funds Moulsoe Fund Scarp Fund Skiwi Fund The Ambrose Fund The Astral Fund The Capital Link Growth Fund The Contact Fund The Diversification Fund ICVC The Dunnottar Fund The Global Multi Asset Fund The Gulland Fund The Hector Fund The Juniper Fund The Lockerley Fund The Mazener Fund The MCMLXIII Fund The Motim Fund The Northern Funds The Oenoke Fund The Ord Fund ICVC The Overstone Fund The Penare Fund The Saint Martins Fund The Staderas Fund The Stratford Fund The Sun Portfolio Fund The TBL Fund The TM Lancewood Fund The TM Mitcham Fund The Torridon Growth Fund The Vinings Fund The Wharton Fund Thesis JDS Fund TM Acer Fund TM Balanced Growth Fund TM Brown Advisory Funds TM Brunsdon OEIC TM Cerno Investment Funds	BPM Trust Eden Investment Fund Elfynn International Trust Glenhuntley Portfolio Trust Hawthorn Portfolio Trust KES Diversified Trust KES Growth Fund KES Income and Growth Fund KES Ivy Fund KES Strategic Investment Fund Latour Growth Fund Lavaud Fund Mossylea Fund Pippin Return Fund The Castor Fund The Darin Fund The Delta Growth Fund The Deribee Funds The Eldon Fund The Endeavour II Fund The Hall Fund The HoundStar Fund The Iceberg Trust The Maiden Fund The Millau Fund The Norfolk Trust The Notts Trust The Palfrey Fund The TM Stockwell Fund The White Hill Fund Thesis Headway Fund Thesis Lion Growth Fund Thesis PM A Fund Thesis PM B Fund Thesis Thameside Managed Fund TM Balanced Fund TM Chainpoint Fund TM Growth Fund TM Hearthstone UK Residential Feeder Fund TM Managed Fund TM Masonic Charitable Foundation Investment Fund TM Merlin Fund TM New Court Fund TM New Court Growth Fund TM New Court Return Assets Fund TM New Institutional World Fund TM Preservation Fund TM Private Portfolio Trust TM Stonehage Fleming Global Equities Fund

**Authorised  
Contractual Schemes**

**Authorised Investment  
Companies with Variable Capital**

TM Cresswell Fund  
TM CRUX Funds ICVC  
TM First Arrow Investment Funds  
TM Hearthstone ICVC  
TM Investment Exposures Fund  
TM Investment Funds  
TM Lime Fund  
TM Natixis Investment Funds U.K.  
ICVC  
TM Neuberger Berman Investment  
Funds  
TM Oak Fund  
TM OEIC  
TM Optimal Funds  
TM P1 Investment Funds  
TM Redwheel Funds  
TM Ruffer Portfolio  
TM Stonehage Fleming Global Multi-  
Asset Umbrella Fund  
TM Stonehage Fleming Investments  
Funds  
TM Tellworth Investments Funds  
TM Total Return Fund  
TM Veritas Investment ICVC  
Trowbridge Investment Funds

**Authorised Unit Trusts**

TM Stonehage Fleming Global Equities Fund II  
TM Stonehage Fleming Global Equities  
Umbrella Fund

## APPENDIX 7

### LIST OF SUB-CUSTODIANS

As appropriate to the listed Eligible Markets

<b>Country</b>	<b>Sub-Custodian</b>	<b>Sub-delegate (of Custodian or Sub- Custodian, as applicable)</b>
<b>All bonds</b>	Clearstream Banking S.A., Luxembourg	
<b>Australia</b>	Citigroup Pty Limited, Sydney	
<b>Austria</b>	UniCredit Bank Austria AG	
<b>Belgium</b>	Citibank Europe Plc, Dublin	
<b>Bermuda</b>	HSBC Bank Bermuda Ltd via Citibank Europe plc, Luxembourg	
<b>Brazil</b>	Itau Unibanco S.A.	
<b>Bulgaria</b>	Citibank Europe Plc, Bulgaria Branch via Citibank Europe plc, Luxembourg Branch	Citibank Europe Plc Bulgaria Branch
<b>Canada</b>	CIBC Mellon	
<b>Chile</b>	Banco de Chile via Citibank Europe plc, Luxembourg Branch	Banco de Chile
China - <b>CIBM</b>	HSBC Bank (China) Company Limited	
China - <b>B Shares</b>	Citibank N.A. Hong Kong Branch	
China - <b>A Shares</b>	UBS Securities Hong Kong Limited and via UBS Switzerland AG	
Colombia	Cititrust Columbia via Citibank Europe plc, Luxembourg Branch	Cititrust Colombia

