



IMPORTANT: IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS PROSPECTUS YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER.

Thesis Unit Trust Management Limited, the authorised corporate director of the Company, is the person responsible for the information contained in this Prospectus. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained herein does not contain any untrue or misleading statement or omit any matters required by the Collective Investment Schemes Sourcebook to be included in it. Thesis Unit Trust Management Limited accepts responsibility accordingly.

PROSPECTUS

OF

THE GULLAND FUND

**(An open-ended investment company
incorporated with limited liability and
registered in England and Wales
under registered number IC000102)**

This document constitutes the Prospectus for The Gulland Fund which has been prepared in accordance with the Collective Investment Schemes Sourcebook (COLL).

This Prospectus is dated and valid as at 2 May 2023.

Copies of this Prospectus have been sent to the FCA and the Depositary.

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Important Information

No person has been authorised by the Company or the ACD to give any information or to make any representations in connection with the offering of Shares other than those contained in this Prospectus and, if given or made, such information or representations must not be relied upon as having been made by the Company or the ACD. 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 in the United States of America under any applicable legislation. They may not be offered or sold in the United States of America, any state of the United States of America or in its territories and possessions or offered or sold to US persons. The Company and the ACD have not been and will not be registered in the United States of America under any applicable legislation.

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 Instrument of Incorporation are binding on each of the Shareholders and a copy of the Instrument of Incorporation is available on request from Thesis Unit Trust Management Limited.

This Prospectus has been issued for the purpose of section 21 of the Act by Thesis Unit Trust Management Limited.

The distribution of this Prospectus in certain jurisdictions may require that this Prospectus is translated into the official language of those countries. Should any inconsistency arise between the translated version and the English version, the English version shall prevail.

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

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 Data Protection Laws for the purposes of each applicant or Shareholder's investment in the Company. 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 in the application form, at www.tutman.co.uk or on request from compliance@tutman.co.uk.

Electronic Verification

The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, The Proceeds of Crime Act 2002, the Senior Management Arrangements Systems & Controls Sourcebook 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 for 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 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.

Important: If you are in any doubt about the contents of this Prospectus you should consult your professional adviser.

1. **DEFINITIONS**

- "ACD"** Thesis Unit Trust Management Limited, the authorised corporate director of the Company.
- "ACD Agreement"** an agreement between the Company and the ACD.
- "Act"** the Financial Services and Markets Act 2000 as amended, restated, re-enacted or replaced from time to time.
- "Approved Bank"** in relation to a bank account opened on behalf of the Company:
- (a) if the account is opened at a branch in the UK:
 - (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.

“Associate”

any other person whose business or domestic relationship with the ACD or the ACD’s associate might reasonably be expected to give rise to a community of interest between them which may involve a conflict of interest in dealings with third parties.

“Auditor”

KPMG LLP, or such other entity as is appointed to act as auditor to the Company from time to time.

“Business Day”

a day on which the London Stock Exchange is open. If the London Stock Exchange is closed as a result of a holiday or for any other reason, or there is a holiday elsewhere or other reason which impedes the calculation of the fair market value of the Company’s portfolio of securities or a significant portion thereof, the ACD may decide that any Business Day shall not be construed as such.

“CASS”

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.

“CCP”

has the meaning set out in the FCA Glossary.

“Class” or “Classes”

in relation to Shares, means (according to the context) all of the Shares related to the Company or a particular class or classes of Share related to the Company.

“COLL”

refers to the appropriate chapter or rule in the COLL Sourcebook.

“COLL Sourcebook”

the Collective Investment Schemes Sourcebook issued by the FCA as amended from time to time.

“Company”

The Gulland Fund.

“Conversion”

the exchange of Shares in one Class for Shares of another Class the act of so exchanging and “Convert” shall be construed accordingly.

“Custodian”

The Northern Trust Company.

“Data Protection Laws”

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:

- (a) the UK GDPR;
- (b) the Data Protection Act 2018;
- (c) any laws which implement any such laws; and
- (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
- (e) any final and binding guidance, guidelines and codes of practice issued by any relevant supervisory authority relating to such Data Protection Laws (in each case whether or not legally binding).

“Dealing Day”

means the 15th day of the month where this is a Business Day, and the last Business Day of the month. In the event that the 15th is not a Business Day, the Business Day prior to this date or such other day as may be agreed between the ACD and Depositary.

“Depositary”

NatWest Trustee and Depositary Services Limited, or such other entity as is appointed to act as Depositary.

“Depository Agreement”	The agreement between the Company, the ACD and the Depository regarding the appointment of the Depository.
“Director” or “Directors”	the directors of the Company from time to time (including the ACD).
“EEA”	the European Economic Area.
“EEA State”	as defined in the FCA Glossary.
“Efficient Portfolio Management” or “EPM”	<p>techniques and instruments which relate to transferable securities and approved money-market instruments and which fulfil the following criteria:</p> <ul style="list-style-type: none"> (a) they are economically appropriate in that they are realised in a cost effective way; (b) they are entered into for one or more of the following specific aims: <ul style="list-style-type: none"> (i) reduction of risk; (ii) reduction of cost; (iii) generation of additional capital or income for the Company with a risk level which is consistent with the risk profile of the Company and the risk diversification rules laid down in COLL Sourcebook.
“Eligible Institution”	as defined in the FCA Glossary.
“EMIR”	as defined in the FCA Glossary.
“EUWA”	as defined in the FCA Glossary.
“FATCA”	means the Foreign Account funds Compliance Act (US).

“FCA”	the Financial Conduct Authority or any other regulatory body which may assume its regulatory responsibilities from time to time.
“FCA Glossary”	the glossary giving the meanings of the defined expressions used in the FCA Handbook as amended from time to time.
“FCA Handbook”	the FCA Handbook of rules and guidance, as amended, updated or replaced from time to time.
“FCA Rules”	the rules contained in the COLL Sourcebook but, for the avoidance of doubt, not including guidance or evidential requirements contained in the COLL Sourcebook.
“Financial Services Register”	<p>the public record, as required by section 347 of the Act (The public record) of every:</p> <ul style="list-style-type: none"> (a) authorised person; (b) AUT; (c) ICVC; (d) ACS; (e) recognised scheme; (f) recognised investment exchange; (g) individual to whom a prohibition order relates; (h) approved person; and (i) person within such other class (if any) as the FCA may determine; except as provided by any transitional provisions.
“FUND”	refers to the appropriate chapter or rule in the FUND Sourcebook.
“FUND Sourcebook”	the Investment Funds Sourcebook issued by the FCA as amended from time to time.

“Fund Accountant”	Northern Trust Global Services SE, UK Branch and its successor or successors as fund accountant, or such other entity as is appointed to provide fund accounting services.
“Home State”	as defined in the FCA Glossary.
“ICVC”	Investment Company with Variable Capital.
“Instrument of Incorporation”	the instrument of incorporation of the Company as amended from time to time.
“International Tax Compliance”	The International Tax Compliance Regulations 2015 (SI 2015/878), as amended or re-enacted from time to time.
“Investment Managers”	an investment manager retained by the ACD pursuant to the FCA Rules, being Waverton Investment Management Limited and Sarasin & Partners LLP and their successor or successors as investment managers for the Company.
“IOSCO”	the International Organisation of Securities Commissions.
“Key Investor Information Document”	the Company publishes a Key Investor Information Document (a "KIID") for each Share Class which contains information to help investors understand the nature and the risks of investing. A KIID must be provided to investors prior to subscribing for Shares so they can make an informed decision about whether to invest.
“Net Asset Value” or “NAV”	the value of the Scheme Property of the Company less the liabilities of the Company as calculated in accordance with the Instrument of Incorporation.
“Non-UCITS retail scheme”	in accordance with the FCA Handbook, 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.
“OTC”	over-the-counter derivative: a derivative transaction which is not traded on an investment exchange.
“Register”	the register of Shareholders of the Company.
“Registrar”	Northern Trust Global Services SE, UK Branch or such other entity as is appointed to act as Registrar to the Company from time to time.
“Regulated Activities Order”	the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544).
“Regulations”	the OEIC Regulations and the FCA Handbook (including the COLL Sourcebook).
“Scheme Property”	as defined in the FCA Glossary.
“SDRT”	stamp duty reserve tax.
“Share” or “Shares”	a share or shares in the Company (including larger denomination shares, and smaller denomination shares equivalent to one hundredth of a larger denomination share).
“Shareholder”	a holder of registered Shares in the Company.
“SYSC”	the Senior Management Arrangement Systems and Controls sourcebook issued by the FCA pursuant to the Act, as amended or replaced from time to time.
“UCITS”	an undertaking for collective investment in transferable securities. This will include a UCITS Scheme or an EEA UCITS scheme, as defined in the FCA rules.
“UCITS Directive”	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.

“UCITS Scheme”

a UK UCITS.

“UK”

the United Kingdom of Great Britain and Northern Ireland.

“UK AIF”

as defined in the FCA Glossary.

“UK GDPR”

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.

“UK UCITS Regulations”

means 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.

“UK UCITS”

has the meaning set out in the FCA Glossary.

“US” or “United States”

the United States of America (including the States and the District of Columbia) and any of its territories, possessions and other areas subject to its jurisdiction.

“US Persons”

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

- (a) a person included in the definition of "U.S. person" under Rule 902 of Regulation S under the Securities Act; or
- (b) 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 U.S. Person only if he or it is outside both the definition of "U.S. person" in Rule 902 and the definition of "Non-United States person" under CFTC Rule 4.7.

“Valuation Point”

the point, on a Dealing Day whether on a periodic basis or for a particular valuation, at which the ACD carries out a valuation of the Scheme Property for the Company for the purpose of determining the price at which Shares of a Class may be issued, cancelled or redeemed. The current Valuation Point is 10.00 a.m. London time on each Dealing Day, with the exception of a bank holiday in England and Wales, or the last Business Day prior to those days annually where the valuation may be carried out at a time agreed in advance between the ACD and the Depositary.

“VAT”

Value Added Tax.

“1933 Act”

the United States Securities Act of 1933 (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" section at paragraph 1 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.

2. DETAILS OF THE COMPANY

2.1 General Information

2.1.1 General

The Gulland Fund (the Company) is an investment company with variable capital incorporated in England and Wales under registered number IC000102 and authorised by the FCA with effect from 18 April 2001. Please note that approval by the FCA in this context does not in any way indicate or suggest endorsement or approval of the Company as an investment. The FCA's Product Reference Number ("PRN") for the Company is 194949. The Company has an unlimited duration.

Shareholders are not 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 price on purchase of the Shares.

The ACD is also the manager of certain authorised unit trusts and open-ended investment companies details of which are set out in Appendix IV.

2.1.2 Head Office

The head office and registered office of the Company is at Exchange Building, St Johns Street, Chichester, West Sussex PO19 1UP.

2.1.3 Address for Service

The head office is the address of the place in the UK for service on the Company of notices or other documents required or authorised to be served on it.

2.1.4 **Base Currency**

The base currency of the Company is Pounds Sterling.

2.1.5 **Share Capital**

Maximum £100,000,000,000

Minimum £100

Shares have no par value. The share capital of the Company at all times equals the sum of the Net Asset Value.

Shares in the Company may be marketed in the UK, EEA States and in countries outside the European Union and the European Economic Area, subject to the Regulations, and any regulatory constraints in those countries, if the ACD so decides.

The Company is designed and managed to support longer-term investment and active trading is discouraged. Short-term or excessive trading into and out of the Company may harm performance by disrupting portfolio management strategies and by increasing expenses. The ACD may at its discretion refuse to accept applications for, or conversion of, Shares, especially where transactions are deemed disruptive, particularly from possible market timers or investors who, in its opinion, have a pattern of short-term or excessive trading or whose trading has been or may be disruptive to the Company. For these purposes, the ACD may consider an investor's trading history in the Company or other Thesis Unit Trust Management Limited funds and accounts under common ownership or control.

2.2 **The structure of the Company**

2.2.1 **The Company**

The Company is a stand alone open-ended investment company.

The Company is a UK UCITS for the purposes of the Regulations.

Details of the Company, including its investment objective and policy, are set out in Appendix I.

The eligible securities markets and eligible derivatives markets for the Company are as set out in Appendix II. A detailed statement of the general investment and borrowing restrictions in respect of the Company is set out in Appendix III.

2.2.2 **Classes of Share within the Company**

Shares will be issued in larger and smaller denominations. There are 100 smaller denomination Shares to each larger denomination Share. Smaller denomination Shares represent what, in other terms, might be called fractions of a larger Share and have proportionate rights.

Shares have no par value and, within each Class subject to their denomination, are entitled to participate equally in the profits arising in respect of, and in the proceeds of, the liquidation of the Company. Shares do not carry preferential or pre-emptive rights to acquire further Shares.

Further Classes of Share may be established from time to time by the ACD with the agreement of the Depositary and in accordance with the Instrument of Incorporation and the Regulations. On the introduction of any new Class, either a revised prospectus or a supplemental prospectus will be prepared, setting out the details of each Class.

The base currency for each new Class of Shares will be determined at the date of creation and set out in the Prospectus issued in respect of the new Class of Shares.

The Company may issue income and accumulation Shares. Further details of the Shares presently available including details of their criteria for subscription and fee structure, are set out in Appendix I.

The Instrument of Incorporation allows income and accumulation Shares to be issued.

Holders of income Shares are entitled to be paid the distributable income attributed to such Shares on any relevant interim and annual allocation dates.

Holders of accumulation Shares are not entitled to be paid the income attributed 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.

Each Class of Share may attract different charges and so monies may be deducted from the Scheme Property attributable to such Classes in unequal proportions. In these circumstances, the proportionate interests of the Classes will be adjusted accordingly.

Shareholders are entitled (subject to certain restrictions) to convert all or part of their Shares in a Class for Shares of another Class within the

Company. Details of this conversion facility and the restrictions are set out in paragraph 3.4 (**Conversion**).

3. **BUYING, REDEEMING AND CONVERTING SHARES**

The dealing office of the ACD is normally open from 9.00 a.m. to 5.00 p.m. (London time) on each Business Day to receive postal requests for the purchase, sale and conversion of Shares. The ACD may vary these times at its discretion. Requests to deal in Shares may also be made by telephone on each Business Day (at the ACD's discretion) between 9.00 a.m. and 5.00 p.m. (London time) directly to the office of the ACD (telephone: 0333 300 0375 or such other number as published from time to time).

In addition, the ACD may from time to time make arrangements to allow Shares to be bought or sold on-line or through other communication media. 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 investor 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:

- a) prior agreement between the ACD and the person making the communication as to:
 - (1) the electronic media by which such communications may be delivered; and
 - (2) how such communications will be identified as conveying the necessary authority; and
- b) 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 investor.

Telephone calls will be recorded. The ACD may also, at its discretion, introduce further methods of dealing in Shares in the future.

Investors buy and redeem Shares through the ACD who nets them to reduce the number of Shares issued/cancelled by the Company. When carrying out deals in Shares, the ACD acts as principal but does not profit from this activity.

3.1 **Money Laundering**

As a result of legislation in force in the UK to prevent money laundering, the ACD is responsible for compliance with anti-money laundering regulations. In order to implement these regulations, 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 enter into any

transaction to issue Shares, pay the proceeds of a redemption of Shares, or pay income on Shares to the investor. In the case of a purchase of Shares where the applicant is not willing or is unable to provide the information requested (i) in the event that the investor or the investor's duly authorised agent instructs a sale of those shares the ACD may refuse to pay the proceeds of sale until satisfactory proof of identity has been provided or (ii) the ACD may sell the Shares purchased and at the ACD's sole discretion return the proceeds to the account from which the subscription was made or withhold the proceeds of sale until satisfactory evidence of identity has been provided. These proceeds may be less than the original investment.

3.2 **Buying Shares**

3.2.1 **Procedure**

Shares may be bought directly from the ACD or through a professional adviser or other intermediary. For details of dealing charges see paragraph 3.5 below. Application forms may be obtained from Thesis Unit Trust Management Limited at the dealing office of the Administrator.

The initial purchase must, at the discretion of the ACD, be accompanied by an application form.

Any subsequent application to purchase shares must confirm that the investor has received, read and understood the Key Investor Information Document.

Valid applications to purchase Shares in the Company will be processed at the Share price calculated, based on the Net Asset Value per Share, at the next Valuation Point following receipt of the application, except in the case where dealing in the Company has been suspended as set out in paragraph 3.10.

Settlement is due by no later than the fourth Business Day following the Valuation Point. 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. Investors will not receive title to Shares until cleared funds have been received from the investor and received by the Company.

The ACD, at its discretion, has the right to cancel a purchase deal if settlement is materially overdue (being more than five Business Days of receipt of an application form or other instruction) and any loss arising on such cancellation shall be the liability of the investor. The ACD is not obliged to issue Shares unless it has received cleared funds from an investor.

The ACD reserves the right to charge interest at 4% above the prevailing Bank of England base rate, on the value of any settlement received later than the fourth Business Day following the Valuation Point. No interest will be paid on funds held prior to investment. Shares that have not been paid for cannot be redeemed.

