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PROSPECTUS  
of  
**THE ORD FUND ICVC**  
A NURS  
Investment Company with Variable Capital

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Valid as at and dated 26 September 2024

This document constitutes the Prospectus for The Ord Fund ICVC (the "Company") which has been prepared in accordance with the rules contained in the Collective Investment Schemes Sourcebook ("COLL") and the Investment Funds Sourcebook ("FUND") published by the FCA as part of the FCA Handbook made under the Financial Services and Markets Act 2000 (the "Act").

Thesis Unit Trust Management Limited

Authorised and regulated by the Financial Conduct Authority.

FCA firm reference number: 186882

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## **THE ORD FUND ICVC**

***If you are in any doubt about the contents of this Prospectus you should consult your professional adviser authorised under the Act.***

**The Company has been established as a Non-UCITS retail scheme. It is not intended that the Company will be marketed outside the UK.**

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

**The Depositary is not responsible for the information contained in this prospectus and, accordingly does not accept any responsibility for it under COLL, FUND or otherwise.**

**The distribution of this Prospectus and supplementary documentation and the offering of shares may be restricted in certain countries. Any person wishing to apply for shares should inform themselves as to the requirements within their own country for transactions in shares, any applicable exchange control regulations and the tax consequences of any transaction in shares.**

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

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

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

**This Prospectus does not constitute an offer or solicitation to anyone in any country in which such offer or solicitation is not lawful or authorised, or to any person to whom it is unlawful to make such offer or solicitation.**

**Purchases must be made on the basis of the information contained in the most recently published Prospectus and supplementary documentation, including the latest reports when issued, which are available from the registered office of the ACD. Investors should check with the ACD that this is the most recently published version of the Prospectus.**

**Obligations have been imposed on financial sector professionals to prevent the use of funds such as the Company for money-laundering purposes. Within this context a procedure for the identification of subscribers is required. That is, the application form of a subscriber must be accompanied, in the case of individuals, by a copy of a passport or identification card and/or in the case of legal entities, a copy of its statutes and an extract from its commercial register (in the case of a non-UK entity any such copy must be certified to be a true copy by one of the following authorities: ambassador, consulate, notary, local police). Any such information provided is collected for money-laundering compliance purposes only. These specific requirements may be waived by the ACD where other suitable evidence is available which in its sole judgement allows the ACD to cover its obligations under money-laundering legislation.**

**Neither the ACD nor any of its officers, representatives or advisers, shall be regarded as giving any advice, representation or warranty (express or implied) to any person in connection with the proposals contained in this Prospectus.**

**No part of this Prospectus may, be reproduced, stored in a retrieval system or transmitted in any form or any means, electronic, mechanical, photocopying, recording or otherwise without the prior written permission of the ACD.**

#### **GENERAL WARNINGS**

**Collective investment schemes should be regarded as long-term investments.**

**The value of the shares in the Company is based upon the value of the underlying investments.**

**The value of those investments and the income from them and consequently the value of the shares and the income from them, can go down as well as up and is not guaranteed.**

**Past performance is not necessarily a guide to future performance.**

**The Company may invest in currencies other than sterling. As a result, exchange rate changes may cause the value of overseas investments to rise or fall, and the value of shares to go up or down.**

**Investors may not get back the amount originally invested.**

**Approved derivatives transactions are used for the purpose of both hedging and meeting the investment objectives of the Company. It is, therefore, anticipated that the outcome of the use of derivatives would be principally to hedge against currency risks and to reduce, rather than to increase, the risk profile to the Company. Movements in currencies may, however, render such hedging ineffective. If derivatives are used for investment purposes, the net asset value of the Company may in consequence be highly volatile at times.**

**The Company may invest in warrants. A warrant is a time-limited right to subscribe for shares, debentures, loan stock or government securities and is exercisable against the original issuer of the underlying securities. A relatively small movement in the price of the underlying security results in a disproportionately large movement, unfavourable or favourable, in the price of the warrant. The prices of warrants can therefore be highly volatile.**

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

**Infectious diseases 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 investors.**

## **Defined Terms**

This document is the Prospectus of **The Ord Fund ICVC** (the "Company").

In this Prospectus the following words and expressions shall have the following meanings:

"ACD"	the authorised corporate director holding office as such from time to time pursuant to the FCA Rules, being Thesis Unit Trust Management Limited and its successor or successors as authorised corporate director of the Company;
"Act"	the Financial Services and Markets Act 2000;
"AIF"	an alternative investment fund and has the same meaning as set out in the FCA Glossary;
"AIFM"	an alternative investment fund manager as defined in the FCA Glossary;
"AIFMD"	the Alternative Investment Fund Managers Directive (2011/61/EU);
"AIFMD Level 2 regulation"	as defined in the FCA Glossary;
"AIFMD UK regulation"	the Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773);
"Approved Bank"	(in relation to a bank account opened for the Company):  a) if the account is opened at a branch in the United Kingdom;  i) the Bank of England; or  ii) the central bank of a member state of the OECD; or  iii) a bank; or  iv) a building society; or  v) a bank which is supervised by the central bank or other bank 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;
"Business Day"	a weekday being Monday to Friday (excluding any public or bank holiday in England);