<b>Country</b>	<b>Sub-Custodian</b>	<b>Sub-delegate (of Custodian or Sub- Custodian, as applicable)</b>
Croatia	Privredna Banka Zagreb via Citibank Europe plc, Luxembourg Branch	Privredna Banka Zagreb
Cyprus	Citibank Europe plc, Greece Branch via Citibank Europe plc, Luxembourg Branch	Hellenic Bank
Czech Republic	UniCredit Bank Czech Republic and Slovakia, A.S	
Denmark	Nordea Danmark, Filial af Norda Bank Abp, Finland	
Egypt	Citibank Cairo via Citibank Europe plc, Luxembourg Branch	Citibank Cairo
Estonia	Swedbank AS via CitiBank Europe plc, Luxembourg Branch	Swedbank
Finland	Nordea Bank Abp	
France	Citibank Europe plc, Dublin	
Germany	Clearstream Banking AG, Frankfurt	Clearstream Frankfurt
Greece	Citibank Europe plc, Greece Branch	
Hong Kong	UBS Securities Hong Kong Limited	
Hungary	Citibank Europe plc, Hungarian Branch	
India	Standard Chartered Bank	
Indonesia	Citibank, N.A., Jakarta Branch via Citibank Europe plc, Luxembourg Branch	Citibank Jakarta
Ireland	Euroclear via Citibank Europe plc, Luxembourg Branch	
Israel	Citibank, N.A., Israel Branch via Citibank Europe plc, Luxembourg Branch	Citibank Tel Aviv
Italy	Citibank Europe plc, Dublin	
Japan	Citibank N.A., Tokyo Branch	
Jordan	Standard Chartered Bank, Jordan Branch via via Citibank Europe plc, Luxembourg Branch	HSBC Bank Middle East
Kenya	Standard Chartered Bank Kenya Limited via Citibank Europe plc, Luxembourg Branch	
Kuwait	HSBC Middle East Ltd, Kuwait Branch	
Latvia	Swedbank AS via Citibank Europe plc, Luxembourg Branch	Swedbank

<b>Country</b>	<b>Sub-Custodian</b>	<b>Sub-delegate (of Custodian or Sub- Custodian, as applicable)</b>
Lithuania	Swedbank AB via Citibank Europe plc, Luxembourg Branch	Swedbank
Luxembourg	Clearstream Banking S.A., Luxembourg Quintet Private Bank (Europe) S.A. (for precious metal)	
Malaysia	Citibank Berhad	
Mexico	Banco Nacional de Mexico S.A, Integrante del Grupo Financiero Banamex	
Morocco	Citibank Maghreb via Citibank Europe plc, Luxembourg Branch	Citibank Maghreb
Netherlands	Citibank Europe plc, Dublin	
New Zealand	BNP Paribas Securities Services, Australia Branch	
Norway	Nordea Bank Abp, filial I Norge	
Peru	Citibank del Lima via Citibank Europe plc, Luxembourg Branch	Citibank Lima
Philippines	Citibank, N.A., Manila Branch via Citibank Europe plc, Luxembourg Branch	Citibank Manila
Poland	Bank Polska Kasa Opieki S.A.	
Portugal	Citibank Europe Plc, Dublin	
Qatar	HSBC Bank Middle East Ltd	
Romania	Citibank Europe plc, Dublin – Romanian Branch via Citibank Europe plc, Luxembourg Branch	Citibank Bucharest
Saudi Arabia	Deutsche Securities Saudi Arabia LLC	
Singapore	Citibank, N.A. Singapore Branch	
Slovakia	Citibank Europe plc, pobočka zahraničnej banky via Citibank Europe plc, Luxembourg Branch	Citibank Slovakia
Slovenia	UniCredit Banka Slovenija d.d. Ljubljana via Citibank Europe plc, Luxembourg Branch	Bank Austria Creditanstalt
South Africa	FirstRand Bank Limited	
South Korea	KEB HANA Bank	
Spain	Citibank Europe Plc, Dublin	
Sri Lanka	HSBC Colombo via UBS Switzerland AG	
Sweden	Skandinaviska Enskilda Banken AB (SEB)	

Country	Sub-Custodian	Sub-delegate (of Custodian or Sub- Custodian, as applicable)
Switzerland	UBS Switzerland AG SIX SIS AG	
Taiwan	Citibank Taiwan Limited, Taipei via UBS Switzerland AG	HSBC Taipei
Thailand	Standard Chartered Bank (Thai) PCL	
Turkey	Deutsche Bank A.S., Istanbul	
United Arab Emirates <b>(NASDAQ)</b>	Clearstream Banking S.A., Luxembourg via UBS Switzerland AG	
United Arab Emirates <b>(ADX + DFM)</b>	Standard Chartered Bank Dubai	
UK	Citibank, N.A. London Branch	
USA	Citibank N.A. New York Offices	