A purchase of Shares in writing or by telephone or any other communication media made available is a legally binding contract. Applications to purchase, once made are, except in the case where cancellation rights apply, irrevocable. 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.

Settlement should be made by electronic bank transfer to the bank account detailed on the application form. Alternatively, for amounts less than £50,000 a cheque, which should accompany the application form, can be sent for the full amount, made payable to "Thesis Unit Trust Management Limited".

However, subject to its obligations under the Regulations, the ACD has the right to reject, on reasonable grounds relating to the circumstances of the investor, 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 investor.

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 hundredth of a larger denomination Share.

Investors who have received advice may have the right to cancel their application to buy Shares at any time during the 14 days after the date on which they receive a cancellation notice from the ACD. If an investor decides to cancel the contract, and the value of the investment has fallen at the time the ACD receives the completed cancellation notice, they will not receive a full refund as an amount equal to any fall in value will be deducted from the sum originally invested. The ACD may extend cancellation rights to other investors but is under no obligation to do so.

Investors buy and redeem Shares through the ACD who nets them to reduce the number of Shares issued/cancelled by the Company. When carrying out deals in Shares, the ACD acts as principal but does not profit from this activity.

3.2.2 **Documents the buyer will receive**

A confirmation giving details of the number and price of Shares bought will be issued no later than the end of the Business Day following the Valuation Point by reference to which the price is determined, together with, where appropriate, a notice of the applicant's right to cancel.

Registration of Shares can only be completed by the ACD upon receipt of any required registration details. These details may be supplied in writing to the ACD or by returning to the ACD the properly completed registration form and copy of the confirmation.

Share certificates will not be issued in respect of Shares. Ownership of Shares will be evidenced by an entry on the Register. Tax vouchers in respect of periodic distributions on Shares will show the number of Shares held by the recipient.

3.2.3 **Minimum Subscriptions and Holdings**

The minimum initial subscriptions, subsequent subscriptions and holdings levels for each Class of Share are set out in Appendix I.

The ACD may at its sole discretion accept subscriptions and/or holdings lower than the minimum amount(s).

If following a redemption or transfer a holding in any Class of Share should fall below the minimum holding for that Class, the ACD has the discretion to effect a redemption of that Shareholder's entire holding in that Class of Share. The ACD may use this discretion at any time. Failure not to do so immediately after such redemption or transfer does not remove this right.

3.3 **Redeeming Shares**

3.3.1 **Procedure**

Every Shareholder is entitled on any Dealing Day to redeem their Shares. Investors buy and redeem Shares through the ACD who nets them to reduce the number of Shares issued/cancelled by the Company. When carrying out deals in Shares, the ACD acts as principal but does not profit from this activity.

Valid instructions to the ACD to redeem Shares in the Company will be processed at the Share price calculated, based on the Net Asset Value per Share, at the next Valuation Point following receipt of the instruction, except in the case where dealing in the Company has been suspended as set out in paragraph 3.11 (**Suspension of dealings in the Company**).

A redemption instruction in respect of Shares in writing or by telephone or any other communication media made available is a legally binding contract. However, an instruction to the ACD to redeem Shares, although irrevocable, may not be settled by either the Company or the ACD if the redemption represents Shares where the money due on the earlier purchase of those Shares has not yet been received or if documentation or anti-money laundering information which the ACD considers is sufficient for the ACD to meet and discharge its obligations under the regulatory system has not been received by the ACD.

For details of dealing charges see paragraph 3.5 below.

3.3.2 **Documents a redeeming Shareholder will receive**

A confirmation 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.

Payment of redemption proceeds will normally be made by cheque to the first named Shareholder (at their risk), or, at the ACD's discretion, via electronic means in accordance with any instruction received (the ACD may recover any bank charge levied on such transfers). Instructions to make payments to third parties (other than intermediaries associated with the redemption) will not normally be accepted.

Such payment will be made 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 documentation and appropriate evidence of title, any required anti-money laundering related documentation, and (b) the Valuation Point following receipt by the ACD of the request to redeem.

No interest will be paid on redemption proceeds held whilst the ACD awaits receipt of all relevant documentation necessary to complete a redemption. Shares that have not been paid for cannot be redeemed.

The ACD shall not be liable for any costs or losses whatsoever in the event that documentation provided is not sufficient to enable the ACD to discharge all applicable obligations under the regulatory system including, but not limited to, The Money Laundering, Terrorist Financing and

Transfer of Funds (Information on the Payer) Regulations 2017 (as amended).

3.3.3 **Minimum Redemption**

The ACD reserves the right to refuse a redemption request if the remaining value of the Shares held is less than the minimum holding stated in respect of the appropriate Class in question (see Appendix I).

3.4 **Conversion**

- 3.4.1 Subject to any restrictions on the eligibility of investors in relation to a particular Share Class, a Shareholder may at any time Convert all or some of their Shares ("Original Shares") for Shares in a different Class ("New Shares").
- 3.4.2 A Conversion is an exchange of Shares in one Class for Shares of another Class.
- 3.4.3 Conversions will be effected by the ACD recording the change of Class on the Register of the Company at the next Valuation Point following receipt of instructions by the ACD.
- 3.4.4 The number of New Shares issued to a Shareholder following a Conversion will be determined by reference to the price of the Original Shares relative to the price of the New Shares at the relevant Valuation Point.
- 3.4.5 If a Shareholder wishes to Convert Shares they should contact the ACD for further information. Instructions may be given by telephone but Shareholders are required to provide written instructions to the ACD (which, in the case of joint Shareholders, must be signed by all the joint Shareholders) before the Conversion is effected.
- 3.4.6 If a partial Conversion 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, exchange the whole of the Shareholder's holding of Original Shares to New Shares or refuse to effect any Conversion of the Original Shares.
- 3.4.7 Save as otherwise specifically set out, the general provisions on procedures relating to redemption will apply equally to a Conversion. Written instructions must be received by the ACD before the Valuation Point on a Dealing Day to be dealt with at the prices at the Valuation Point on that Dealing Day or at such other Valuation Point as the ACD at the request of the Shareholder giving the relevant instruction may agree. Requests to

Convert received after a Valuation Point will be held over until the next day which is a Dealing Day.

- 3.4.8 On completion of a Conversion, subsequent Share dealing instructions may be limited, restricted or denied where the ACD's identity evidence requirements have not been complied with. In such circumstance, the ACD shall not be liable for any costs or losses whatsoever.

Please note that under UK tax law Conversions will not generally be treated as a disposal for capital gains tax purposes.

A Shareholder who Converts Shares in one Class for Shares in any other Class will not be given a right by law to withdraw from or cancel the transaction.

3.5 **Dealing Charges**

The price per Share at which Shares are bought, redeemed or converted is the Net Asset Value per Share. Any preliminary charge or redemption charge, (or dilution levy on a specific deal, if applicable) is payable in addition to the price or deducted from the proceeds and is taken from the gross subscription or redemption monies.

3.5.1 **Preliminary Charge**

The ACD may impose a charge on the purchase of Shares in each Class. The current preliminary charge is calculated as a percentage of the amount invested by a potential Shareholder and is set out in Appendix I. The ACD may waive or discount the preliminary charge at its discretion.

The preliminary charge (which is deducted from subscription monies) is payable by the Shareholder to the ACD.

The current preliminary charge of a Class may only be increased in accordance with the Regulations.

From the preliminary charge received, or out of its other resources, the ACD may pay a commission to relevant intermediaries.

3.5.2 **Redemption Charge**

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

The ACD may only introduce a redemption charge in accordance with the Regulations. Also, if such a charge was introduced, it would not apply to Shares issued before the date of the introduction (i.e., those not previously subject to a redemption charge).

3.5.3 **Charges on Converting**

The Company is permitted to impose a charge where a Shareholder Converts their Shares.

There is currently no charge for Conversions of Shares for Shares in another Class.

3.5.4 **Dilution Levy**

The actual cost of purchasing or selling underlying investments in the Company may deviate from the mid-market value used in calculating its Share price, due to dealing charges, taxes, and any spread between buying and selling prices of the Company's underlying investments. These dealing costs could have an adverse effect on the value of the Company, known as "dilution". In order to mitigate the effect of dilution the Regulations allow the ACD to charge a dilution levy on the purchase or redemption of Shares in a Company. A dilution levy is a separate charge of such amount or at such rate as is determined by the ACD to be made for the purpose of reducing the effect of dilution. This amount is not retained by the ACD, but is paid into the Company.

The dilution levy is calculated by reference to the costs of dealing in the underlying investments of the Company, including any dealing spreads, commission and transfer taxes.

The need to charge a dilution levy will depend on the volume of purchases and redemptions. It is not possible to predict accurately whether dilution will occur at any point in time. Based on future projections, the ACD expects that the vast majority of sales and/or redemptions of Shares will be 'large deals' and that a dilution levy may be charged on the majority of deals.

The ACD's policy is that it may require a dilution levy on the purchase and redemption of Shares if, in its opinion, the existing Shareholders (for purchases) or remaining Shareholders (for redemptions) might otherwise be adversely affected. For example, the dilution levy may be charged in the following circumstances: where the Scheme Property of the Company is in continual decline; on the Company experiencing large levels of net purchases relative to its size; on "large deals" (typically being a purchase or redemption of Shares to a size exceeding 5% of the Net Asset Value of the Company); in any case where the ACD is of the opinion that the interests of existing or remaining Shareholders require the imposition of a dilution levy.

This policy is intended to mitigate the dilutive effect of Shareholder transactions on the future growth of the Company.

Based on future projections and on its experience of managing the Company the ACD is unlikely to impose a dilution levy unless it considers that the dealing costs relating to a Shareholder transaction are significant and will have a material impact on the Company.

If a dilution levy is required then, based on future projections, the estimated rate of such a levy would be up to 0.75%.

The ACD, in its absolute discretion, may waive or reduce the dilution levy. The ACD may alter its current dilution policy in accordance with the procedure set out in the Regulations.

3.6 Transfers

3.6.1 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. However, the ACD in its discretion, may also accept electronic transfers in a format specified by the ACD. Completed instruments of transfer, together with such documentary evidence of proof of identity as may have been requested by the ACD, must be returned to the ACD in order for the transfer to be registered. The ACD shall not be liable for any costs or losses that may be incurred as a result of any failure to or delay in providing satisfactory evidence of identity to the ACD.

3.7 Restrictions and Compulsory Transfer and Redemption

3.7.1 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 (including withholding tax of any nature) or suffering any other adverse consequence. In this connection, the ACD may, inter alia, reject in its discretion any application for the purchase, redemption or transfer of Shares.

3.7.2 If it comes to the notice of the ACD that any Shares ("affected Shares"):

- 3.7.2.1 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

3.7.2.2 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

3.7.2.3 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; or

3.7.2.4 are owned by a Shareholder who is registered in a jurisdiction (where the Company is not registered or recognised by the relevant competent authority) whereby communication with that Shareholder by the ACD, on behalf of the Company, might constitute a breach of the regulations in that jurisdiction (unless specific action is taken by the ACD to prevent such a communication constituting a breach);

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 be given for the redemption of such Shares in accordance with the COLL Sourcebook. If any Shareholder upon whom such a notice is served does not within 30 days after the date of such notice transfer the 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 30 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.

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

- 3.7.4 Where a request in writing is given or deemed to be given for the redemption of affected Shares, such redemption will (if effected) be effected in the same manner as provided for in the COLL Sourcebook.

3.8 Mandatory Conversion

- 3.8.1 Where the ACD considers it in the best interests of Shareholders, the ACD may Convert a Shareholder's holding in one Share Class to another Share Class in the Company. The ACD shall give at least 60 days' prior written notice to the Shareholders concerned of the proposed Conversion, including details of the new Share Class and reminding Shareholders of their rights to redeem.

3.9 Issue of Shares in exchange for in Specie Assets

- 3.9.1 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 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.
- 3.9.2 The ACD will ensure that the beneficial interest in the assets is transferred to the Company with effect from the issue of the Shares.
- 3.9.3 The ACD will not issue Shares in exchange for assets the holding of which would be inconsistent with the investment objective or policy of the Company.

3.10 In Specie Redemptions

- 3.10.1 If a Shareholder requests the redemption of Shares the ACD may, where it considers that deal to be substantial in relation to the total size of the Company or in some way detrimental to the Company, arrange for Scheme Property having the appropriate value to be transferred to the Shareholder (an 'in specie transfer'), in place of payment for the Shares in cash. Before the redemption is effected, the ACD will give written notice to the Shareholder of the intention to make an in specie transfer.
- 3.10.2 The ACD will select the property to be transferred in consultation with the Depositary. The ACD and Depositary must ensure that the selection is made with a view to achieving no more advantage or disadvantage to the Shareholder requesting the redemption than to the continuing Shareholders.
- 3.10.3 If a Shareholder redeems Shares in specie in return for an appropriate value of assets out of the Company, there will be no Stamp Duty Reserve

Tax ('SDRT') on UK equities provided the Shareholder receives a proportionate part of each holding. Otherwise the Shareholder will be liable to SDRT at 0.5% on the value of any UK equities transferred.

3.11 Suspension of dealings in the Company

- 3.11.1 The ACD may, with the prior agreement of the Depositary, and must without delay if the Depositary so requires, temporarily suspend the issue, cancellation, sale and redemption of Shares in the Company where due to exceptional circumstances it is in the interests of all the Shareholders in the Company.
- 3.11.2 The ACD and the Depositary must ensure that the suspension is only allowed to continue for as long as is justified having regard to the interests of Shareholders.
- 3.11.3 The ACD or the Depositary (as appropriate) will immediately inform the FCA of the suspension and the reasons for it and will follow this up as soon as practicable with written confirmation of the suspension and the reasons for it to the FCA and the regulator in each EEA state where the Company is offered for sale. The ACD will notify Shareholders as soon as is practicable after the commencement of the suspension, including details of the exceptional circumstances which have led to the suspension, in a clear, fair and not misleading way and giving Shareholders details of how to find further information about the suspension.
- 3.11.4 When such suspension takes place, the ACD will publish, on its website or other general means, sufficient details to keep Shareholders appropriately informed about the suspension, including, if known, its possible duration.
- 3.11.5 During the suspension none of the obligations in COLL 6.2 (Dealing) will apply but the ACD will comply with as much of COLL 6.3 (Valuation and Pricing) during the period of suspension as is practicable in light of the suspension.
- 3.11.6 Suspension will cease as soon as practicable after the exceptional circumstances leading to the suspension have ceased but the ACD and the Depositary will formally review the suspension at least every 28 days and will inform the FCA of the review and any change to the information given to Shareholders.
- 3.11.7 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 the restart of dealings in Shares.

3.11 **Governing Law**

All deals in Shares are governed by the law of England and Wales.

3.12 **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:

- a) The ACD receives the money from a client in relation to the ACD's obligation to issue shares in the Company in accordance with COLL; or
- b) 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 a) or b) 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 Depository 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 and protected in line with the Client Money Rules. No interest is payable by the ACD on moneys 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 (and subject to the rules in COLL), 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.

4. **VALUATION OF THE COMPANY**

4.1 **General**

The price of a Share is calculated by reference to the Net Asset Value. The Net Asset Value per Share is currently calculated at 10:00 a.m. (London time) (this being the Valuation Point) 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. The ACD shall inform the Depository of any decision to carry out any such additional valuation. 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 Depository of the price of Shares, of each Class and the amount of any dilution levy applicable in respect of any purchase or redemption of Shares.

“Late Trading” is defined as the acceptance of a subscription, redemption or conversion order received after the Company’s applicable valuation point for that Dealing Day. Late Trading is not permitted. A request for dealing in Shares must be received by the Valuation Point on a particular Dealing Day in order to be processed on that Dealing Day. A dealing request received after this time will be held over and processed on the next Dealing Day, using the Net Asset Value per Share calculated as at the Valuation Point on that next Dealing Day.

4.2 **Calculation of the Net Asset Value**

The value of the Scheme Property shall be the value of its assets less the value of its liabilities determined in accordance with the following provisions:

4.2.1 All the Scheme Property (including receivables) is to be included, subject to the following provisions.

4.2.2 Scheme Property which is not cash (or other assets dealt with in paragraph 4.2.2.4 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:

4.2.2.1 Units or shares in a collective investment scheme:

- (a) if a single price for buying and redeeming units or shares is quoted, at that price; or
- (b) 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
- (c) 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;

4.2.2.2 Any other transferable security:

- (a) if a single price for buying and redeeming the security is quoted, at that price; or
- (b) if separate buying and redemption prices are quoted, at the average of the two prices; or
- (c) 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;

4.2.2.3 Scheme Property other than that described in paragraphs 4.2.2.1 and 4.2.2.2 above, at a value which, in the opinion of the ACD, is fair and reasonable;

4.2.2.4 Cash and amounts held in current and deposit accounts and in other time related deposits shall be valued at their nominal values.