"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"	as defined in the FCA Glossary;
"COLL"	the Collective Investment Schemes Sourcebook published by the FCA as part of the FCA Handbook of rules made under the Act as may be amended or replaced from time to time;
"Custodian"	the person who provides custodian services to the Company, being The Northern Trust Company, and its successor or successors as custodian;
"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: <ul style="list-style-type: none"> <li>a) the UK GDPR;</li> <li>b) the Data Protection Act 2018;</li> <li>c) any laws which implement any such laws; and</li> <li>d) any laws which replace, extend, re-enact, consolidate or amend any of the foregoing (whether or not before or after the date of this Prospectus); and</li> <li>e) all final and binding guidance, guidelines and codes of practice issued by any relevant supervisory authority relating to such Data Protection Laws;</li> </ul>
"Depository"	the person to whom is entrusted the safekeeping of all of the Scheme Property of the Company (other than certain Scheme Property designated by the FCA Rules), being NatWest Trustee and Depository Services Limited and its successor or successors as depository;
"Depository Agreement"	the agreement between the Company, the ACD and the Depository regarding the appointment of the Depository;
"EEA"	the European Economic Area;
"EEA State"	a member state of the European Union and any other state which is within the European Economic Area;
"Eligible Institution"	as defined in the FCA Glossary;
"EMIR"	as defined in the FCA Glossary;
"ERISA Plan"	(i) any retirement plan subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA"); (ii) any individual retirement account or plan subject to Section 4975 of the United States Internal Revenue Code of 1986, as amended; or (iii) an entity whose assets include plan assets by reason of a plan's investment in the entity (generally because 25% or more of a class of equity interests in the entity is owned by plans);

"FCA"	the Financial Conduct Authority or any successor regulatory body which may assume its regulatory responsibilities from time to time;
"FCA Glossary"	the glossary given the meanings of the defined expressions used in the FCA Handbook as amended from time to time;
"FCA Handbook"	the FCA's Handbook of rules and guidance made under the Act;
"FCA Rules"	the rules contained in COLL and FUND but, for the avoidance of doubt, not including guidance or evidential requirements contained in either sourcebook;
"Financial Instruments"	as defined in the FCA Glossary;
"FUND"	the Investment Funds Sourcebook published by the FCA as part of the FCA Handbook made under the Act as it may be amended or replaced from time to time;
"Fund Accountant"	the person who provides fund accounting services, being Northern Trust Global Services SE, UK branch and its successor or successors as fund accountant;
"Home State"	as defined in the FCA Glossary;
"Instrument of Incorporation"	the instrument of incorporation constituting the Company, as amended from time to time;
"International Tax Compliance Regulations"	the International Tax Compliance Regulations 2015 (SI 2015/878) as amended or re-enacted from time to time;
"Leverage"	bears the meaning as set out in the UK AIFM regime and as further described at paragraph 16;
"Non-UCITS retail scheme"	an authorised fund which is not a UK UCITS, a qualified investor scheme or a long-term asset fund;
"OECD"	the Organisation for Economic Co-operation and Development;
"OEIC Regulations"	the Open-Ended Investment Companies Regulations 2001 as amended or re-enacted from time to time;
"Register"	the register of shareholders of the Company;
"Scheme Property"	as defined in the FCA Glossary;
"SYSC"	the Senior Management Arrangements, Systems and Controls sourcebook issued by the FCA pursuant to the Act, as amended or replaced from time to time;
"UCITS Directive"	the European Parliament and Council Directive of 13 July 2009 on the co-ordination of laws, regulations and administrative provisions relating to undertakings for collective investments in transferable securities (UCITS) (No. 2009/65/EC), as amended.
"UK AIF"	as defined in the FCA Glossary;



"UK AIFM"	an AIFM established in the UK and with a permission under Part 4A of the Act to carry on the regulated activity of managing an AIF;
"UK AIFM regime"	means: <ul style="list-style-type: none"> <li>(a) the AIFMD UK regulation;</li> <li>(b) the AIFMD Level 2 regulation; and</li> <li>(c) all other UK law and regulation (including FUND) which when made, implemented AIFMD in the UK;</li> </ul>
"UK GDPR"	means Regulation (EU) 2016/679 as it forms part of the law of England and Wales, Scotland and Northern Ireland by virtue of section 3 of the European Union (Withdrawal) Act 2018 and as modified by the Data Protection, Privacy and Electronic Communications (Amendments etc) (EU Exit) Regulations 2019;
"UK UCITS"	as defined in the FCA Glossary;
"United Kingdom" or "UK"	the United Kingdom of Great Britain and Northern Ireland;
"United States" or "US"	the United States of America, its territories and possessions, any state of the United States, and the District of Columbia;
"US Person"	means a person who is in either of the following two categories: <ul style="list-style-type: none"> <li>(a) a person included in the definition of "U.S. person" under Rule 902 of Regulation S under the 1933 Act; or</li> <li>(b) a person excluded from the definition of a "Non-United States person" as used in Commodity Futures Trading Commission ("CFTC") Rule 4.7.</li> </ul> <p>For the avoidance of doubt, a person is excluded from this definition of US person only if they are outside both the definition of "U.S. person" in Rule 902 and the definition of "Non-United States person" under CFTC Rule 4.7;</p>
"VAT"	value added tax;
"1933 Act"	the United States Securities Act of 1933 (as may be amended or re-enacted); and
"1940 Act"	the United States Investment Company Act of 1940 (as may be amended or re-enacted).