4.2.3 Scheme Property which is a contingent liability transaction shall be treated as follows:

- 4.2.3.1 if it is a written option (and the premium for writing the option has become part of the Scheme Property), deduct the amount of the net valuation of premium receivable. If the Scheme Property is an off exchange option the method of valuation shall be agreed between the ACD and the Depositary;
 - 4.2.3.2 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;
 - 4.2.3.3 if it is any other form of contingent liability transaction, include it at the net value of margin on closing out (whether as a positive or negative value). If the Scheme Property is an off exchange derivative, include it at a valuation method agreed between the ACD and the Depositary.
- 4.2.4 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.
- 4.2.5 Subject to paragraphs 4.2.6 and 4.2.7 below, agreements for the unconditional sale or purchase of Scheme 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.
- 4.2.6 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 4.2.5.
- 4.2.7 All agreements are to be included under paragraph 4.2.5 which are, or ought reasonably to have been, known to the person valuing the Scheme Property.
- 4.2.8 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, VAT and any foreign taxes or duties.
- 4.2.9 Deduct an estimated amount for any liabilities payable out of the Scheme Property and any tax or duty thereon, treating periodic items as accruing from day to day.

- 4.2.10 Deduct the principal amount of any outstanding borrowings whenever repayable and any accrued but unpaid interest on borrowings.
- 4.2.11 Add an estimated amount for accrued claims for tax of whatever nature which may be recoverable.
- 4.2.12 Add any other credits or amounts due to be paid into the Scheme Property.
- 4.2.13 Add a sum representing any interest or any income accrued due or deemed to have accrued but not received.
- 4.2.14 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.

4.3 **Price per Share in each Class**

The price per Share at which Shares are bought or are redeemed is the Net Asset Value per Share. Any preliminary charge or redemption charge, (or dilution levy on a specific deal, if applicable) is payable in addition to the price or deducted from the proceeds and is taken from the gross subscription or redemption monies.

Each allocation of income made in respect of the Company at a time when more than one Class is in issue shall be done by reference to the relevant Shareholder's proportionate interest in the income property of the Company calculated in accordance with the Instrument of Incorporation.

4.4 **Fair Value Pricing**

4.4.1 Where the ACD has reasonable grounds to believe that:

- 4.4.1.1 no reliable price exists for a security (including a unit/share in a collective investment scheme) at a Valuation Point; or
- 4.4.1.2 the most recent price available does not reflect the ACD's best estimate of the value of the security (including a unit/share in a collective investment scheme) at the Valuation Point;
- 4.4.1.3 it can value an investment at a price which, in its opinion, reflects a fair and reasonable price for that investment (the fair value price).

4.4.2 The circumstances which may give rise to a fair value price being used include:

- 4.4.2.1 no recent trade in the security concerned; or
 - 4.4.2.2 suspension of dealings in the security concerned; or
 - 4.4.2.3 the occurrence of a significant event since the most recent closure of the market where the price of the security is taken.
- 4.4.3 In determining whether to use such a fair value price, the ACD will include in its consideration but need not be limited to:
- 4.4.3.1 the type of authorised fund concerned;
 - 4.4.3.2 the securities involved;
 - 4.4.3.3 whether the underlying collective investment schemes may already have applied fair value pricing;
 - 4.4.3.4 the basis and reliability of the alternative price used; and
 - 4.4.3.5 the ACD's policy on the valuation of Scheme Property as disclosed in this Prospectus.

4.5 **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. Shares in the Company are single priced.

4.6 **Publication of Prices**

The most recent prices will appear daily on the Trustnet website at 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 Depositary is available from the ACD upon request.

The ACD may also, at its sole discretion, decide to publish certain Share prices in other third party websites or publications but the ACD does not accept responsibility for the accuracy of the prices published in, or for the non-publication of prices by, these sources for reasons beyond the control of the ACD.

5. **RISK FACTORS**

Potential investors should consider the following risk factors before investing in the Company.

5.1 **General**

The investments of the Company are subject to normal market fluctuations and other risks inherent in investing in securities. There can be no assurance that any appreciation in the value of investments will occur. The value of investments and the income derived from them may fall as well as rise and Shareholders may not recoup the original amount they invest in the Company. There is no certainty that the investment objective of the Company will actually be achieved and no warranty or representation is given to this effect. The level of any yield for the Company may be subject to fluctuations and is not guaranteed.

The entire market of a particular asset class or geographical sector may fall, having a more pronounced effect on the Company heavily invested in that asset class or region.

5.2 **Effect of Preliminary Charge or Redemption Charge**

Where an preliminary charge or redemption charge is imposed, a Shareholder who realises their Shares may not (even in the absence of a fall in the value of the relevant investments) realise the amount originally invested.

In particular, where a redemption charge is payable, Shareholders should note that the percentage rate at which the redemption charge is calculated is based on the market value rather than the preliminary value of the Shares. If the market value of the Shares has increased the redemption charge will show a corresponding increase. Currently there is no redemption charge levied on Shares.

The Shares therefore should be viewed as medium to long term investments.

5.3 **Dilution**

The Company may suffer a reduction in the value of its Scheme Property due to dealing costs incurred when buying and selling investments. To offset this dilution effect the ACD may require the payment of a dilution levy in addition to the price of Shares when bought or as a deduction when sold.

5.4 **Suspension of Dealings in Shares**

Shareholders are reminded that in certain circumstances their right to redeem Shares may be suspended. Please see paragraph 3.11 (**Suspension of dealings in the Company**) for full details.

5.5 **Currency Exchange Rates**

Funds investing in overseas securities are exposed to, and may hold, currencies other than the operational currency of the Company (GBP). As a result, exchange rate movements may cause the GBP value of investments to decrease or increase.

5.6 **Derivatives**

The Investment Managers may employ derivatives for the purposes of Efficient Portfolio Management ("EPM") (including hedging) with the aim of reducing the risk profile of the Company, reducing costs or generating additional capital or income.

To the extent that derivative instruments are utilised for hedging purposes, the risk of loss to the Company 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.

For more information in relation to investment in derivatives please see paragraph 18 (**Derivatives: general**) and 19 (**Efficient Portfolio Management**) in Appendix III.

5.7 **Credit and Fixed Interest Securities**

5.7.1 Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital. The value of a fixed interest security will fall in the event of the default or reduced credit rating of the issuer. Generally, the higher the level of income (yield) receivable, the higher the perceived credit risk of the issuer. High yield bonds with lower credit ratings (also known as sub-investment grade bonds) are potentially more risky (higher credit risk) than investment grade bonds.

5.7.2 As a general rule, fixed interest securities with an above average yield tend to be less liquid than securities issued by issuers with a higher credit rating. Investment in fixed interest securities with a higher yield also generally brings an increased risk of default on repayment by the issuer which could affect the income and capital of the Company. Furthermore, the solvency of issuers of such fixed interest securities may not be guaranteed in respect of either the principal amount or the interest payments and the possibility of such issuers becoming insolvent cannot be excluded. The value of a fixed interest security may fall in the event of the default or a downgrading of the credit rating of the issuer.

- 5.7.3 "Investment Grade" holdings are generally considered to be a rating of BBB- (or equivalent) and above by leading credit rating agencies (such as S&P, Moodys or Fitch). "Sub-investment Grade" is generally considered to be a rating below BBB- (or equivalent) by the leading rating agencies.
- 5.7.4 Holdings that have not been rated by the leading credit rating agencies will adopt the risk rating of the "parent company" as an indicator of their credit risk or an unrated holding will be assessed using fundamental data to analyse the likelihood of the company defaulting. An issuer with a rating of at least BBB- (or equivalent) is generally considered as having adequate capacity to meet its financial commitments. However, adverse economic conditions or changing circumstances may lead to a weakened capacity of the issuer to meet its commitments.
- 5.7.5 Where the Company invests in fixed income securities, the portfolio composition may change over time, this means the yield is not fixed and may go up or down.

5.8 **Counterparty and Settlement**

- 5.8.1 The Company will be exposed to a credit risk on parties with whom it trades and will also bear the risk of settlement default.

5.9 **Tax**

- 5.9.1 Tax laws currently in place may change in the future which could affect the value of a Shareholder's investments. See the section headed 'Taxation' for further details about taxation of the Company.
- 5.9.2 Currently, the Company relies extensively on tax treaties between the UK and other countries to reduce domestic rates of withholding tax being applied on income arising where a Company holds underlying assets in those countries. A risk exists that these treaties may change or that tax authorities may change their position on the application of a relevant tax treaty. As a consequence, any such change (i.e. the imposition of, or increase in, withholding tax in that foreign jurisdiction) may result in higher rates of tax being applied to income from underlying investments and this may have a negative effect on the returns to the Company and Shareholders.
- 5.9.3 In addition, under some treaties the rate of withholding tax applied to a Company may be affected by the tax profiles of Shareholders in the Company. This is because such treaties may require a majority of Shareholders in the Company to be resident in either the UK or another specified jurisdiction as a condition of relief. Failing to satisfy this test may also result in increased withholding tax and therefore a negative

effect on the returns to the Company and Shareholders.

5.10 Inflation and Interest Rates

5.10.1 The real value of any returns that a Shareholder may receive from the Company could be affected by interest rates and inflation over time.

5.11 Custody

5.11.1 There may be a risk of loss where the assets of the Company are held in custody that could result from the insolvency, negligence or fraudulent action of a custodian or sub-custodian. The Depositary may delegate the function of safekeeping of Financial Instruments to the Custodian, who may in turn appoint a custody agent. The Depositary or Custodian 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.

5.12 Liquidity

5.12.1 Depending on the types of assets the Company invests in there may be occasions where there is an increased risk that a position cannot be liquidated in a timely manner at a reasonable price.

5.13 Counterparty Risk in OTC Markets

5.13.1 The ACD on behalf of the Company may enter into transactions in over-the-counter markets, which will expose the Company to the credit of its counterparties and their ability to satisfy the terms for such contracts. For example, the ACD on behalf of the Company may enter into agreements or use other derivative techniques, each of which expose the Company to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, the Company could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the ACD, on behalf of the Company, seeks to enforce its rights, inability to realise any gains on its investments 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, Shareholders may be unable to cover any losses incurred.

5.14 **Smaller Companies**

5.14.1 Investment in smaller companies can be higher risk than investment in well established large capitalisation companies. A Company investing significantly in smaller companies can be subject to more volatility due to the limited marketability of the underlying asset.

5.15 **Warrants**

5.15.1 Whilst warrants may be utilised for the management of investment risk they can also be volatile. A warrant allows, within a subscribed period, the right to apply for shares, debentures, loan stock or government securities from the issuer of the underlying security. A small movement in the price of the underlying security results in a disproportionately large movement, favourable or unfavourable in the price of the warrant. Therefore the larger the fund holding in warrants the larger the risk of volatility.

5.16 **Emerging Markets**

5.16.1 Emerging markets tend to be more volatile than more established markets and therefore Shareholders' money is at greater risk. Risk factors such as local political and economic conditions should also be considered.

5.16.2 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 investments within the Company. A counterparty may not pay or deliver on time or as expected.

5.16.3 Lack of liquidity or efficiency in certain stock markets or foreign exchange markets in certain emerging markets may mean that from time to time the Investment Managers may experience more difficulty in purchasing or selling securities than it would in a more developed market.

5.16.4 Given the possible lack of a regulatory structure it is possible that securities in which investments are made may be found to be fraudulent. As a result, it is possible that loss may be suffered.

5.16.5 The currencies of certain emerging countries prevent the undertaking of currency hedging techniques.

5.16.6 Some emerging markets may restrict the access of foreign investors to securities. As a result, certain securities may not always be available to the Company because the maximum permitted number of an investment by foreign Shareholders has been reached. In addition, the outward remittance by foreign investors of their share of net profits, capital and dividends may be restricted or require governmental approval.

5.16.7 Accounting, auditing and financial reporting standards, practices and disclosure requirements applicable to companies in emerging markets differ from those applicable in more developed markets in respect of the nature, quality and timeliness of the information disclosed to Shareholders and, accordingly, investment possibilities may be difficult to properly assess.

5.17 **Investment in Regulated Collective Investment Schemes**

5.17.1 The Company may invest in other regulated collective investment schemes. As an investor in another collective investment scheme, the Company will bear, along with the other investors, its portion of the expenses of the other collective investment scheme, including management, performance and/or other fees. These fees will be in addition to the management fees and other expenses which the Company bears directly with its own operations.

5.18 **Infectious diseases**

5.18.1 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 and the value of distributions paid to Shareholders.

6. **Risk Management**

6.1 The ACD uses a risk management process (including a risk management policy) in accordance with COLL 6.12, as reviewed by the Depositary and filed with the FCA, enabling it to monitor and measure at any time the risk of the Company's positions and their contribution to the overall risk profile of the Company.

6.2 The following details of the risk management process must be regularly notified to the FCA and at least on an annual basis:

6.2.1 a true and fair view of the types of derivatives and forward transactions to be used within the Company together with their underlying risks and any relevant quantitative limits.

6.2.2 the methods for estimating risks in derivative and forward transactions.

6.3 The ACD must assess, monitor and periodically review:

6.3.1 the adequacy and effectiveness of the risk management policy and of the arrangements, processes and techniques referred to in COLL 6.12.5 R;

6.3.2 the level of compliance by the ACD with the risk management policy and with those arrangements, processes and techniques referred to in COLL 6.12.5 R; and

6.3.3 the adequacy and effectiveness of measures taken to address any deficiencies in the performance of the risk management process.

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

7. **MANAGEMENT AND ADMINISTRATION**

7.1 **Regulatory Status**

The ACD, the Depositary and the Investment Managers are authorised and regulated by the FCA.

7.2 **Authorised Corporate Director**

7.2.1 **General**

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
G Stewart	Independent Non-Executive Director
C J Willson	Independent Non-Executive Director
N C Palios	Non-Executive Chair

D W Tyerman and S R Mugford also hold directorships of other companies within the Thesis group and perform senior management roles within these companies, particularly 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 G Stewart are not engaged in other business activities that are of significance to the Company.

Registered Office: Exchange Building
St Johns Street
Chichester
West Sussex
PO19 1UP

Principal Place of Business: Exchange Building
St Johns Street
Chichester
West Sussex
PO19 1UP

Share Capital: It has a share capital of £5,673,167 issued and paid up

The ACD is responsible for managing and administering the Company's affairs in compliance with the COLL Sourcebook. The ACD may delegate its management and administration functions, but not responsibility, to third parties, including associates subject to the rules in the COLL Sourcebook.

It has therefore delegated to the Investment Managers the function of managing and acting as the investment adviser for the investment and reinvestment of the assets of the Company (as further explained in paragraph 6.4 below). The ACD has also delegated to the Registrar certain functions relating to the register (as further explained in paragraph 6.5 below). It has also delegated Northern Trust Global Services SE, UK Branch to provide fund accounting services for the Company (as explained in paragraph 6.6).

7.2.2 **Terms of Appointment**

7.2.2.1 The appointment of the ACD has been made under an agreement between the Company and the ACD, as amended from time to time (the "ACD Agreement").

7.2.2.2 Pursuant to the ACD Agreement, the ACD manages and administers the affairs of the Company in accordance with the Regulations, the Instrument of Incorporation and this Prospectus. The ACD Agreement incorporates detailed provisions relating to the ACD's responsibilities.

- 7.2.2.3 The ACD Agreement may be terminated by either party on not less than twelve months written notice or earlier upon the happening of certain specified events. The ACD Agreement terminates automatically if the ACD ceases to be director of the Company or the Company is wound up. The ACD Agreement contains detailed provisions relating to the responsibilities of the ACD and excludes it from any liability to the Company or any Shareholder for any act or omission except in the case of negligence, wilful default, breach of duty or breach of trust in relation to the Company on its part. The ACD Agreement provides indemnities to the ACD to the extent allowed by the Regulations and other than for matters arising by reason of its negligence, wilful default, breach of duty or breach of trust in the performance of its duties and obligations. Subject to certain limited exceptions set out in the Regulations, the ACD may retain the services of any person to assist it in the performance of its functions.
- 7.2.2.4 Details of the fees payable to the ACD are set out in paragraph 7.2 "Charges payable to the ACD" below.
- 7.2.2.5 Investors buy and redeem Shares through the ACD who nets them to reduce the number of Shares issued/cancelled by the Company. When carrying out deals in Shares, the ACD acts as principal but does not profit from this activity.
- 7.2.2.6 The Company has no directors other than the ACD. The ACD is the manager of certain authorised unit trusts and open-ended investment companies details of which are set out in Appendix IV.

7.3 **The Depositary**

7.3.1 **General**

- 7.3.1.1 The Depositary of the Company is NatWest Trustee and Depositary Services Limited, a company registered in England and Wales with company number 11194605.
- 7.3.1.2 The ultimate holding company of the Depositary is NatWest Group plc, which is incorporated in Scotland.

- 7.3.1.3 The Depositary's registered office is at 250 Bishopsgate, London EC2M 4AA. The Depositary's head office address is 440 Strand, London WC2R 0QS. The address of its office which handles matters relating to the Company is set out in the Directory in this Prospectus.
- 7.3.1.4 The principal business activity of the Depositary is the provision of trustee and depositary services.
- 7.3.1.5 The Depositary is established in the UK and authorised and regulated by the FCA to act as a depositary of a UK UCITS or a UK AIF.

7.3.2 **Duties of the Depositary**

- 7.3.2.1 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.

7.3.3 **Terms of Appointment**

- 7.3.3.1 The appointment of the Depositary has been made under the terms of the Depositary Agreement between the ACD, the Company and the Depositary.
- 7.3.3.2 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.
- 7.3.3.3 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 The Northern Trust Company (the 'Custodian'). Contact details for the Custodian are set out in the Directory. 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 VI. Investors should note that the list of sub-custodians is updated only at each Prospectus review.

- 7.3.3.4 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.
- 7.3.3.5 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.
- 7.3.3.6 The Depositary Agreement may be terminated on 6 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.
- 7.3.3.7 Details of the fees payable to the Depositary are set out in the Depositary's fees section of this Prospectus at paragraph 8.4.

7.3.4 **Conflict of Interest**

- 7.3.4.1 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.
- 7.3.4.2 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.

7.3.4.3 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.

7.3.4.4 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.

7.3.5 **Updated Information**

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

7.4 **The Investment Managers**

7.4.1 **General**

7.4.1.1 The ACD has appointed Waverton Investment Management Limited and Sarasin & Partners LLP to provide investment management services to the ACD. The Investment Managers are authorised and regulated by the FCA.

7.4.1.2 The principal activity of the Investment Managers is the provision of investment management services.

7.4.2 **Terms of Appointment**

- 7.4.2.1 The terms of the Investment Management Agreements between the ACD and the Investment Managers include the provision of discretionary investment management within the investment objectives of the Company, the purchase and sale of investments and on the exercise of voting rights relating to such investments. The Investment Managers have authority to make decisions on behalf of the ACD on a discretionary basis in respect of day to day investment management of the Scheme Property including authority to place purchase orders and sale orders with regulated dealers.
- 7.4.2.2 The Agreement may be terminated by either party on not less than twelve months' prior written notice or if the ACD ceases to be the authorised corporate director of the Company or if either party commits a material breach of the Agreement.
- 7.4.2.3 The Investment Managers will receive a fee paid by the ACD out of its remuneration received each month from the Company, as explained in paragraph 7.4.
- 7.4.2.4 The Investment Managers will not be considered as broker fund advisers under the FCA Handbook in relation to the Company.

7.5 **The Registrar**

- 7.5.1 On behalf of the Company, the ACD has appointed Northern Trust Global Services SE (UK Branch) to act as Registrar to the Company. The registered office of the Registrar is 10 rue du Château d'Eau L-3364 Leudelange Luxembourg and the principal place of business is at 50 Bank Street, London E14 5NT, UK.
- 7.5.2 The Register will be kept by the Registrar at the address of its principal place of business as noted above and electronic copies of Register entries may be made available to any Shareholder or any Shareholder's duly authorised agent upon request from the Registrar.
- 7.5.3 The Register will be maintained by the Registrar at the address of its office as noted above, and may be inspected at that address or the principal place of business of the Registrar during normal business hours by any Shareholder or any Shareholder's duly authorised agent.

7.5.4 The plan register, where applicable (being a record of persons who subscribe for Shares through or Individual Savings Accounts (ISAs)) may be inspected at the office of the Registrar by any Shareholder or any Shareholder's duly authorised agent.

7.6 **The Fund Accountant**

7.6.1 The ACD has appointed Northern Trust Global Services SE (UK Branch) to provide fund accounting services to the Company.

7.6.2 The Fund Accountant is a European public limited liability company, registered on 1 March 2019 with registered number B232281. Northern Trust Global Services SE's registered office is 10 rue du Château d'Eau L-3364 Leudelange, Luxembourg and the principal place of business is at 50 Bank Street, London E14 5NT, UK. The ultimate holding company is Northern Trust Corporation, a company which is incorporated in the State of Delaware, United States of America, with its headquarters at 50 South La Salle Street, Chicago, Illinois.

7.7 **The Auditors**

7.7.1 The Auditors of the Company are KPMG LLP, whose address is 1 Sovereign Square, Sovereign Street, Leeds LS1 4DA.

7.8 **Conflicts of Interest**

7.8.1 **ACD**

7.8.1.1 The ACD, the Investment Managers and other companies within the ACD's and/or the Investment Managers' group may, from time to time, act as investment managers or advisers to other funds which follow similar investment objectives to those of the Company. It is therefore possible that the ACD and/or the Investment Managers may in the course of their business have potential conflicts of interest with the Company or that a conflict exists between the Company and other funds managed by the ACD. The ACD and the Investment Managers maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps to prevent such conflicts from adversely affecting the interests of the Company.

7.8.1.2 The ACD and the Investment Managers will take all appropriate steps to identify and prevent or manage

such conflicts and each of the ACD and the Investment Managers will have regard in such event to its obligations under the ACD Agreement and the Investment Management Agreements 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. Where a conflict of interest cannot be avoided, the ACD and the Investment Managers will ensure that the Company and other collective investment schemes it manages are fairly treated.

7.8.1.3 The ACD acknowledges that there may be some situations where the organisational or administrative arrangements in place for the management of conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the Company or its shareholders will be prevented. Should any such situations arise the ACD will, as a last resort if the conflict(s) cannot be avoided disclose these to Shareholders in an appropriate format.

7.8.1.4 Details of the ACD's conflicts of interest policy are available on the ACD's website at www.tutman.co.uk.

7.9. **No Liability to Account**

7.9.1 Neither the ACD, the Depositary, the Administrator, the Registrar nor any other person involved with the establishment and/or operation of the Company are liable to account to each other or to the Shareholders or former Shareholders of the Company for any profits or benefits they may make or receive which are made, derived from or in connection with:

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

8. **FEES AND EXPENSES**

8.1 **Ongoing**

8.1.1 All costs, charges, fees or expenses, other than the charges made in connection with the subscription and redemption of Shares (see

paragraph 3.5) payable by a Shareholder or out of Scheme Property are set out in this section.

8.1.2 The Company may, so far as the COLL Sourcebook allows, also pay out of the Scheme Property all relevant costs, charges, fees and expenses including the following:

- 8.1.2.1 brokers' commission, fiscal charges and other disbursements which are necessarily incurred in effecting transactions for the Company and normally shown in contract notes, confirmation notes and difference accounts as appropriate;
- 8.1.2.2 interest on borrowings permitted under the Company's constitution and charges incurred in effecting or terminating or in negotiating or varying the terms of such borrowings;
- 8.1.2.3 taxation and duties payable in respect of the Scheme Property of the Company or the issue, cancellation or redemption of Shares in the Company;
- 8.1.2.4 any costs incurred in modifying the Instrument of Incorporation and the Prospectus, including costs incurred in respect of meetings of Shareholders convened for purpose of approving such modifications;
- 8.1.2.5 any costs incurred in preparing of, translating, producing (including printing), and distributing and modifying the Instrument of incorporation, the prospectus, the Key Investor Information Document (apart from the costs of distributing the Key Investor Information Document) or reports accounts, statements, contract notes or other like documentation or other like documentation required under the Regulations;
- 8.1.2.6 any costs incurred in respect of meetings of Shareholders convened on a requisition by Shareholders not including the ACD or an associate of the ACD;
- 8.1.2.7 liabilities on amalgamation or reconstruction arising after the transfer of property to the Company in

- consideration for the issue of Shares as more fully described in the Regulations;
- 8.1.2.8 the audit fees and any proper expenses of the Auditors and of tax, legal and other professional advisers to the Company;
 - 8.1.2.9 the fees of the FCA, in accordance with the FCA's Fee Manual together with any corresponding periodic fees of any regulatory authority in a country or territory outside the UK in which Shares in the Company are, or may, be marketed;
 - 8.1.2.10 any expenses or disbursements payable by the ACD to the Registrar in respect of or in connection with the:
 - 8.1.2.11 maintenance of the Register;
 - 8.1.2.12 preparation of financial statements for the Company;
 - 8.1.2.13 calculation of the prices of Shares;
 - 8.1.2.14 processing distributions and accumulations of income;
 - 8.1.2.15 preparation of tax returns;
 - 8.1.2.16 provision of facilities for dealing in the Company's Shares; and
 - 8.1.2.17 maintenance of the Company's accounting and other books and records (including company secretarial duties);
 - 8.1.2.18 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
 - 8.1.2.19 any costs arising in connection with the publication and despatch of the price of Shares;
 - 8.1.2.20 all costs arising from despatch of the half-yearly and other reports of the Company;

- 8.1.2.21 any costs incurred in connection with purchasing and maintaining insurance for the benefit of any person who is or was a director of the Company;
 - 8.1.2.22 such other expenses as the ACD resolves are properly payable out of the Company's property;
 - 8.1.2.23 any sum due or payable by virtue of any provision of the Regulations;
 - 8.1.2.24 value added tax payable on these expenses where appropriate;
 - 8.1.2.25 any costs incurred which are associated with independent risk monitoring or daily "value at risk" or "VaR" calculations (part of the risk monitoring process); and
 - 8.1.2.26 the costs of secretarial duties, maintenance of minute books etc.
- 8.1.3 The ACD is also entitled to be paid by the Company out of the Scheme Property any expenses, incurred by the ACD or its delegates of the kinds described above.
- 8.1.4 Expenses are allocated between capital and income in accordance with the Regulations. However, the approach for the Company is set out in Appendix I. Where expenses are deducted in the first instance from income if and only if this is insufficient, deductions will be made from capital.
- 8.1.5 **If deductions were made from capital, this would result in capital erosion and constrain growth.**

8.2 Charges payable to the ACD

8.2.1 Annual Management Charge

- 8.2.1.1 In payment for carrying out its duties and responsibilities the ACD is entitled to take an annual fee out of the Scheme Property as set out in Appendix I.
- 8.2.1.2 The annual management charge will accrue on a daily basis in arrears by reference to the Net Asset Value of the Company on the immediately preceding Valuation Point and taking into account any

subsequent changes to the Company capital due to the creation or cancellation of shares. The amount due for each month is payable on the last Dealing Day of each month. The current annual management charges for the Company (expressed as a percentage per annum of the Net Asset Value of the Company) is set out in Appendix I.

8.2.1.3 The ACD may increase the rate of such charge by giving 60 days' notice to Shareholders and amending this Prospectus. The ACD is responsible for the payment of the fees of the Investment Managers.

8.2.2 **Expenses**

8.2.2.1 The ACD is also entitled to all reasonable, properly documented, out of pocket expenses incurred in the performance of its duties as set out above.

8.2.2.2 VAT is payable on the charges or expenses mentioned above, where appropriate.

8.2.2.3 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.

8.2.2.4 The current annual fee payable to the ACD for a Class may only be increased or a new type of remuneration introduced in accordance with the Regulations.

8.3 **Registration Fees**

8.3.1 The Registrar's registration fees will be paid out of the property of the Company. The current registration fee is £10 per Shareholder per annum, £6 per Shareholder transaction effected through straight through processing and £19 per Shareholder transaction recorded manually, with a minimum aggregate charge of £2,500 per annum.

8.4 **Depositary's Fee and Expenses**

8.4.1 The Depositary is entitled to receive out of the Scheme Property by way of remuneration a periodic charge, which will be calculated and accrue daily and be paid monthly as soon as practicable after the end of each month, and certain additional charges and expenses. The rate of the Depositary's periodic charge will be such rate or rates as agreed from time to time between the ACD and the Depositary in accordance with the

COLL Sourcebook. The current rate of the Depositary's periodic charge is calculated on a sliding scale for the Company on the following basis:

0.0275% per annum	on the first £50 million value of the property of the Company;
0.025% per annum	on the next £50 million value of the property of the Company;
0.020% per annum	on the next £100 million value of the property of the Company;
0.015% per annum	thereafter.

- 8.4.2 The annual fee is subject to a minimum fee of £7,500 applicable to the Company. VAT (at the standard rate) is added to these fees.
- 8.4.3 In the event of the winding-up of the Company, the Depositary shall continue to be entitled to a periodic charge for the period up to and including the day on which the final distribution in the winding-up shall be made or, in the case of a winding-up following the passing of an extraordinary resolution approving a scheme of arrangement, up to and including the final day on which the Depositary is responsible for the safekeeping of the Scheme Property. Such periodic charge will be calculated, be subject to the same terms and accrue and be paid as described above, except that for the purpose of calculating the periodic charge in respect of any day falling after the day on which the winding-up of the Company commences, the value of the Scheme Property shall be its Net Asset Value determined at the beginning of each such day.
- 8.4.4 The Depositary Agreement between the Company and the Depositary provides that in addition to a periodic charge the Depositary may also be paid by way of remuneration custody fees where it acts as custodian and other transaction and bank charges. At present the Depositary acts as global custodian and delegates the function of custody of the Scheme Property to The Northern Trust Company.
- 8.4.5 The remuneration for acting as custodian is calculated at such rate and/or amount as the ACD and the Depositary may agree from time to time.
- 8.4.6 Custody charges up to 0.9% of the value of the holding involved subject to a minimum aggregate custody charge of £7,500 per annum.
- 8.4.7 Transaction charges £7.50 to £180 per transaction.

8.4.8 Transaction and custody charges vary from country to country depending on the markets and the type of transaction involved. Custody and transaction charges will be payable monthly in arrears.

8.4.9 In addition to the remuneration referred to above, the Depositary is entitled to receive reimbursement for expenses properly incurred by it in discharge of its duties or exercising any powers conferred upon it in relation to the Company. Such expenses include, but are not restricted to:

- 8.4.9.1 delivery of stock to the Depositary or custodian;
- 8.4.9.2 custody of assets;
- 8.4.9.3 collection of income and capital;
- 8.4.9.4 submission of tax returns;
- 8.4.9.5 handling tax claims;
- 8.4.9.6 preparation of the Depositary's annual report;
- 8.4.9.7 arranging insurance;
- 8.4.9.8 calling Shareholder meetings and otherwise communicating with Shareholders;
- 8.4.9.9 dealing with distribution warrants;
- 8.4.9.10 taking professional advice;
- 8.4.9.11 conducting legal proceedings;
- 8.4.9.12 such other duties as the Depositary is permitted or required by law to perform.

VAT (if any) in connection with any of the above is payable in addition.

8.5 **Investment Managers' Fees**

8.5.1 The Investment Managers' fees and expenses (plus VAT thereon) for providing investment management services will be paid by the ACD out of its remuneration under the ACD Agreement.

8.5.2 Further details of this agreement are summarised in paragraph 7.4.2 (**Terms of Appointment**) above.

8.6 **Research Costs**

- 8.6.1 It is not intended that the ACD receives any third party research on behalf of the Company. Any third party research received by the Investment Managers, for or on behalf of, the Company will be paid for by the Investment Managers.

9. **INSTRUMENT OF INCORPORATION**

- 9.1 The Instrument of Incorporation is available for inspection at the ACD's offices.

10. **SHAREHOLDER MEETINGS AND VOTING RIGHTS**

10.1 **Class and Company Meetings**

- 10.1.1 The Company has dispensed with the holding of annual general meetings.
- 10.1.2 The provisions below, unless the context otherwise requires, apply to Class meetings as they apply to general meetings of the Company, but by reference to Shares of the Class concerned and the Shareholders and value and prices of such Shares.

10.2 **Requisitions of Meetings**

- 10.2.1 The ACD may requisition a general meeting at any time.
- 10.2.2 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.

10.3 **Notice and Quorum**

- 10.3.1 Shareholders will receive at least 14 days' notice of a general 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. The quorum for an adjourned meeting is one person entitled to be counted in a quorum. Notices of meetings and adjourned meetings will be sent to Shareholders at their registered addresses.

10.4 **Voting Rights**

- 10.4.1 At a general meeting, 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.
- 10.4.2 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 of all the Shares in issue at a reasonable date before the notice of meeting is sent out, such date to be decided by the ACD.
- 10.4.3 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.
- 10.4.4 In the case of joint Shareholders, the vote of the most senior Shareholder 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.
- 10.4.5 Except where the COLL Sourcebook or the Instrument of Incorporation require an extraordinary resolution (which needs at least 75% of the votes cast at the meeting to be in favour if the resolution is to be passed) any resolution required by the COLL Sourcebook will be passed by a simple majority of the votes validly cast for and against the resolution.
- 10.4.6 The ACD may not be counted in the quorum for a meeting and neither the ACD nor any associate (as defined in the COLL Sourcebook) 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.
- 10.4.7 Where all the Shares in the Company are registered to, or held by, the ACD or its associates and they are therefore prohibited from voting and a resolution (including an extraordinary resolution) is required to conduct business at a meeting, it shall not be necessary to convene such a meeting and a resolution may, with the prior written agreement of the Depositary, instead be passed with the written consent of Shareholders representing 50% or more, or for an extraordinary resolution 75% or more, of the Shares in issue.
- 10.4.8 "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 must not be more than 48 hours before the time fixed for the meeting.

10.5 **Variation of Class Rights**

10.5.1 The rights attached to a Class may not be varied without the sanction of an extraordinary resolution passed at a meeting of Shareholders of that Class.