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

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

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

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

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

## **1. MANAGEMENT OF THE COMPANY**

### **1.1 Authorised Corporate Director**

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

The ACD is an authorised fund manager for the purposes of the COLL and a UK AIFM, for the purposes of the UK AIFM regime.

Registered Office and: Exchange Building

Head Office St John's Street

Chichester

West Sussex

PO19 1UP

Tel: 01243 531234

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

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

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

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

The ACD is authorised and regulated by the Financial Conduct Authority. The address of the Financial Conduct Authority is set out in Appendix 5. The ACD is authorised to carry on certain permitted regulated activities in the United Kingdom in accordance with the Act.

The ACD is the sole director of the Company.

The terms of the Agreement between the Company and the ACD (the "ACD Agreement") provide that the ACD manage and administer the Company in accordance with the Act, the OEIC Regulations, FUND, the Instrument of Incorporation and the contents of this Prospectus.

The ACD Agreement may be terminated by either party on not less than three months' written notice. 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 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.

The ACD will cover at all times the risks outlined below of loss or damage caused by any relevant person through the negligent performance of activities for which the ACD has legal responsibility by maintaining an amount of own funds, and will comply with the qualitative requirements addressing such risks, in each case, in accordance with the UK AIFM regime and the FCA Rules. In addition, the ACD holds significant professional indemnity insurance against liability arising from professional negligence which is appropriate to the risks covered, and will comply with the qualitative requirements addressing such risks, in each case, in accordance with the UK AIFM regime and the FCA Rules.

The risks which are specifically covered by this approach include, without being limited to, risks of:

- 1.1.1 loss of documents evidencing title of assets of the Company;
- 1.1.2 misrepresentations or misleading statements made to the Company or its investors;
- 1.1.3 acts, errors or omissions resulting in a breach of:
  - a) legal and regulatory obligations;
  - b) duty of skill and care towards the Company and its investors;
  - c) fiduciary duties;
  - d) obligations of confidentiality;
  - e) the terms of the Instrument of Incorporation;
- 1.1.4 terms of appointment of the ACD by the Company; failure to establish, implement and maintain appropriate procedures to prevent dishonest, fraudulent or malicious acts;
- 1.1.5 improperly carried out valuation of assets or calculation of share prices;
- 1.1.6 losses arising from business disruption, system failures, failure of transaction processing or process management.

### **Delegation by the ACD**

Subject to the FCA Rules, the ACD may delegate certain of its functions. Accordingly:

- 1.1.7 the ACD has delegated the provision of investment management services to the Investment Manager; and
- 1.1.8 the ACD has delegated certain administrative functions to the Registrar, the Administrator and the Fund Accountant.

### **Conflicts**

Conflicts may arise between the interests of the ACD and its permitted delegates in certain circumstances, for example, where there is likelihood that:

- 1.1.9 the delegate and an investor in a Company are members of the same group or have any other contractual relationship, if the investor controls the delegate or has the ability to influence its actions (in such cases the likelihood of conflict is likely to increase the greater the extent of such control);
- 1.1.10 the delegate makes a financial gain, or avoids a financial loss, at the expense of the Company or the investors in the Company;
- 1.1.11 the delegate has an interest in the outcome of a service or an activity provided to the ACD or the Company;
- 1.1.12 the delegate has a financial or other incentive to favour the interest of another client over the interests of the Company or the investors in the Company;
- 1.1.13 the delegate receives or will receive from a person other than the ACD an inducement in relation to the collective portfolio management activities provided to the ACD and the Company in the form of monies, goods or services other than the standard commission or fee for that service.

Although conflicts of interest can also arise where the delegate and the ACD are members of the same group or have any other contractual relationship and the delegate controls the ACD or has the ability to influence its actions, it is not currently considered that there are material existing conflicts of interest between the ACD and Thesis Asset Management Limited (in its role as the Investment Manager).

The ACD has a policy and procedures in place to monitor the conflicts of interest that may arise in the context of its delegation of certain of its functions. To the extent any actual conflicts of interest are determined to have arisen, the ACD will manage such conflicts to minimise any impact on the investment performance, and will also seek to prevent them from reoccurring. Certain activities may be required to be modified or terminated to minimise conflicts of interest which may be identified from time to time.

The ACD may act as an authorised fund manager to other regulated collective investment schemes. Details of these schemes, as at the date of this Prospectus, are set out in Appendix 3.

## 1.2 **Depository**

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

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

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

The Depository's principal activity is the provision of trustee and depository services.