11. **TAXATION**

11.1 **General**

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 ("ICVC") and Shareholders who are UK tax resident. However, it should not be regarded as definitive nor as removing the desirability of taking separate professional advice. Investors are advised to consult their professional tax adviser. Levels, and bases of, and reliefs from, taxation are subject to change in the future.

11.2 **The Company**

The Company is an ICVC and will be treated as an authorised investment fund for UK tax purposes.

The Company will make dividend distributions except where more than 60% of its property has been invested throughout the distribution period in interest paying and related investments, in which case it may 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 for UK tax purposes.

(A) Income

The Company 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.

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

Dividend income received by the Company 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. The foreign tax suffered by the Company 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 the Company on a disposal of its investments are exempt from corporation tax on chargeable gains. In the unlikely event that the Company 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 Company are surrendered and the investors receive assets from the Company (rather than cash) which are not in proportion to each investor's share of the total assets held by the Company.

11.3 Taxation of the Shareholders

11.3.1 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 it is actually distributed or accumulated by the Company. 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 (a) an interest distribution or (b) a dividend distribution. The type of distribution that the Company makes or is deemed to make in the case of accumulation Shares depends on the source and composition of the income within the Company.

Where more than 60% of by value of the Company's investments consist of "qualifying investments" (broadly speaking interest paying investments, see further below) distributions made by the Company in respect of such Fund will make an interest distribution. Where this is not the case, distributions made by the Company will be dividend distributions.

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

11.3.2 Interest Distributions

UK resident individuals

Interest distributions paid by the Company (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, 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 Company fails to satisfy the "qualifying investment" test, Shares held by UK corporate Shareholders in respect of the Company are treated as if they were a holding of rights under a creditor loan relationship of the corporate Shareholder, with the result that all returns on 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).

The Company 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 or cash on deposit or 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.

(C) Dividend distributions

Dividend distributions paid by the Company are treated as if they are dividends.

UK resident individuals

UK resident individuals liable to income tax at the basic, higher 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 certificate. The unfranked portion is 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.

(D) Chargeable gains

UK resident individuals

UK resident Shareholders will be liable to UK taxation on capital gains arising from the sale or other disposal, including a redemption of Shares. A switch of Shares between sub-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.

An individual's gains in excess of the annual exempt amount are taxed at the lower rate of capital gains tax to the extent that, together with the 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).

Stamp duty reserve tax

Generally, there will be no charge to SDRT when Shareholders surrender or redeem their Shares. However, where the redemption is satisfied by a non-pro rata in specie redemption, then a charge to SDRT may apply. Investors should consult their independent professional adviser for more information if they are in any doubt as to whether this affects them.

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

(E) Income equalisation

The price of a Share of a particular Class is based on the value of that Class' entitlement in the Company, including the income of the Company 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.

(F) 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.

(G) Tax Elected Fund ("TEF") regime

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

11.3.3 Tax Reporting

(A) International tax reporting

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:

- (a) **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;**
- (b) **the ACD or Administrator may report these details, along with information about a Shareholders' holding, to HMRC; and**
- (c) **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.

12. WINDING UP OF THE COMPANY

- 12.1 The Company will not be wound up except as an unregistered company under Part V of the Insolvency Act 1986 or under the COLL Sourcebook.
- 12.2 Where the Company is to be wound up under the COLL Sourcebook, such winding up may only be commenced following approval by the FCA. The FCA may only give such approval if the ACD provides a statement (following an investigation into the affairs of the Company) either that the Company will be able to meet its liabilities within 12 months of the date of the statement or that the Company will be unable to do so. The Company may not be wound up under the COLL Sourcebook if there is a vacancy in the position of ACD at the relevant time.
- 12.3 The Company shall be wound up under the COLL Sourcebook:
 - 12.3.1 if an extraordinary resolution to that effect is passed by Shareholders; or
 - 12.3.2 when the period (if any) fixed for the duration of the Company by the Instrument of Incorporation expires, or any event occurs on the occurrence of which the Instrument of Incorporation provides that the Company is to be wound up (for example, if a change in the laws or regulations of any country means that, in the ACD's opinion, it is desirable to wind up the Company);
 - 12.3.3 on the date stated in any agreement by the FCA to a request by the ACD for the revocation of the authorisation order in respect of the Company.

- 12.4 On the occurrence of any of the above:
- 12.4.1 COLL 6.2 (Dealing), COLL 6.3 (Valuation and Pricing) and COLL 5 (Investment and borrowing powers) will cease to apply to the Company;
 - 12.4.2 the Company will cease to issue and cancel Shares in the Company and the ACD shall cease to sell or redeem Shares or arrange for the Company to issue or cancel them for the Company;
 - 12.4.3 no transfer of a Share shall be registered and no other change to the Register shall be made without the sanction of the ACD;
 - 12.4.4 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;
 - 12.4.5 the corporate status and powers of the Company and subject to paragraphs 12.4.1 to 12.4 above, the powers of the Depositary shall continue until the Company is dissolved.
- 12.5 The ACD shall, as soon as practicable after the Company falls to be wound up, realise the assets and meet the liabilities of the Company 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. If the ACD has not previously notified Shareholders of the proposal to wind up the Company, the ACD shall, as soon as practicable after the commencement of winding up of the Company, give written notice of the commencement to Shareholders. When the ACD has caused all of the Scheme Property to be realised and all of the liabilities of the Company 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.
- 12.6 As soon as reasonably practicable after completion of the winding up of the Company, the Depositary shall notify the FCA that the winding up has been completed.
- 12.7 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 by the ACD within one month of the dissolution.

Following the completion of a winding up of the Company, 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 (or the first named of joint Shareholders) on it within four months of the completion of the winding up or termination.

GENERAL INFORMATION

12.8 Accounting Periods

12.8.1 The annual accounting period of the Company ends each year on 31 December (the accounting reference date) with interim accounting periods ending on 31 March, 30 June (half yearly) and 30 September.

12.8.2 The ACD may even out the payments of income within an accounting period by carrying forward income otherwise distributable with a view to augmenting amounts to be paid out at a later date.

12.9 Notice to Shareholders

12.9.1 All notices or other documents sent by the ACD to a Shareholder will be sent by normal post to the last address notified in writing to the Company by the Shareholder.

12.10 Income Allocations

12.10.1 The interim and final income allocation dates in respect of the Company are set out in Appendix I. Income is allocated in respect of the income available at each accounting date.

12.10.2 In relation to income Shares, distributions of income are paid by cheque or electronic means directly into a Shareholder's bank account on or before the relevant income allocation date in each year as set out in Appendix I.

12.10.3 For accumulation Shares, income will become part of the capital property of the Company and will be reflected in the price of each such accumulation Share as at the end of the relevant accounting period.

12.10.4 If a distribution made in relation to any income Shares remains unclaimed for a period of six years after it has become due, it will be forfeited and will revert to the Company.

12.10.5 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 Company in respect of that period, and deducting the charges and expenses 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 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 other matters.

12.11 Annual Reports

12.11.1 Annual reports of the Company will be published within four months of the end of each annual accounting period and half-yearly reports will be published within two months of the end of each half-yearly interim accounting period.

12.11.2 Copies of the most recent annual and half-yearly reports of the Company can be obtained free of charge from the ACD or can be inspected at the ACD's registered office (as set out at 6.2 above).

12.12 Documents of the Company

12.12.1 The following documents may be inspected free of charge during normal business hours on any Business Day at the offices of the ACD at Exchange Building, St Johns Street, Chichester, West Sussex PO19 1UP:

12.12.1.1 the Prospectus;

12.12.1.2 the most recent annual and half yearly reports of the Company;

12.12.1.3 the Instrument of Incorporation (and any amending documents); and

12.12.1.4 the material contracts referred to below.

12.12.2 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 the most recent versions of the Prospectus and annual and half yearly reports of the Company which are available free of charge to anyone who requests).

12.13 Material Contracts

12.13.1 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:

12.13.1.1 the ACD Agreement between the Company and the ACD; and

12.13.1.2 the Depositary Agreement between the Company, the Depositary and the ACD.

12.13.2 Details of the above contracts are given under section 6 "Management and Administration".

12.14 Provision of Investment Advice

12.14.1 All information concerning the Company and about investing in Shares of the Company is available from the ACD. The ACD is not authorised to give investment advice and persons requiring such advice should consult a professional adviser. All applications for Shares are made solely on the basis of the current prospectus of the Company, and Shareholders should ensure that they have the most up to date version.

12.15 Telephone Recordings

12.15.1 Please note that the ACD and the Investment Managers will take all reasonable steps to record telephone conversations, and keep a copy of electronic communications, that relate to instructions to deal in the Company or the management of the assets of the Company. The ACD may also record calls for security, training and monitoring purposes, to confirm Shareholders' instructions and for any other regulatory reason. Recordings will be retained for a period of at least five years from the date of such recording or, where requested by a competent authority, for a period of seven years.

12.16 Complaints

12.16.1 Shareholders who have complaints about the operation of the Company should in the first instance contact the ACD. If a complaint cannot be resolved satisfactorily with the ACD, it may be referred to the Financial Ombudsman Service at: The Financial Ombudsman Service, Exchange Tower, London E14 9SR.

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

12.16.3 Information about the Financial Ombudsman can be found on its website at www.financial-ombudsman.org.uk.

12.16.4 In the event of the ACD being unable to meet its liabilities to Shareholders, details about rights to compensation can be found at www.fscs.org.uk.

12.17 Indemnity

12.17.1 The Instrument of Incorporation contains provisions indemnifying the Directors, other officers and the Company's Auditors or the Depositary 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 in the discharge of its functions in respect of the Company.

12.18 Risk Management

12.18.1 The ACD will provide upon the request of a Shareholder further information relating to:

12.18.1.1 the quantitative limits applying in the risk management of the Company;

12.18.1.2 the methods used in relation to paragraph 12.18.1.1; and

12.18.1.3 any recent development of the risk and yields of the main categories of investment.

12.19 Strategy for the Exercise of Voting Rights

12.19.1 The ACD has a strategy for determining when and how voting rights attached to ownership of the Scheme Property are to be exercised for the benefit of the Company. A summary of this strategy is available from the ACD on request. Voting records and further details of the actions taken on the basis of this strategy in relation to the Company are available free of charge from the ACD on request.

12.20 Best Execution

12.20.1 Each of the Investment Managers is required to with its own execution policy. A copy of each Investment Manager's execution policy is available on request from the ACD, or may be available from each Investment Manager's website listed in Appendix VII.

12.21 Remuneration

12.21.1 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 and a copy of such information can be obtained, free of charge, upon request at the offices of the ACD.

APPENDIX I

COMPANY DETAILS

Name:	The Gulland Fund
Type of Scheme:	UK UCITS
Investment Objective:	The Company aims to provide a combination of capital growth and income, net of fees, over 5 year rolling periods.
Investment Policy:	<p>To achieve the objective, the Company will have exposure to a global portfolio which will typically comprise at least 60% equities and up to 40% in fixed income assets (which may include government and public securities) and cash.</p> <p>The composition of the Scheme Property as between equities and fixed income and cash will vary within these parameters depending on the Investment Managers' assessment of market conditions as well as the economic environment. The exposure to equities may fall below 60% during difficult markets.</p> <p>The assets in which the Company may also invest are other transferable securities (including warrants), money market instruments, deposits and near cash investments. The Company may invest in alternatives (i.e. gold, commodities and alternative strategies which target risk-adjusted returns uncorrelated to major indices and markets) but will only do so indirectly via permitted investments such as collective investment vehicles (including permitted closed-ended investment funds).</p> <p>The above exposure may be gained directly or through the use of collective investment vehicles which can include permitted closed-ended investment funds, including investments trusts. Such collective investment vehicles can include those managed by the ACD or its associates or the Investment Managers or their associates.</p> <p>Derivatives may be used for Efficient Portfolio Management (including hedging), although use is expected to be limited.</p> <p>The investment policy of the Company may mean that at times, where it is considered appropriate, the Scheme Property will not be fully invested and that prudent levels of liquidity will be maintained in order to reduce risk and preserve capital. The</p>

Company will hold cash and cash equivalents to maintain liquidity.

The ACD has appointed multiple Investment Managers with different investment styles to achieve the investment objective. Allocations to the Investment Managers are subject to change in order to meet the Company's investment objective and further details regarding the allocations are available upon request from the ACD.

The Investment Managers will actively manage the Company. This means the Investment Managers actively make decisions about how to invest the Scheme Property (and which investments to buy and sell) instead of simply following a market index.

Performance comparator:

The Company uses the ARC Steady Growth PCI peer group for performance comparison purposes only. This peer group is not a target benchmark and the Company is not constrained by it.

The ARC Steady Growth PCI peer group 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 PCI peer group, the relative risk to equity markets is 60-80%. This peer group has been selected as a comparator because this risk is aligned with the policy of the Company.

The ACD reserves the right to change the benchmark following consultation with the Depositary and in accordance with the rules in the COLL Sourcebook. 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 in accordance with the rules in the COLL Sourcebook and the change noted in the subsequent annual and half yearly reports.

Final Accounting Date:

31 December

Interim Accounting Dates:

31 March, 30 June and 30 September

Income Distribution Dates:

last day of February, 31 May, 31 August and 30 November

Shares Classes and type of Shares:

Income Shares
Accumulation Shares**

Preliminary Charge:

10%

Redemption Charge:	Nil	
Annual Management Charge:	1%	
Allocation of Charges:	Income	Capital
AMC (section 7.2):	100%	
Ongoing Operating Costs (section 7.1):	100%	
Dealing and Registration (section 7.2):	100%	
	(except charges relating directly to the purchase and sale of investments)	
Depositary (section 7.3):	100%	
Custody (section 7.3):	100%	
Portfolio Transactions (broker's commission-section 7.1):		100%
Investment Minima:*		
Lump Sum:	£50,000	
Holding:	£50,000	
Top-up:	£5,000	
Redemption:	£5,000	
Past Performance:	Past performance information is set out in Appendix V.	

* The ACD may waive the minimum levels at its discretion.

** Accumulation Shares are not currently available.

APPENDIX II

ELIGIBLE SECURITIES MARKETS AND ELIGIBLE DERIVATIVES MARKETS

Investments may be made on each of the eligible securities and derivatives markets below in order to fulfil the investment objective stated in Appendix I above.

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 Scheme Property. In accordance with the relevant criteria in the COLL sourcebook, 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:

Australia	Australian Securities Exchange
Canada	Toronto Stock Exchange TSX Venture Exchange
Hong Kong	Hong Kong Exchanges and Clearings Limited
India	National Stock Exchange of India Ltd
Japan	Tokyo Stock Exchange Osaka Exchange Nagoya Stock Exchange
Korea	Korea Exchange
Malaysia	Bursa Malaysia
Mexico	Mexican Stock Exchange
New Zealand	NZX Limited
Philippines	Philippine Stock Exchange

South Africa	JSE Limited
Switzerland	SIX Swiss Exchange
Taiwan	Taiwan Stock Exchange
Thailand	The Stock Exchange of Thailand
United States of America	NASDAQ Stock Market New York Stock Exchange NYSE American

Eligible Derivatives Markets:

Australia	Australian Securities Exchange
Canada	Montreal Exchange
Denmark	NASDAQ Copenhagen A/S
Finland	NASDAQ Helsinki Ltd
France	Euronext Paris
Germany	Eurex Deutschland
Hong Kong	Hong Kong Exchanges and Clearing Limited
Japan	Osaka Exchange Tokyo Stock Exchange
Mexico	Mexican Derivatives Exchange
Netherlands	Euronext Amsterdam
South Africa	JSE Limited
Spain	MEFF
Sweden	NASDAQ Stockholm AB
UK	ICE Futures Europe
United States of America	Cboe Options Exchange Chicago Board of Trade Chicago Mercantile Exchange New York Mercantile Exchange NYSE American Options NYSE Arca Options

APPENDIX III

INVESTMENT AND BORROWING POWERS OF THE COMPANY

1. General

- 1.1 The Scheme Property will be invested with the aim of achieving the investment objective of the Company but subject to the limits set out in the Company's investment policy and the limits set out in Chapter 5 of the COLL Sourcebook ("COLL 5") and this Prospectus.

The Company will not maintain an interest in any immovable property or moveable property for the direct pursuit of the ICVC's business.

1.2 Prudent spread of risk

The ACD must ensure that, taking account of the investment objective and policy of the Company, the Scheme Property aims to provide a prudent spread of risk.

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 Company (or on which the initial offer commenced if later) provided that the requirement to maintain prudent spread of risk is complied with.

1.3 Treatment of obligations

- 1.3.1 Where COLL 5 allows a transaction to be entered into or an investment to be retained only (for example, investment in 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 Company under any other of those rules has also to be provided for.
- 1.3.2 Where COLL 5 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:
- 1.3.2.1 it must be assumed that in applying any of those rules, the Company must also simultaneously satisfy any other obligation relating to cover; and
 - 1.3.2.2 no element of cover must be used more than once.

2. **UK UCITS - general**

2.1 Subject to the investment objective and policy of the Company, the Scheme Property must, except where otherwise provided in COLL 5, only consist of any or all of:

2.1.1 transferable securities;

2.1.2 approved money-market instruments;

2.1.3 permitted units in collective investments schemes;

2.1.4 permitted derivatives and forward transactions; and

2.1.5 permitted deposits,

in accordance with the rules in COLL 5.2.

3. **Transferable Securities**

3.1 A transferable security is an investment which is a share, a debenture, and alternative debenture, a government and public security, a warrant, or a certificate representing certain securities (as such terms are defined in the FCA Glossary).

3.2 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.

3.3 In applying paragraph 3.2 of this Appendix 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.

3.4 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.

4. **Investment in transferable securities**

4.1 The Company may invest in a transferable security only to the extent that the transferable security fulfils the following criteria:

4.1.1 the potential loss which the Company may incur with respect to holding the transferable security is limited to the amount paid for it;

4.1.2 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 under the FCA Handbook;

4.1.3 reliable valuation is available for it as follows:

- 4.1.3.1 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;
 - 4.1.3.2 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;
 - 4.1.4 appropriate information is available for it as follows:
 - 4.1.4.1 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;
 - 4.1.4.2 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;
 - 4.1.5 it is negotiable; and
 - 4.1.6 its risks are adequately captured by the risk management process of the ACD.
- 4.2 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:
 - 4.2.1 not to compromise the ability of the ACD to comply with its obligation to redeem Shares at the request of any qualifying Shareholder; and
 - 4.2.2 to be negotiable.
- 4.3 No more than 5% of the Scheme Property may be invested in warrants.

5. **Closed end funds constituting transferable securities**

- 5.1 A unit or a share in a closed end fund shall be taken to be a transferable security for the purposes of investment by the Company, provided it fulfils the criteria for transferable securities set out in paragraph 4 and either:

5.1.1 where the closed end fund is constituted as an investment company or a unit trust:

5.1.1.1 it is subject to corporate governance mechanisms applied to companies; and

5.1.1.2 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

5.1.2 where the closed end fund is constituted under the law of contract:

5.1.2.1 it is subject to corporate governance mechanisms equivalent to those applied to companies; and

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

6. **Transferable securities linked to other assets**

6.1 The Company may invest in any other investment which shall be taken to be a transferable security for the purposes of investment by the Company provided the investment:

6.1.1 fulfils the criteria for transferable securities set out in paragraph 4 above; and

6.1.2 is backed by or linked to the performance of other assets, which may differ from those in which the Company can invest.

6.2 Where an investment in paragraph 6.1 contains an embedded derivative component, the requirements of the COLL Sourcebook with respect to derivatives and forwards will apply to that component.

7. **Approved Money-Market Instruments**

7.1 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.

7.2 A money-market instrument shall be regarded as normally dealt in on the money-market if it:

7.2.1 has a maturity at issuance of up to and including 397 days;

7.2.2 has a residual maturity of up to and including 397 days;

7.2.3 undergoes regular yield adjustments in line with money-market conditions at least every 397 days; or

7.2.4 has a risk profile, including credit and interest rate risks, corresponding to that of an instrument which has a maturity as set out in 7.2.1 or 7.2.2 or is subject to yield adjustments as set out in 7.2.3.

7.3 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.

7.4 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:

7.4.1 enabling the ACD to calculate a Net Asset Value in accordance with the value at which the instrument held in the Scheme Property could be exchanged between knowledgeable willing parties in an arm's length transaction; and

7.4.2 based either on market data or on valuation models including systems based on amortised costs.

7.5 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.

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

8.1 Transferable securities and approved money-market instruments held within the Company must be:

8.1.1 admitted to or dealt in on an eligible market as described in 9.1.1; or

8.1.2 dealt in on an eligible market as described in 9.1.2; or

8.1.3 admitted to or dealt in on an eligible market as described in 9.2; or

8.1.4 for an approved money-market instrument not admitted to or dealt in on an eligible market, within 10.1; or

8.1.5 recently issued transferable securities provided that:

8.1.5.1 the terms of issue include an undertaking that application will be made to be admitted to an eligible market; and

8.1.5.2 such admission is secured within a year of issue.

8.2 However, the Company may invest no more than 10% of the Scheme Property in transferable securities and approved money-market instruments other than those referred to in 8.1.

9. **Eligible markets regime: purpose and requirements**

9.1 A market is eligible for the purposes of the rules if it is:

9.1.1 a regulated market as defined in the FCA Glossary; or

9.1.2 a market in the UK or an EEA State which is regulated, operates regularly and is open to the public; or

9.1.3 a market in paragraph 9.2 of this Appendix.

9.2 A market falling within paragraph 9.1.3 of this Appendix is eligible for the purposes of COLL 5 if:

9.2.1 the ACD, after consultation with and notification to the Depositary, decides that market is appropriate for investment of, or dealing in, the Scheme Property;

9.2.2 the market is included in a list in the prospectus; and

9.2.3 the Depositary has taken reasonable care to determine that:

9.2.3.1 adequate custody arrangements can be provided for the investment dealt in on that market; and

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

9.3 In paragraph 9.2.1, a market must not be considered appropriate unless it is regulated, operates regularly, is recognised 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 Shareholders.

9.4 The Eligible Markets for the Company are set out in Appendix II.

10. **Money-market instruments with a regulated issuer**

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

10.1.1 the issue or the issuer is regulated for the purpose of protecting Shareholders and savings; and

10.1.2 the instrument is issued or guaranteed in accordance with paragraph 11 (Issuers and guarantors of money-market instruments) below.

10.2 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 Shareholders and savings if:

10.2.1 the instrument is an approved money-market instrument;

10.2.2 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 12 (Appropriate information for money-market instruments) below; and

10.2.3 the instrument is freely transferable.

11. **Issuers and guarantors of money-market instruments**

11.1 The Company may invest in an approved money-market instrument if it is:

11.1.1 issued or guaranteed by any one of the following:

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

11.1.1.2 a regional or local authority of the UK or an EEA State;

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

11.1.1.4 the European Union or the European Investment Bank;

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

11.1.1.6 a public international body to which the UK or one or more EEA States belong; or

11.1.2 issued by a body, any securities of which are dealt in on an eligible market;
or

11.1.3 issued or guaranteed by an establishment which is:

11.1.3.1 subject to prudential supervision in accordance with criteria defined by UK or European Union law; or

11.1.3.2 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.

11.2 An establishment shall be considered to satisfy the requirement in 11.1.3.2 if it is subject to and complies with prudential rules, and fulfils one or more of the following criteria:

11.2.1 it is located in the European Economic Area;

11.2.2 it is located in an OECD country belonging to the Group of Ten;

11.2.3 it has at least investment grade rating;

11.2.4 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.

12. **Appropriate information for money-market instruments**

12.1 In the case of an approved money-market instrument within 11.1.2 or issued by a body of the type referred to in COLL 5.2.10EG, or which is issued by an authority within 11.1.1.2 or a public international body within 11.1.1.6 but is not guaranteed by a central authority within 11.1.1.1, the following information must be available:

12.1.1 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;

12.1.2 updates of that information on a regular basis and whenever a significant event occurs; and

12.1.3 available and reliable statistics on the issue or the issuance programme.

12.2 In the case of an approved money-market instrument issued or guaranteed by an establishment within 11.1.3, the following information must be available:

12.2.1 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;

12.2.2 updates of that information on a regular basis and whenever a significant event occurs; and

12.2.3 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.

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

12.3.1 within 11.1.1.1, 11.1.1.4 or 11.1.1.5; or

12.3.2 which is issued by an authority within 11.1.1.2 or a public international body within 11.1.1.6 and is guaranteed by a central authority within 11.1.1.1;

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

13. **Spread: general**

13.1 This rule on spread does not apply in respect of a transferable security or an approved money-market instrument to which paragraph 15 (Spread: government and public securities) applies.

13.2 The specific limits are set out as follows:

13.2.1 For the purposes of this paragraph 13.2, a single body is: (a) in relation to transferable securities and money market instruments, the person by whom they are issued; and (b) in relation to deposits, the person with whom they are placed.

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

13.2.3 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, except that the limit of 5% is raised to 10% in respect of up to 40% in value of the Scheme Property (covered bonds need not be taken into account for the purposes of applying the limit of 40%). For these purposes certificates representing certain securities are treated as equivalent to the underlying security.

13.2.4 The limit of 5% in 13.2.3 is raised to 25% in value of the Scheme Property in respect of covered bonds provided that when the Company 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.

13.2.5 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.

13.2.6 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.

13.2.7 COLL 5 provides that not more than 20% in value of the Scheme Property is to consist of the units of any one collective investment scheme.

13.2.8 COLL 5 provides that in applying the limits in 13.2.2, 13.2.3 and 13.2.5 in relation to a single body, and subject to 13.2.4, not more than 20% in value of the Scheme Property is to consist of any combination of two or more of the following:

13.2.8.1 transferable securities (including covered bonds) or approved money-market instruments issued by that body; or

13.2.8.2 deposits made with that body; or

13.2.8.3 exposures from OTC derivatives transactions made with that body.

14. **Counterparty risk and issuer concentration**

14.1 The ACD must ensure that counterparty risk arising from an OTC derivative is subject to the limits set out in paragraphs 13.2.5 and 13.2.8 above.

14.2 When calculating the exposure of the Company to a counterparty in accordance with the limits in paragraph 13.2.5 the ACD must use the positive mark-to-market value of the OTC derivative contract with that counterparty.

14.3 The ACD may net the OTC derivative positions of the Company with the same counterparty, provided they are able legally to enforce netting agreements with the counterparty on behalf of the Company.

14.4 The netting agreements in paragraph 14.3 above do not apply to any other exposures the Company may have with that same counterparty.

14.5 The ACD may reduce the exposure of Scheme Property to a counterparty of an OTC derivative 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.

14.6 The ACD must take collateral into account in calculating exposure to counterparty risk in accordance with the limits in paragraph 13.2.5 when it passes collateral to an OTC counterparty on behalf of the Company.

14.7 Collateral passed in accordance with paragraph 14.6 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 Company.

14.8 The ACD must calculate the issuer concentration limits referred to in paragraph 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. on the basis of the underlying exposure created through the use of OTC derivatives pursuant to the commitment approach.

- 14.9 In relation to the exposure arising from OTC derivative transactions as referred to in paragraph 13.2.5 the ACD must include any exposure to OTC derivative transactions counterparty risk in the calculation.

15. **Spread: government and public securities**

- 15.1 The following section applies in respect of a transferable security or an approved money-market instrument ("such securities") that is issued or guaranteed by:
- 15.1.1 the UK or an EEA State;
 - 15.1.2 a local authority of the UK or an EEA State;
 - 15.1.3 a non-EEA State; or
 - 15.1.4 a public international body to which the UK or one or more EEA States belong.
- 15.2 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.
- 15.3 **The Company may invest more than 35% in value of the Scheme Property in such securities issued by any one body provided that:**
- 15.3.1 **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 Company;**
 - 15.3.2 **no more than 30% in value of the Scheme Property consists of such securities of any one issue;**
 - 15.3.3 **the Scheme Property includes such securities issued by that or another issuer, of at least six different issues;**
 - 15.3.4 **the disclosures in COLL have been made.**
- 15.4 In relation to such securities:
- 15.4.1 issue, issuer and guarantor include guarantee, guaranteed and guarantor; and
 - 15.4.2 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.
- 15.5 **In giving effect to the foregoing object more than 35% of the Scheme Property may be invested in such securities issued or guaranteed by the Government of the United Kingdom, the Scottish Administration or the Executive Committee of the Northern Ireland Assembly, or the National**

Assembly of Wales, or the governments of Austria, Belgium, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Netherlands, Norway, Portugal, Spain and Sweden and the governments of Australia, Canada, Japan, New Zealand, Switzerland or the United States of America and in securities issued by the European Investment Bank.

- 15.6 The ACD has consulted with the Depositary and considers that the issuers named above are ones which are appropriate in accordance with the investment objective of the Company.
- 15.7 Notwithstanding 13.1 and subject to 15.2 and 15.3 above, in applying the 20% limit in paragraph 13.2.8 with respect to a single body, such securities issued by that body shall be taken into account.

16. Investment in collective investment schemes

- 16.1 Up to 100% of the value of the Scheme Property may be invested in units or shares in other collective investment schemes ("Second Scheme") provided the Second Scheme satisfies all of the following conditions and provided that no more than 30% in value of the Scheme Property is invested in Second Schemes within 16.1.1.2-16.1.1.5 below.

16.1.1 The Second Scheme must:

- 16.1.1.1 be a UCITS Scheme or a scheme which satisfies the conditions necessary for it to enjoy the rights conferred by the UCITS Directive as implemented in the EEA; or
- 16.1.1.2 be 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, as set out in paragraph 16.3, are met); or
- 16.1.1.3 be authorised as a Non-UCITS retail scheme (provided the requirements of COLL 5.2.13AR(1), (3) and (4) are met); or
- 16.1.1.4 be authorised in an EEA State (provided the requirements of COLL 5.2.13AR are met); or
- 16.1.1.5 be authorised by the competent authority of an OECD member country (other than another EEA State) which has:
- (a) signed the IOSCO Multilateral Memorandum of Understanding; and

- (b) approved the Second Scheme's management company, rules and depositary/custody arrangements;

(provided the requirements of COLL 5.2.13AR are met).

- 16.1.2 The Second Scheme has terms which prohibit it from having more than 10% in value of the Scheme Property consisting of units in collective investment schemes.
 - 16.1.3 Where the Second Scheme is an umbrella, the provisions in this paragraph 16.1.2, paragraph 16.1.4 and paragraph 13 (Spread: general) apply to each sub fund as if it were a separate scheme.
 - 16.1.4 Investment may only be made in other collective investment schemes managed by the ACD or an associate of the ACD subject to the rules in the FCA Handbook.
- 16.2 If a substantial proportion of a Company's assets are invested in other collective investment schemes, the maximum level of management fees which may be charged to the Company will be 6%.
- 16.3 The requirements of COLL 5.2.13AR are that:
- 16.3.1 the second scheme is an undertaking:
 - 16.3.1.1 with the sole objective of collective investment in transferable securities or in other liquid financial assets, as referred to in Chapter 5 of the COLL Sourcebook, of capital raised from the public and which operate on the principle of risk spreading; and
 - 16.3.1.2 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);
 - 16.3.2 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 UK, and that cooperation between the FCA and the supervisory authorities of the second scheme is sufficiently ensured;
 - 16.3.3 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 asset segregation, borrowing, lending and uncovered sales of transferable

securities and approved money market instruments are equivalent to the requirements of Chapter 5 of the COLL Sourcebook; and

- 16.3.4 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.
- 16.4 The second scheme must comply, where relevant, with COLL 5.2.15R (Investment in associated collective investment schemes) and COLL 5.2.16R (Investment in other group schemes).
- 16.5 Where the Company makes an investment in, or disposal of, units or shares of a second scheme detailed in paragraph 16.1.4, and there is a charge in respect of such investment or disposal, the ACD must pay the Company the amount referred to in either paragraph 16.6 or paragraph 16.7 within four Business Days following the date of the agreement to invest or dispose.
- 16.6 When an investment is made, the amount referred to in paragraph 16.5 is either:
 - 16.6.1 any amount by which the consideration paid by the Company for the units or shares in the second scheme exceeds the price that would have been paid for the benefit of the second scheme had the units or shares been newly issued or sold by it; or
 - 16.6.2 if such price cannot be ascertained by the ACD, the maximum amount of any charge permitted to be made by the seller of units or shares in the second scheme.
- 16.7 When a disposal is made, the amount referred to in paragraph 16.5 is 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.
- 16.8 In paragraphs 16.6 and 16.7 above:
 - 16.8.1 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 or dilution adjustment, is to be treated as part of the price of the units and not as part of any charge; and
 - 16.8.2 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. **Investment in nil and partly paid securities**
- 17.1 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 Company, at the time when payment is required, without contravening the rules in COLL 5.
18. **Derivatives: general**
- 18.1 **The Investment Managers may employ derivatives for the purposes of Efficient Portfolio Management ('EPM') in accordance with the Risk Management Policy (RMP) – The RMP is available on request from the Authorised Corporate Director.**
- 18.2 **Where the Company employs derivatives for EPM or hedging purposes its global exposure will be calculated using the commitment approach on a daily basis.**
- 18.3 **The commitment approach measures the exposure generated by a derivative and must be based on an exact conversion of the financial derivative position into the market value of an equivalent position in the underlying asset of that derivative.**
- 18.4 **The sum of the absolute value of all these equivalent positions, after allowing for netting and hedging, is then the leverage generated by the Company's derivatives positions. This leverage level must comply with the RMP.**
- 18.5 **It is not intended that the use of derivatives and forward transactions for EPM purposes will cause the Company risk profile to increase.**
- 18.6 A transaction in derivatives or a forward transaction must not be effected for the Company unless:
- 18.6.1 the transaction is of a kind specified in paragraph 20 (**Permitted transactions (derivatives and forwards)**); and
- 18.6.2 the transaction is covered, as required by the FCA Regulations at COLL 5.3.3AR.
- 18.7 Where the Company invests in derivatives, the exposure to the underlying assets must not exceed the limits set out in COLL 5 in relation to COLL 5.2.11R (Spread: general) and COLL 5.2.12R (Spread: government and public securities) except for index based derivatives where the rules below apply.