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

### **Duties of the Depository**

The Depository 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.

### **Conflicts of interest**

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

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

As the Depositary operates independently from the Company, shareholders, the ACD and the Custodian, the Depositary does not anticipate any conflicts of interest arising between it and any of the aforementioned parties and has confirmed that it is not aware of any conflict of interest arising from its delegation of custody of Scheme Property to the Custodian. Should any such conflict arise, the Depositary shall notify the ACD and take necessary steps to address the conflict.

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.

### **Terms of appointment**

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

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

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 Appendix 5. The Custodian has, in turn, sub-delegated the custody of assets in certain markets in which the Company may invest to various sub-delegates ("sub-custodians").

Under the Depositary Agreement the Depositary will be liable to the Company for any loss of Financial Instruments held in custody or for any liabilities incurred by the Company as a direct result of the Depositary's fraud, negligence or negligent or intentional failure to properly fulfil its obligations under the Depositary Agreement or the UK AIFM regime.

However, where the event which led to the loss of a Financial Instrument is not the result of the Depositary's own act or omission (or that of its sub-custodian), the Depositary is discharged of its liability for the loss of a Financial Instrument where the Depositary can prove that the Depositary could not have reasonably prevented the occurrence of the event which led to the loss despite adopting all precautions incumbent on a diligent depositary as reflected in common industry practice and despite rigorous and comprehensive due diligence. The ACD will inform investors without delay of any changes with respect to the Depositary's liability.

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

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

Other than to exercise the rights of lien or set off over the Scheme Property in relation to unpaid fees and expenses in relation to the proper performance of services under the Depositary Agreement or sub-custody agreement and unless otherwise agreed by the ACD on behalf of the Company, the Depositary shall not be entitled to, and no sub-custodian of the Depositary shall be authorised by the Depositary to, transfer or re-use for its own purpose and benefit any of the Scheme Property it has been entrusted with.

Details of the fees payable to the Depositary are set out in the "Depositary's Fees" section of this Prospectus at paragraph 11.4.

### 1.3 Investment Manager

The ACD is responsible for the overall investment management and administration of the Company. The ACD has delegated its day-to-day responsibility for investment management to the following Investment Manager to the Company:

**Thesis Asset Management Limited**, a company incorporated in England and Wales whose registered office and principal place of business is set out in Appendix 5. Thesis Asset Management Limited is connected with the ACD, as it is in the same group as the ACD.

The Investment Manager may only sub-delegate its functions with the prior consent of the ACD.

Thesis Asset Management Limited is authorised to carry on investment business by virtue of authorisation and regulation by the Financial Conduct Authority.

The appointment of the Investment Manager has been made under an agreement between the ACD and the Investment Manager (an "Investment Management Agreement"). The Investment Management Agreement may be terminated immediately by the ACD if it is in the interests of investors. The Investment Management Agreement contains provisions to the following effect:

- a) the ACD will indemnify the Investment Manager against certain losses incurred by the Investment Manager but, in the absence of fraud, the ACD's liability will be limited to the assets of the Company available to meet such a claim;
- b) the Investment Manager will be liable for certain losses suffered by the ACD or the Company, subject, in the absence of fraud, to certain limitations on the Investment Manager's liability;
- c) the Investment Manager shall not be liable for any non-performance of its obligations due to causes beyond its control; and
- d) the Investment Management Agreement is governed by English law and the parties submit to the exclusive jurisdiction of the English courts.

The main legal implications of the contractual relationship entered into for the purpose of investment in the Company are as follows:

- a) By investing in the Company through electronic communications, by telephone or by submitting an application form to the Administrator, the investor makes an offer to subscribe for shares which, once it is accepted by the ACD, or the Administrator on its behalf, has the effect of a binding contract to subscribe for shares.
- b) The provisions of the scheme documents made between the ACD and the Depositary by way of which the Company is constituted, as the same may be amended from time to

time are binding on each of the shareholder (who are taken to have notice of them) as if that shareholder was a party to it with effect on and from the date that any person has become a shareholder.

- c) The scheme documents and the application form are each made under and governed by and shall be construed in accordance with the laws of England and Wales. The Company, The ACD and the Shareholders of the Company will be subject to the exclusive jurisdiction of the courts of England and Wales to settle any dispute or claim arising out of or in connection with a Shareholder's investment in the Company or any related matter.
- d) The scheme documents may be amended by agreement between the ACD and the Depositary.
- e) Absent a direct contractual relationship between a shareholder and the relevant service provider, shareholders generally have no direct rights against the relevant service provider and there are only limited circumstances in which a shareholder may potentially bring a claim against the relevant service provider. Instead, the proper claimant in an action in respect of which a wrongdoing is alleged to have been committed against the Company by the relevant service provider is, prima facie, the Company itself or the ACD acting on behalf of the Company, as the case may be.
- f) The Investment Manager may hold or trade in securities and instruments of the same type as the securities and instruments held or traded in by funds and fund managers; they may also utilise the same or similar strategies as those adopted by fund managers. The Investment Manager may therefore trade and compete with fund managers and funds on an arm's length basis. In addition, the Investment Manager may make investments in other funds managed or advised by it.