- 18.8 Where a transferable security or approved money-market instrument embeds a derivative, this must be taken into account for the purposes of complying with this section.
- 18.9 A transferable security or an approved money-market instrument will embed a derivative if it contains a component which fulfils the following criteria:
- 18.9.1 by virtue of that component some or all of the cash flows that otherwise would be required by the transferable security or approved money-market instrument which functions as host contract can be modified according to a specified interest rate, financial instrument price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, and therefore vary in a way similar to a stand-alone derivative;
 - 18.9.2 its economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract; and
 - 18.9.3 it has a significant impact on the risk profile and pricing of the transferable security or approved money-market instrument.
- 18.10 A transferable security or an approved money-market instrument does not embed a derivative where it contains a component which is contractually transferable independently of the transferable security or the approved money-market instrument. That component shall be deemed to be a separate instrument.
- 18.11 Where the Company invests in an index based derivative, provided the relevant index falls within the FCA Regulations at COLL 5.2.20AR, the underlying constituents of the index do not have to be taken into account for the purposes of COLL 5.2.11R and COLL 5.2.12R, provided the ACD takes account of the requirements in COLL 5.2.3 for a prudent spread of risk.

19. **Efficient Portfolio Management**

- 19.1 The Investment Managers may use Scheme Property to enter into transactions for the purposes of EPM. Permitted EPM transactions include transactions in derivatives dealt or traded on an eligible derivatives market or over-the-counter. Where permitted, EPM techniques may also involve the Company entering into stock lending transactions or reverse repurchase agreements. The ACD must ensure in entering into EPM transactions that the transaction is economically appropriate to (i) the reduction of the relevant risks (whether in the price of investments, interest rates or exchange rates) or (ii) the reduction of the relevant costs and/or (iii) the generation of additional capital or income for the scheme with a risk level which is consistent with the risk profile of the scheme and the risk diversification rules laid down in COLL 5.
- 19.2 There is no guarantee that the Company will achieve the objective for which any EPM transaction was undertaken. To the extent that derivative instruments are

utilised for hedging purposes (reduction of the risk profile of the Company), the risk of loss to the Company may be increased where the value of the derivative instrument and the value of the security or position which it is hedging prove to be insufficiently correlated. EPM transactions (save to the extent that derivatives are traded on exchange) may involve a risk that a counterparty will wholly or partially fail to honour its contractual obligations.

19.3 In order to mitigate that risk of counterparty default, the counterparties to these transactions may be required to provide collateral to suitably cover their obligations to the Company. In the event of default by the counterparty, it will forfeit its collateral on the transaction. However, there is a risk that the collateral, especially where it is in the form of securities, when realised will not raise sufficient cash to settle the counterparty's liability to the Company. Securities lending transactions may, in the event of a default by the counterparty, result in the securities lent being recovered late or only in part. This may result in loss for the Company.

19.4 To assist in managing these types of risks, the ACD has a collateral management policy which sets criteria around the types of eligible collateral the Company may accept. A copy of this is available from the ACD on request.

19.5 Shareholders should note that EPM transactions may be effected in relation to the Company in circumstances where the ACD or Investment Managers have, either directly or indirectly, an interest which may potentially involve a conflict of their obligations to the Company. Where a conflict cannot be avoided, the ACD and Investment Managers will have regard to their responsibility to act in the best interests of the Company and its Shareholders. The ACD and Investment Managers will ensure that the Company and its Shareholders 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. For further information in relation to conflicts of interest, please see the 'conflicts of interest' section of this prospectus. All revenues arising from EPM transactions (including stock lending and repurchase and reverse repurchase arrangements, if any) will be returned to the Company, net of direct and indirect operational costs and fees.

20. **Permitted transactions (derivatives and forwards)**

20.1 A transaction in a derivative must:

20.1.1 be in an approved derivative; or

20.1.2 be an OTC derivative which complies with paragraph 24 (**OTC transactions in derivatives**).

20.2 A transaction in a derivative must have the underlying consisting of any one or more of the following to which the Company is dedicated:

20.2.1 transferable securities;

- 20.2.2 approved money-market instruments permitted under paragraphs 8.1.1 to 8.1.4;
 - 20.2.3 deposits and permitted derivatives under this paragraph;
 - 20.2.4 derivatives permitted under this paragraph;
 - 20.2.5 collective investment scheme units permitted under paragraph 16 (Investment in collective investment schemes);
 - 20.2.6 financial indices which satisfy the criteria set out in paragraph 21 (Financial indices underlying derivatives);
 - 20.2.7 interest rates;
 - 20.2.8 foreign exchange rates; and
 - 20.2.9 currencies.
- 20.3 A transaction in an approved derivative must be effected on or under the rules of an eligible derivatives market.
- 20.4 A transaction in a derivative must not cause the Company to diverge from its investment objective as stated in the Instrument of Incorporation and the most recently published version of this Prospectus.
- 20.5 A transaction in a derivative 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 5.2.22AG, are satisfied.
- 20.6 Any forward transaction must be with an Eligible Institution or an Approved Bank.
- 20.7 A derivative includes an investment which fulfils the following criteria:
- 20.7.1 it allows transfer of the credit risk of the underlying independently from the other risks associated with that underlying;
 - 20.7.2 it does not result in the delivery or the transfer of assets other than those referred to in COLL 5.2.6AR, including cash;
 - 20.7.3 in the case of an OTC derivative, it complies with the requirements in COLL 5.2.23 R (OTC transactions in derivatives); and
 - 20.7.4 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.

20.8 The Company may not undertake transactions in derivatives on commodities.

21. **Financial Indices underlying derivatives**

21.1 The financial indices referred to in 20.2.6 are those which satisfy the following criteria:

21.1.1 the index is sufficiently diversified;

21.1.2 the index represents an adequate benchmark for the market to which it refers; and

21.1.3 the index is published in an appropriate manner.

21.2 A financial index is sufficiently diversified if:

21.2.1 it is composed in such a way that price movements or trading activities regarding one component do not unduly influence the performance of the whole index;

21.2.2 where it is composed of assets in which the Company is permitted to invest, its composition is at least diversified in accordance with the requirements with respect to spread and concentration set out in this Appendix; and

21.2.3 where it is composed of assets in which the Company cannot invest, it is diversified in a way which is equivalent to the diversification achieved by the requirements with respect to spread and concentration set out in this Appendix.

21.3 A financial index represents an adequate benchmark for the market to which it refers if:

21.3.1 it measures the performance of a representative group of underlyings in a relevant and appropriate way;

21.3.2 it is revised or rebalanced periodically to ensure that it continues to reflect the markets to which it refers, following criteria which are publicly available; and

21.3.3 the underlyings are sufficiently liquid, allowing users to replicate it if necessary.

21.4 A financial index is published in an appropriate manner if:

21.4.1 its publication process relies on sound procedures to collect prices, and calculate and subsequently publish the index value, including pricing procedures for components where a market price is not available; and

21.4.2 material information on matters such as index calculation, rebalancing methodologies, index changes or any operational difficulties in providing timely or accurate information is provided on a wide and timely basis.

21.5 Where the composition of underlyings of a transaction in a derivative does not satisfy the requirements for a financial index, the underlyings for that transaction shall where they satisfy the requirements with respect to other underlyings pursuant to paragraph 20.2, be regarded as a combination of those underlyings.

22. **Transactions for the purchase of property**

A derivative or forward transaction which would or could lead to the delivery of property to the Depositary may be entered into only if such property can be held for the account of the Company, and the ACD having taken reasonable care determines that delivery of the property pursuant to the transaction will not lead to a breach of COLL 5.

23. **Requirement to cover sales**

23.1 No agreement by or on behalf of the Company to dispose of property or rights (except for a deposit) may be made unless:

23.1.1 the obligation to make the disposal and any other similar obligation could immediately be honoured by the Company by delivery of property or the assignment of rights; and

23.1.2 the property and rights at paragraph 23.1.1 are owned by the Company at the time of the agreement.

24. **OTC transactions in derivatives**

24.1 Any transaction in an OTC derivative under paragraph 20.1 must be:

24.1.1 with an approved counterparty; a counterparty to a transaction in derivatives is approved only if the counterparty is:

24.1.1.1 an Eligible Institution or an Approved Bank; or

24.1.1.2 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;

- 24.1.1.3 a CCP that is authorised in that capacity for the purposes of EMIR
- 24.1.1.4 a CCP that is recognised in that capacity in accordance with the process set out in article 25 of EMIR; or
- 24.1.1.5 to the extent not already covered above, a CCP supervised in a jurisdiction that:
 - (a) has implemented the relevant G20 reforms on over-the-counter derivatives to at least the same extent as the UK; and
 - (b) 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.
- 24.1.2 on approved terms; the terms of the transaction in derivatives are approved only if, the ACD:
 - 24.1.2.1 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
 - 24.1.2.2 can enter into one or more further transaction to sell, liquidate or close out that transaction at any time, at a fair value;
- 24.1.3 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:
 - 24.1.3.1 on the basis of an up-to-date market value which the ACD and the Depositary have agreed is reliable; or
 - 24.1.3.2 if the value referred to in 24.1.3.1 is not available, on the basis of a pricing model which the ACD and the Depositary have agreed uses an adequate recognised methodology; and
- 24.1.4 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:

- 24.1.4.1 an appropriate third 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
 - 24.1.4.2 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.
- 24.2 For the purposes of paragraph 24.1.2, “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. The Depositary must take reasonable care to ensure that the ACD has systems and controls that are adequate to ensure compliance with paragraph 20.1.
- 24.3 The jurisdictions that fall within paragraph 24.1.1.5 above are Australia, France, Germany, Hong Kong, Italy, Japan, the Netherlands, Singapore, Spain, Switzerland and the United States of America.

25. **Valuation of OTC derivatives**

- 25.1 For the purposes of paragraph 24.1 the ACD must:
 - 25.1.1 establish, implement and maintain arrangements and procedures which ensure appropriate, transparent and fair valuation of the exposures of the Company to OTC derivatives; and
 - 25.1.2 ensure that the fair value of OTC derivatives is subject to adequate, accurate and independent assessment.
- 25.2 Where the arrangements and procedures referred to in paragraph 25.1 above involve the performance of certain activities by third parties, the ACD must comply with the requirements in SYSC 8.1.13 R (Additional requirements for a management company) and COLL 6.6A.4 R (4) to (6) (Due diligence requirements of Managers of UK UCITS).
- 25.3 The arrangements and procedures referred to in 25.1 must be:
 - 25.3.1 adequate and proportionate to the nature and complexity of the OTC derivative concerned; and
 - 25.3.2 adequately documented.

26. **Investment in deposits**

- 26.1 The Company 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.

27. **Significant influence**

27.1 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:

27.1.1 immediately before the acquisition, the aggregate of any such securities held by the Company gives the Company power significantly to influence the conduct of business of that body corporate; or

27.1.2 the acquisition gives the Company that power.

27.2 For the purposes of paragraph 27.1, 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).

28. **Concentration**

28.1 The Company:

28.1.1 must not acquire transferable securities (other than debt securities) which:

28.1.1.1 do not carry a right to vote on any matter at a general meeting of the body corporate that issued them; and

28.1.1.2 represent more than 10% of these securities issued by that body corporate;

28.1.2 must not acquire more than 10% of the debt securities issued by any single issuing body;

28.1.3 must not acquire more than 25% of the units in a collective investment scheme;

28.1.4 must not acquire more than 10% of the approved money-market instruments issued by any single body; and

28.2 The Company need not comply with the limits in paragraphs 28.1.2, 28.1.3 and 28.1.4 of this Appendix if, at the time of the acquisition, the net amount in issue of the relevant investment cannot be calculated.

29. **Derivatives exposure**

29.1 The Company may invest in derivatives and forward transactions as long as the exposure to which the Company is committed by that transaction itself is suitably

covered from within the Scheme Property. Exposure will include any initial outlay in respect of that transaction.

- 29.2 Cover ensures that the Company 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, the Company must hold Scheme Property sufficient in value or amount to match the exposure arising from a derivative obligation to which the Company is committed. Paragraph 31 (Cover for investment in derivatives and forward transactions) below sets out detailed requirements for cover of the Company.
- 29.3 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.

30. **Schemes replicating an index**

- 30.1 Notwithstanding paragraph 13 (Spread: general), the Company 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 as defined below.
- 30.2 Replication of the composition of a relevant index shall be understood to be a reference to a 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.
- 30.3 The 20% limit in paragraph 30.1 can be raised up to 35% in value of the Scheme Property, but only in respect of one body and where justified by exceptional market conditions.
- 30.4 In the case of the Company 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 deviation from this is expedient for reasons of poor liquidity or excessive cost to the scheme in trading in an underlying investment.
- 30.5 The indices referred to above are those which satisfy the following criteria:
- 30.5.1 the composition is sufficiently diversified;
 - 30.5.2 the index represents an adequate benchmark for the market to which it refers; and
 - 30.5.3 the index is published in an appropriate manner.
- 30.6 The composition of an index is sufficiently diversified if its components adhere to the spread and concentration requirements in this section.

30.7 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.

30.8 An index is published in an appropriate manner if:

30.8.1 it is accessible to the public;

30.8.2 the index provider is independent from the index-replicating UK UCITS; this does not preclude index providers and the UK UCITS from forming part of the same group, provided that effective arrangements for the management of conflicts of interest are in place.

31. **Cover for investment in derivatives and forward transactions**

31.1 The ACD must ensure that the Company's global exposure relating to derivatives and forwards transactions held for the Company may not exceed the net value of the Scheme Property.

31.2 The ACD must calculate the Company's global exposure on at least a daily basis, in accordance with the methods described in COLL 5.3.7R to COLL 5.3.10R. For the purposes of this paragraph, exposure 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 the positions.

32. **Borrowing**

32.1 Cash obtained from borrowing, and borrowing which the ACD reasonably regards an Eligible Institution or an Approved Bank to be committed to provide, is not available for cover under paragraph 31 (Cover for investment in derivatives and forward transactions) except where 32.2 below applies.

32.2 Where, for the purposes of this paragraph the Company:

32.2.1 borrows an amount of currency from an Eligible Institution or an Approved Bank; and

32.2.2 keeps an amount in another currency, at least equal to such borrowing for the time being in paragraph 32.1 on deposit with the lender (or their agent or nominee),

then this paragraph 32.2 applies as if the borrowed currency, and not the deposited currency, were part of the Scheme Property.

33. **Calculation of global exposure**

33.1 The ACD must calculate the global exposure of the Company on at least a daily basis.

- 33.2 The ACD must calculate the global exposure of any Company it manages either as:
 - 33.2.1 the incremental exposure and leverage generated through the use of derivatives and forward transactions (including embedded derivatives as referred to in paragraph 18 (**Derivatives: general**)), which may not exceed 100% of the net value of the Scheme Property; or
 - 33.2.2 the market risk of the Scheme Property.
 - 33.3 For the purposes of this section exposure 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 the positions.
 - 33.4 The ACD must calculate the global exposure of a Company by using:
 - 33.4.1 commitment approach; or
 - 33.4.2 the value at risk approach.
 - 33.5 The ACD must ensure that the method selected above is appropriate, taking into account:
 - 33.5.1 the investment strategy pursued by the Company;
 - 33.5.2 types and complexities of the derivatives and forward transactions used; and
 - 33.5.3 the proportion of the Scheme Property comprising derivatives and forward transactions.
 - 33.6 Where the Company employs techniques and instruments including repo contracts or stock lending transactions in accordance with paragraph 41 (**Stock lending**) in order to generate additional leverage or exposure to market risk, the ACD must take those transactions into consideration when calculating global exposure.
34. **Cash and near cash**
- 34.1 Cash and near cash must not be retained in the Scheme Property except to the extent that, where this may reasonably be regarded as necessary in order to enable:
 - 34.1.1 the pursuit of the Company's investment objective; or
 - 34.1.2 redemption of Shares; or
 - 34.1.3 efficient management of the Company in accordance with its investment objective; or

34.1.4 other purposes which may reasonably be regarded as ancillary to the investment objective of the Company.

35. General power to borrow

35.1 The Company may, in accordance with this paragraph and subject to COLL 5, borrow money from an Eligible Institution or an Approved Bank for the use of the Company 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 Company to comply with any restriction in the instrument constituting the Company.

35.2 The ACD must ensure that borrowing is on a temporary basis and that borrowings are not persistent, and for this purpose the ACD must have regard in particular to:

35.2.1 the duration of any period of borrowing; and

35.2.2 the number of occasions on which it has resorted to borrowing in any period.

35.3 The ACD must ensure that no period of borrowing exceeds three months without the prior consent of the Depositary.

35.4 These borrowing restrictions do not apply to "back to back" borrowing as outlined in paragraph 32 (Borrowing).

35.5 The Company must not issue any debenture unless it acknowledges or creates a borrowing that complies with paragraphs 35.1 to 35.4.