The Investment Manager has discretion to enter into foreign exchange hedging transactions and borrowings on behalf of the Company. The Investment Manager may appoint an affiliate of any existing service provider or any other third party to act as a counterparty in the execution of foreign exchange transactions in connection with the currency hedging activities of the Company and/or to implement the currency hedging strategy.

The principal activities of the Investment Manager is managing and advising on investments. The Investment Manager is authorised to deal on behalf of the Company. The Investment Manager is required to comply with its own execution policy. A copy of the Investment Manager's execution policy is available on request from the ACD, or may be available from the Investment Manager's website, listed in Appendix 5.

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

The ACD has delegated the function of Registrar, Administrator and Fund Accountant to Northern Trust Global Services SE, UK branch. The address, for the UK branch of Northern Trust Global Services SE, is set out in Appendix 5.

#### **The Register**

The Register is kept and may be inspected at the Registrar's office at Northern Trust Global Services SE, UK branch, 50 Bank Street, Canary Wharf, London E14 5NT.

The duties of the Registrar, Administrator and Fund Accountant include:

- 1.4.1 maintaining the Register;
- 1.4.2 receiving and processing requests for subscriptions for, or redemptions of, shares in the Company;
- 1.4.3 administering the payment of distributions to shareholders in the Company;



- 1.4.4 dealing with certain regulatory reporting requirements on behalf of the Company and the ACD;
- 1.4.5 maintaining the accounting records of the Company;
- 1.4.6 assisting in calculating the Net Asset Value of the Company, as well as to provide fund accounting services in respect of the Company.

In line with the regulations that govern such operational outsourcing, the ACD retains responsibility for all work performed on its behalf and investors' rights are not affected by this delegation.

There are no conflicts of interest arising through delegation of these functions by the ACD.

## 1.5 **Auditors**

The Auditors of the Company are Ernst & Young LLP Chartered Accountants whose principal place of business is set out in Appendix 5.

The duties of the Auditors are to carry out an annual audit of the Company and to issue a report including the following statements:

- 1.5.1 whether, in the Auditor's opinion, the accounts have been properly prepared in accordance with the relevant Statement of Recommended Practice, the rules in COLL, and the Instrument of Incorporation;
- 1.5.2 whether, in the Auditor's opinion, the accounts give a true and fair view of the net revenue and the net capital gains or losses on the Scheme Property of the Company for the annual accounting period in question and the financial position of the Company as at the end of that period;
- 1.5.3 whether the Auditor is of the opinion that proper accounting records for the Company have not been kept or whether the accounts are not in agreement with those records;
- 1.5.4 whether the Auditor has been given all the information and explanations which, to the best of their knowledge and belief, are necessary for the purposes of this audit; and
- 1.5.5 whether the Auditor is of the opinion that the information given in the report of the ACD for that period is consistent with the accounts.

## 2. **THE COMPANY**

### 2.1 **Structure of the Company**

The Company is an investment company with variable capital, and is a Non-UCITS retail scheme under the rules published by the FCA as part of their Handbook of rules made under the Act (the "FCA Rules") being a category of authorised scheme for the purposes of COLL 1.2.1R. The Company is a UK AIF for the purposes of the UK AIFM regime.

The Company was established on 6 January 2005 pursuant to an authorisation order of the Financial Services Authority. The Financial Services Authority was superseded by the Financial Conduct Authority and the Prudential Regulation Authority.

The Company was originally established as a qualified investor scheme, and was converted to a Non-UCITS retail scheme on 30 September 2008.

The Company was incorporated with registration number IC000336 and the FCA product reference number is 402772. Details of how the Company may be wound up are set out at paragraph 2.2 below.

Shareholders are not liable for the debts of the Company. Historical performance figures for the Company are set out in Appendix 1. The base currency of the Company is pounds sterling.

The head office of the Company is Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP. This is the address for service of notice or other documents required or authorised to be served on the Company.

The minimum share capital of the Company is £1,000,000 and the maximum share capital is £200,000,000.

The Company is a collective investment scheme in which each investor's funds are pooled with all other investors' funds. The ACD takes reasonable steps to ensure that each investment transaction carried out within the Company is suitable for the Company, having regard to the investment objective and policy of the Company. This Prospectus is intended to provide information to potential investors about the Company.

## 2.2 **Winding up**

2.2.1 The Company will continue until wound up in accordance with the FCA Rules.

2.2.2 The Company may be wound up under chapter 7.3 of COLL or as an unregistered company under Part V of the Insolvency Act 1986. Winding up of the Company under COLL is only permitted when (a) effect under regulation 21 of the OEIC Regulations, to proposals to wind up the Company may be given, and (b) a statement has been prepared, and delivered, to the FCA under COLL 7.3.5 R, prior to satisfaction of condition (a).

2.2.3 Subject to the foregoing, the Company will be wound up under COLL:

- a) if an extraordinary resolution of shareholders of the Company to that effect is passed; or
- b) when the period fixed for the duration of the Company by the Instrument of Incorporation expires or any event occurs for which the Instrument of Incorporation provides that the Company is to be wound up;
- c) on the date stated in any agreement by the FCA in response to a request from the ACD for the winding up of the Company; or
- d) on the effective date of a duly approved scheme of arrangement which is to result in the Company ceasing to hold any Scheme Property.

2.2.4 The winding up of the Company under COLL is carried out by the ACD which will, as soon as practicable, cause the Scheme Property of the Company to be realised and the liabilities to be met out of the proceeds. Provided that there are sufficient liquid funds available after making provision for the expenses of winding up and the discharge of the liabilities of the Company, the ACD may arrange for interim distribution(s) to be made to shareholders.

2.2.5 Shareholders will be notified of any proposal to wind up the Company. On commencement of such winding up, the Company will cease to issue and cancel shares and transfers of such shares shall cease to be registered.

- 2.2.6 On completion of the winding up, the Company will be dissolved and any money (including unclaimed distributions) standing to the account of the Company will be paid into court within one month of dissolution.

### **3. INVESTOR PROFILE**

The Company is available for investment by the general public. The Company is not suitable for short term investment and should therefore generally be regarded as a long-term investment. It is also suitable for more experienced investors able to accept capital and income risk and high losses.

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

#### **4.1 Investment Objective, Investment Policy and Performance Comparator**

##### **Investment Objective**

The Company is designed to achieve a combination of capital growth and income, net of fees, over a rolling 5 year period.

##### **Investment Policy**

The Company will invest in a global portfolio which will typically comprise of equities (at least 60%). The remainder of the Scheme Property of the Company may be invested in fixed income assets (which may include government and public securities) and other transferable securities, cash and money market instruments. In addition, the exposure to equities may fall below 60% during difficult markets.

Between 80% and 100% of the above exposure will be gained through the use of collective investment vehicles (regulated and unregulated, including those managed by the ACD or its associates or the Investment Manager or its associates), which may include investment trusts, Exchange Traded Funds and Index Funds. The allocation to collective investment vehicles will vary within the range of 80%-100% depending on markets and to take advantage of the expertise available via such collective investment vehicles. All other exposure will be attained from direct investments.

**Derivatives may be used for the purpose of hedging, although use is expected to be limited.**

The investment policy of the Company may mean that at times, where it is considered appropriate, the Scheme Property of the Company will not be fully invested and that prudent levels of liquidity will be maintained in order to reduce risk and preserve capital.

The Investment Manager will actively manage the Company. This means the Investment Manager actively makes 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 Investment Association Mixed Investment 40-85% Shares peer group for performance comparison purposes. This peer group is not a target and the Company is not constrained by it. The peer group has been selected as a comparator for performance because the parameters for this peer group of between 40% and 85% exposure to equities are closely aligned with the policy of the Company.

The ACD reserves the right to change the peer group following consultation with the Depositary and in accordance with the rules of COLL. A change could arise, for example, where the ACD determines that an alternative may be more appropriate. Shareholders will be notified of such

a change through an update to the Prospectus and the change noted in the subsequent annual and half yearly reports.

### **General Risk Factors**

The value of shares in the Company is based upon the value of the underlying investments. The value of those investments and the income from them and consequently the value of the share and the income from them, can go down as well as up and is not guaranteed. Past performance is not necessarily a guide to future performance. Investors may not get back the amount originally invested.

Exchange rate changes may cause the value of overseas investments to rise or fall.

#### **4.2 General Investment**

The Company may invest in any of the following:

- (a) deposits;
- (b) shares;
- (c) debentures;
- (d) government and public securities;
- (e) warrants;
- (f) certificates conferring rights to investments of the kind specified in paragraphs (b) to (e) above;
- (g) units in collective investment schemes;
- (h) derivatives;
- (i) rights in and to any of the investments specified in paragraphs (a) to (h) above; and
- (j) real property (approved immovables) in specified countries or territories.

#### **4.3 Approved Securities**

The Scheme Property may be invested in approved securities. An approved security is a transferable security that is admitted to an official listing in the UK or an EEA State or is traded under the rules of an eligible securities market (otherwise than by specific permission of the market authority). An eligible market is a regulated market that is regulated, open to the public and operates regularly; further details are set out below.

#### **4.4 Transferable Securities**

Transferable securities are, in general terms, shares, debentures, government and public securities, warrants or certificates representing certain securities. Not more than 20% in value of the Scheme Property can be invested in transferable securities which are not approved securities.

The Scheme Property may be invested in transferable securities on which any sum is unpaid only if it is reasonable to foresee 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 requirements of the FCA Rules.

#### **4.5 Money Market Instruments**

The Scheme Property may be invested in money market instruments which are:

admitted to or dealt in on an eligible market; or

subject to a limit of 20% in value of the Scheme Property, liquid and have a value which can be determined accurately at any time.

These instruments may include, but not be limited to, issues of commercial paper, certificates of deposit and other term deposits that may be arranged by the Investment Manager.