36. Borrowing Limits

36.1 The ACD must ensure that the Company's borrowing does not, on any Business Day, exceed 10% of the value of the Scheme Property.

36.2 These borrowing limits do not apply to "back to back" borrowing as outlined in paragraph 32 (Borrowing).

36.3 In this paragraph 36, "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.

37. Restrictions on lending of money

37.1 None of the money in the Scheme Property may be lent and, for the purposes of this prohibition, money is lent by the Company if it is paid to a person ("the payee") on the basis that it should be repaid, whether or not by the payee.

37.2 Acquiring a debenture is not lending for the purposes of paragraph 37.1, nor is the placing of money on deposit or in a current account.

37.3 Nothing in paragraph 37.1 prevents the Company from providing an officer of the Company with funds to meet expenditure to be incurred by them for the purposes of the Company (or for the purposes of enabling them properly to perform their duties as an officer of the Company) or from doing anything to enable an officer to avoid incurring such expenditure.

38. Restrictions on lending of property other than money

38.1 The Scheme Property other than money must not be lent by way of deposit or otherwise.

38.2 Transactions permitted by paragraph 41 (Stock lending) are not to be regarded as lending for the purposes of paragraph 38.1.

38.3 The Scheme Property must not be mortgaged.

38.4 Where transactions in derivatives or forward transactions are used for the account of the Company in accordance with COLL 5, nothing in this paragraph prevents the Company (or the Depositary at the request of the Company) from:

38.4.1 lending, depositing, pledging or charging its Scheme Property for margin requirements; or

38.4.2 transferring Scheme Property under the terms of an agreement in relation to margin requirements, provided that the ACD reasonably considers that both the agreement and the margin arrangements made under it (including in relation to the level of margin) provide appropriate protection to Shareholders.

39. General power to accept or underwrite placings

39.1 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.

39.2 This section applies, subject to paragraph 39.3 to any agreement or understanding which:

39.2.1 is an underwriting or sub-underwriting agreement; or

39.2.2 contemplates that securities will or may be issued or subscribed for or acquired for the account of the Company.

39.3 Paragraph 39.2 does not apply to:

39.3.1 an option; or

39.3.2 a purchase of a transferable security which confers a right to:

- 39.3.2.1 subscribe for or acquire a transferable security; or
- 39.3.2.2 convert one transferable security into another.
- 39.3.3 The exposure of the Company to agreements and understandings within paragraph 39.2 must, on any Business Day:
 - 39.3.3.1 be covered in accordance with the requirements of rule 5.3.3R of the COLL Sourcebook; and
 - 39.3.3.2 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.

40. **Guarantees and indemnities**

- 40.1 The Company, or the Depository for the account of the Company, must not provide any guarantee or indemnity in respect of the obligation of any person.
- 40.2 None of the Scheme Property may be used to discharge any obligation arising under a guarantee or indemnity with respect to the obligation of any person.
- 40.3 Paragraphs 40.1 and 40.2 do not apply to in respect of the Company to:
 - 40.3.1 any indemnity or guarantee given for margin requirements where the derivatives or forward transactions are being used in accordance with the FCA Rules; and
 - 40.3.2 an indemnity falling within the provisions of regulation 62(3) (Exemptions from liability to be void) of the OEIC Regulations;
 - 40.3.3 an indemnity (other than any provision in it which is void under regulation 62 of the OEIC Regulations) given to the Depository 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
 - 40.3.4 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 Company and the holders of units in that scheme become the first Shareholders in the Company.

41. **Stock lending**

- 41.1 The Company may only enter into a stock lending arrangement or repo contract in accordance with the rules in COLL 5.4 if the arrangement or contract is:
 - 41.1.1 for the account of and for the benefit of the Company; and

- 41.1.2 in the interest of its Shareholders.
- 41.2 Such an arrangement or contract is not in the interests of unitholders unless it reasonably appears to the ACD to be appropriate with a view to generating additional income for the Company with an acceptable degree of risk.
- 41.3 The Company, or the Depositary at the request of the ACD, 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:
 - 41.3.1 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;
 - 41.3.2 the counterparty is:
 - 41.3.2.1 an authorised person; or
 - 41.3.2.2 a person authorised by a Home State regulator; or
 - 41.3.2.3 a person registered as a broker-dealer with the Securities and Exchange Commission of the United States of America; or
 - 41.3.2.4 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; and the Board of Governors of the Federal Reserve System; and
 - 41.3.3 high quality and liquid collateral is obtained to secure the obligation of the counterparty under the terms referred to in paragraph 41.3.1 and the collateral is:
 - 41.3.3.1 acceptable to the Depositary;
 - 41.3.3.2 adequate (within the meaning of COLL 5.4.6R; and
 - 41.3.3.3 sufficiently immediate.
- 41.4 The counterparty for the purpose of paragraph 41.3.2 is the person who is obliged under the agreement referred to in paragraph 41.3.1 to transfer to the Depositary

the securities transferred by the Depositary under the stock lending arrangement or securities of the same kind.

41.5 Paragraph 41.3.3 does not apply to a stock lending transaction made through Euroclear Bank S.A./N.V.'s Securities Lending and Borrowing Programme.

41.6 **As at the date of this Prospectus, whilst the Company may use repurchase/reverse repurchase agreements and stock lending agreements, it currently does not do so. However, the ACD reserves the right to permit the use of such SFTs in the future. If this were to change in the future this Prospectus will be reviewed and updated.**

APPENDIX IV

List of other authorised collective investment schemes operated by the ACD

Authorised Investment Companies with Variable Capital

Abaco Fund ICVC
Arch House Fund
Ariel Fund
Bryth ICVC
CP Investment Funds
Destiny Fund ICVC
Harroway Capital ICVC
Hawarwatza Fund
Liberio Portfolio Fund
Lime Grove Fund
Meadowgate Funds
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 Balanced Strategy Fund
The Global Multi Asset Fund
The Gulland Fund
The Hector Fund
The Juniper Fund
The Lockerley Fund
The Mazener 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 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
TM Cresswell Fund
TM CRUX Funds ICVC
TM CRUX OEIC
TM First Arrow Investment Funds
TM Hearthstone ICVC
TM Investment Exposures Fund
TM Investment Funds
TM Lime Fund

Authorised Unit Trusts

BPM Trust
Eden Investment Fund
Elfynn International Trust
Glenhuntley Portfolio Trust
Hawthorn Portfolio Trust
KES Diversified Trust
KES Equity Fund
KES Growth Fund
KES Income and Growth 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 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
The TUTMAN B&CE Contracted-out Pension Scheme
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 New Court Fund
TM New Court Equity Growth Fund
TM New Institutional World Fund
TM Preservation Fund
TM Private Portfolio Trust
TM Stonehage Fleming Global Equities Fund
TM Stonehage Fleming Global Equities Fund II
TM Stonehage Fleming Global Equities Umbrella Fund

TM Neuberger Berman Investment Funds
TM Oak Fund
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 UBS (UK) Fund
TM Veritas Investment ICVC
Trowbridge Investment Funds

APPENDIX V

PAST PERFORMANCE AND INVESTOR PROFILE

The performance information below is based on Accumulation shares.

The performance table show the total annual return over a five year period up to 31 December in each year listed. For more up-to-date performance information, please contact the ACD.

This performance information is net of subscription and redemption fees but does not include the effect of any preliminary charge that may be paid on the purchase of an investment.

	2017 %	2018 %	2019 %	2020 %	2021 %
The Gulland Fund	10.37	-5.55	18.06	6.74	4.79

Source: These performance figures have been derived from information extracted from information provided through Morningstar.

PLEASE NOTE: The source for performance data has recently been changed. This change may have resulted in variations from previously published performance figures.

Investors should note that these figures refer to the past and past performance should not be taken as a guide to the future. Please see Appendix I for the Company's objectives and below for an explanation of investor profile.

Investor profiles

The Company is marketable to all eligible investors provided they can meet the minimum subscription levels. The Company may be suitable for investors who see collective investment schemes as a convenient way of participating in investment markets. It may be suitable for investors wishing to seek to achieve defined investment objectives. Such investors must have experience with, or understand, products where the capital is at risk. Investors must be able to accept some risk to their capital, thus the Company may be suitable for investors who are looking to set aside the capital for at least 5 years. If you are uncertain whether this product is suitable for you, please contact a professional adviser.

The Gulland Fund may be suitable for those investors wanting to achieve capital growth and income over the long term through diversified investment principally in international equities and fixed interest securities.

APPENDIX VI

LIST OF SUB-CUSTODIANS

The Custodian may delegate the custody of assets to the following Sub-Custodians and Sub-Custodian Delegates, where applicable as regards the Eligible Markets listed in Appendix II:

1. Jurisdiction	2. Sub-custodian	3. Sub-custodian Delegate
Argentina	Citibank N.A., Buenos Aires Branch	Not applicable
Australia	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Australia Limited
Austria	UniCredit Bank Austria AG	Not applicable
Bahrain	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
Bangladesh	Standard Chartered Bank	Not applicable
Belgium	The Northern Trust Company	Not applicable
Bosnia and Herzegovina (Federation of Bosnia-Herzegovina)	Raiffeisen Bank International AG	Raiffeisen Bank Bosnia DD BiH
Bosnia and Herzegovina (Republic of Srpska)	Raiffeisen Bank International AG	Raiffeisen Bank Bosnia DD BiH
Botswana	Standard Chartered Bank Botswana Limited	Not applicable
Brazil	Citibank N.A., Brazilian Branch	Citibank Distribuidora de Títulos e Valores Mobiliários S.A ("DTVM")
Bulgaria	Citibank Europe plc, Bulgaria Branch	Not applicable

CD's - USD	Deutsche Bank AG, London Branch	Not applicable
CD's - USD	The Northern Trust Company, Canada	Not applicable
Canada	Royal Bank of Canada	Not applicable
Chile	Citibank N.A.	Banco de Chile
China A Share	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (China) Company Limited
China A Share	Bank of Communications Co., Ltd	Not applicable
China A Share	China Construction Bank Corporation	Not applicable
China A Share	Deutsche Bank (China) Co., Ltd, Shanghai Branch	Not applicable
China A Share	Industrial and Commercial Bank of China Limited	Not applicable
China A Share	Standard Chartered Bank (China) Limited	Not applicable
China B Share	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (China) Company Limited
China B Share	Citibank N.A., Hong Kong Branch	Not applicable
Clearstream	Clearstream Banking S.A.,	Not applicable
Colombia	Cititrust Columbia S.A. Sociedad Fiduciaria	Not applicable
Costa Rica	Banco Nacional de Costa Rica	Not applicable

Croatia	UniCredit Bank Austria AG	Zagrebacka Banka d.d.
Cyprus	Citibank Europe PLC	Not applicable
Czech Republic	UniCredit Bank Czech Republic and Slovenia, a.s.	Not applicable
Denmark	Skandinaviska Enskilda Banken AB (publ)	Not applicable
Egypt	Citibank N.A., Cairo Branch	Not applicable
Egypt	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Egypt SAE
Estonia	Swedbank AS	Not applicable
Finland	Skandinaviska Enskilda Banken AB (publ)	Not applicable
France	The Northern Trust Company	Not applicable
Germany	The Northern Trust Company	Not applicable
Ghana	Standard Chartered Bank Ghana Limited	Not applicable
Greece	Citibank Europe PLC	Not applicable
Hong Kong	The Hongkong and Shanghai Banking Corporation Limited	Not applicable
Hong Kong (Stock and Bond Connect)	The Hongkong and Shanghai Banking Corporation Limited	Not applicable
Hungary	Citibank Europe plc	Not applicable

Iceland	Landsbankinn hf	Not applicable
India	Citibank N.A.	Not applicable
India	The Hongkong and Shanghai Banking Corporation Limited	Not applicable
Indonesia	Standard Chartered Bank	Not applicable
Ireland	The Northern Trust Company, London	Not applicable
Israel	Citibank, N.A., Israel Branch	Not applicable
Italy	Citibank Europe plc	Not applicable
Japan	The Hongkong and Shanghai Banking Corporation Limited	Not applicable
Jordan	Standard Chartered Bank	Not applicable
Kazakhstan	Citibank Kazakhstan JSC	Not applicable
Kenya	Standard Chartered Bank Kenya Limited	Not applicable
Kuwait	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
Latvia	Swedbank AS	Not applicable
Lithuania	AB SEB bankas	Not applicable
Luxembourg	Euroclear Bank S.A./N.V.	Not applicable

Malaysia	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Malaysia Berhad
Mauritius	The Hongkong and Shanghai Banking Corporation Limited	Not applicable
Mexico	Banco Nacional de Mexico S.A. integrante del Grupo Financiero Banamex	Not applicable
Morocco	Société Générale Marocaine de Banques	Not applicable
Namibia	Standard Bank Namibia Ltd	Not applicable
Netherlands	The Northern Trust Company	Not applicable
New Zealand	The Hongkong and Shanghai Banking Corporation Limited	Not applicable
Nigeria	Stanbic IBTC Bank Plc	Not applicable
Norway	Skandinaviska Enskilda Banken AB (publ)	Not applicable
Oman	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Oman S.A.O.G
Pakistan	Citibank N.A., Karachi Branch	Not applicable
Panama	Citibank N.A., Panama Branch	Not applicable
Peru	Citibank del Peru S.A.	Not applicable
Philippines	The Hongkong and Shanghai Banking Corporation Limited	Not applicable
Poland	Bank Handlowy w Warszawie S.A.	Not applicable

Portugal	BNP Paribas SA	Not applicable
Qatar	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
Romania	Citibank Europe PLC	Not applicable
Russia	AO Citibank	Not applicable
Saudi Arabia	The Northern Trust Company of Saudi Arabia	Not applicable
Saudi Arabia	The Hongkong and Shanghai Banking Corporation Limited	HSBC Saudi Arabia
Serbia	UniCredit Bank Austria A.G.	UniCredit Bank Serbia JSC
Singapore	The Hongkong and Shanghai Banking Corporation Limited	Not applicable
Slovakia	Citibank Europe PLC	Not applicable
Slovenia	UniCredit Banka Slovenija d.d.	Not applicable
South Africa	The Standard Bank of South Africa Limited	Not applicable
South Korea	The Hongkong and Shanghai Banking Corporation Limited	Not applicable
Spain	Citibank Europe plc	Not applicable
Sri Lanka	Standard Chartered Bank	Not applicable
Sweden	Skandinaviska Enskilda Banken AB (publ)	Not applicable

Switzerland		Credit Suisse (Switzerland) Ltd	Not applicable
Taiwan		The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (Taiwan) Limited
Taiwan		Citibank Taiwan Limited	Not applicable
Taiwan		JPMorgan Chase Bank N.A.	Not applicable
Tanzania		Standard Chartered Bank (Mauritius) Limited	Standard Chartered Bank Tanzania Limited
Thailand		Citibank N.A., Bangkok Branch	Not applicable
Tunisia		Union Internationale de Banques	Not applicable
Turkey		Citibank A.S.	Not applicable
Uganda		Standard Chartered Bank Uganda Limited	Not applicable
Ukraine (Market Suspended)		JSC "Citibank"	Not applicable
United Emirates (ADX)	Arab	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
United Emirates (DFM)	Arab	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
United Emirates (NASDAQ)	Arab	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
United Emirates	Arab	First Abu Dhabi Bank PJSC	Not applicable
United Kingdom		Euroclear UK and Ireland Limited (Northern Trust self-custody)	Not applicable

United States	The Northern Trust Company	Not applicable
Uruguay	Banco Itau Uruguay S.A.	Not applicable
Vietnam	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (Vietnam) Ltd
Vietnam	Citibank N.A., Hanoi Branch	Not applicable
West Africa (UEMOA)	Standard Chartered Bank (Mauritius) Limited	Standard Chartered Bank Cote d'Ivoire SA
Zambia	Standard Chartered Bank Zambia PLC	Not applicable
Zimbabwe	Standard Chartered Bank (Mauritius) Limited	Standard Chartered Bank Zambia Limited

APPENDIX VII

DIRECTORY

The Company and Head Office:

The Gulland Fund
Exchange Building, St Johns Street, Chichester, West Sussex PO19 1UP

Authorised Corporate Director:

Thesis Unit Trust Management Limited
Exchange Building, St Johns Street, Chichester, West Sussex PO19 1UP

Dealing Office

Thesis Unit Trust Management Limited
Sunderland SR43 4AZ

Depository:

NatWest Trustee and Depository Services Limited
House A, Floor 0, Gogarburn, 175 Glasgow Rd, Edinburgh EH12 1HQ

Investment Managers:

Waverton Investment Management Limited
16 Babmaes Street, London SW1Y 6AH

Sarasin & Partners LLP
Juxon House, 100 St Pauls Churchyard, London EC4M 8BU

Registrar:

Northern Trust Global Services SE (UK Branch)
50 Bank Street, London E14 5NT

Auditors:

KPMG LLP
1 Sovereign Square, Sovereign Street, Leeds LS1 4DA

FCA:

12 Endeavour Square, London E20 1JN