#### 4.6 Deposits

**The Company may invest in deposits only with an Approved Bank with a rating of not less than A and which are repayable on demand or have the right to be withdrawn and maturing in no more than 12 months.**

#### 4.7 Investment in Collective Investment Schemes

The Company may invest in units in a collective investment scheme (the "second scheme") only:

1. if that second scheme is:

- (a) a UK UCITS or a scheme which complies with the conditions necessary for it to enjoy the rights conferred by the UCITS Directive (as implemented in the EEA); or
- (b) one which is a recognised scheme (as defined in the FCA Glossary); or
- (c) one which is a Non-UCITS retail scheme; or
- (d) one which is constituted outside of the United Kingdom and the investment and borrowing powers of which are the same or more restrictive than those of a Non-UCITS retail scheme; or
- (e) one which does not fall within (a) to (d) and in respect of which no more than 20% in value of the Scheme Property (including any transferable securities which are not approved securities) is invested;

2. the second scheme operates on the principle of the prudent spread of risk; and

3. the second scheme is prohibited from having more than 15% in value of the property of that scheme consisting of units in collective investment schemes (unless COLL 5.6.10AR applies); and

4. the participants in the second scheme must be entitled to have their units redeemed in accordance with the scheme at a price:

- (a) related to the net value of the Scheme Property to which the units relate; and
- (b) determined in accordance with the scheme; and

5. Where the second scheme is an umbrella, the provisions in 2. to 4. above and COLL 5.6.7(R) (Spread: general) apply to each sub-fund as if it were a separate scheme.

A list of the locations of the establishment of any second schemes which the Company may invest in from time to time is shown in Appendix 4.

Subject to the restrictions above, investments may be made in other collective investment schemes managed by the ACD or an associate of the ACD, provided the conditions in COLL 5.2.16R are complied with.

#### 4.8 **Derivatives**

A transaction in derivatives or a forward transaction must not be effected for the Company unless:

- the transaction is of a kind specified in the COLL 5.6.13R as summarised below; and
- the transaction is covered, as required by COLL 5.3.3AR.

Where the Company invests in derivatives, the exposure to the underlying assets must not exceed the limits specified under the heading "Spread" below.

Where a transferable security or money market instrument embeds a derivative, this must be taken into account for the purposes of complying with these requirements.

Where the Company invests in an index-based derivative, provided the relevant index falls within the relevant requirements of COLL, the underlying constituents of the index do not have to be taken into account for the purposes of restrictions spread, subject to the ACD taking account of COLL in relation to prudent spread of risk.

A transaction in an approved derivative must be effected on or under the rules of an eligible derivatives market or comply with the requirements for transactions in OTC derivatives as described below.

A transaction in a derivative must not cause the Company to diverge from its investment objectives as stated in the Instrument of Incorporation of the Company and in the most recently published version of this Prospectus.

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, money market instruments, units in collective investment schemes, or derivatives.

Any forward transaction must be with an approved counterparty under COLL.

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

unless the obligation to make the disposal and any other similar obligations could immediately be honoured by the Company by delivery of Scheme Property or the assignment of rights; and

the Scheme Property and rights at (a) are owned by the Company at the time of the agreement.

The transaction alone or in combination must be reasonably believed by the ACD to diminish a risk of a kind or level which it is sensible to reduce.

Each derivative transaction must be fully covered by cash, near cash or other Scheme Property sufficient to meet any obligation which could arise.

A transaction in an OTC derivative must be:

with an approved counterparty. A counterparty to a transaction in derivatives is approved only if the counterparty is:

1. an Eligible Institution or an Approved Bank; or

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;
3. a CCP that is authorised in that capacity for the purposes of EMIR;
4. a CCP that is recognised in that capacity in accordance with the process set out in article 25 of EMIR; or
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.

on approved terms. The terms of the transaction in derivatives are approved only if the ACD:

- (i) 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
- (ii) can enter into one or more further transactions to sell, liquidate or close out that transactions at any time, at its fair value;

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:

- (i) on the basis of an up-to-date market value which the ACD and the Depositary have agreed is reliable; or
- (ii) if the value referred to in (i) is not available, on the basis of a pricing model which the ACD and the Depositary have agreed uses an adequate recognised methodology; and

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:

- (i) 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
- (ii) a department within the ACD which is independent from the department in charge of managing the Scheme Property and which is adequately equipped for such a purpose.

For the purposes of paragraph (b)(i) above, "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 paragraphs (a) to (d) above.

**Approved derivatives transactions are used for the purpose of both hedging and meeting the investment objectives of the Company. It is, therefore, anticipated that**

**the outcome of the use of derivatives would be principally to hedge against currency risks and to reduce, rather than to increase, the risk profile to the Company. Movements in currencies may, however, render such hedging ineffective. If derivatives are used for investment purposes, the net asset value of the Company may in consequence be highly volatile at times. This would also be the case if the Company used Warrants as described below. However, it is the ACD's intention that the Company, owing to its portfolio composition or the portfolio management techniques used, will not have volatility over and above the general market volatility of the markets of its underlying investments.**

#### 4.9 Warrants

The Company may invest in warrants but the exposure created by the exercise of the rights conferred by those warrants must not exceed the limits set out in "Spread" below.

**A warrant is a time-limited right to subscribe for shares, debentures, loan stock or government securities and is exercisable against the original issuer of the underlying securities. A relatively small movement in the price of the underlying security results in a disproportionately large movement, unfavourable or favourable, in the price of the warrant. The prices of warrants can therefore be highly volatile.**

#### 4.10 Spread: general

4.10.1 This paragraph does not apply in respect of a transferable security or an approved money-market instrument to which paragraph 4.11 applies.

4.10.2 The specific limits are set out as follows:

- (a) Not more than 20% in value of the Scheme Property is to consist of deposits with a single body.
- (b) Not more than 10% in value of the Scheme Property is to consist of transferable securities or money market instruments issued by any single body.
- (c) The 10% limit in (b) above is raised to 25% in value of the Scheme Property in respect of covered bonds.
- (d) In applying (b) above, certificates representing certain securities are to be treated as equivalent to the underlying security.
- (e) The exposure to any one counterparty in an OTC derivative transaction shall not exceed 10% in value of the scheme.
- (f) Except for a feeder fund, not more than 35% in value of the Scheme Property is to consist of the units of any one collective investment scheme

4.10.3 For the purposes of this paragraph 4.10, 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.

For the purposes of calculating the limit in (e) above, the exposure in respect of an OTC derivative may be reduced to the extent that collateral is held in respect of it if the collateral meets each of the following conditions:



- (i) it is marked-to-market on a daily basis and exceeds the value of the amount at risk;
- (ii) it is exposed only to negligible risks (e.g. government bonds of first credit rating or cash) and is liquid;
- (iii) it is held by a third party custodian not related to the provider or is legally secured from the consequences of a failure of a related third party; and
- (iv) it can be fully enforced by the non-UCITS retail scheme at any time.

Furthermore, for the purposes of calculating the limit in (e) above, OTC derivative positions with the same counterparty may be netted provided that the netting procedures:

- (i) comply with the conditions set out in Section 3 (Contractual netting (contracts for novation and other netting agreements)) of Annex III to the Banking Consolidation Directive; and
- (ii) are based on legally binding agreements.

It should be noted that, in applying this rule, all derivative transactions are deemed to be free of counterparty risk if they are performed on an exchange where the clearing house meets the following conditions:

- (i) it is backed by an appropriate performance guarantee; and
- (ii) it is characterised by a daily mark-to-market valuation of the derivative positions and an at least daily margining. For the purposes of the above rule, 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.

#### 4.11 **Spread: government and public securities**

The following applies in respect of transferable securities or approved money-market instruments ("such securities") that are issued or guaranteed by:

- (a) the UK or an EEA State;
- (b) a local authority of the UK or an EEA State;
- (c) a non-EEA State; or
- (d) a public international body to which the UK or one or more EEA States belong.

**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.**

**The Company may invest more than 35% in value of the Scheme Property in such securities issued by any one body, provided that:**

**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 objectives of the Company;**

**no more than 30% in value of the Scheme Property consists of such securities of any one issue;**

**the Scheme Property includes such securities issued by that or another issuer, of at least six different issues;**

**the disclosures in COLL 3.2.6R(8) and COLL 4.2.5R(3)(i) have been made in the most recently published version of this Prospectus.**

In relation to such securities:

- a) issue, issued and issuer include guarantee, guaranteed and guarantor; and
- b) 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.

Notwithstanding paragraph 4.10.1 and subject to paragraphs 4.10.2(a) and 4.10.3 above, in applying the 20% limit in paragraph 4.10.2(a) with respect to a single body, such securities issued by that body shall be taken into account.

**More than 35% in value of the Scheme Property may be invested in such securities issued by:**

- a) the Government of the United Kingdom; and**
- b) the Government of the United States of America.**

#### **4.12 Eligible Markets**

The markets upon which transferable securities and money market instruments are traded must meet certain criteria laid down in the FCA Rules.

Eligible markets include any market established in the United Kingdom or an EEA State on which transferable securities and money market instruments admitted to official listing in the UK or an EEA State are dealt in or traded and which is regulated, operates regularly and is open to the public.

In the case of all other markets, in order to qualify as an eligible market, the ACD after consultation with the Depositary, must be satisfied that the relevant market:

is regulated;

operates regularly;

is recognised as a market or exchange or as a self-regulating organisation by an overseas regulator;

is open to the public;

is adequately liquid and

has adequate arrangements for unimpeded transmission of income and capital to or to the order of investors.

The eligible securities markets for the Company are set out in Appendix 2 to this Prospectus.

Eligible derivatives markets are markets which the ACD, after consultation with and notification of the Depositary, has decided are appropriate for the purpose of investment of or dealing in the Scheme Property with regard to the relevant criteria set out in the FCA Rules and the guidance

on eligible markets issued by the FCA (as amended from time to time). The eligible derivatives markets for the Company are set out in Appendix 2 to this Prospectus.

#### 4.13 **General**

The Company may not acquire any investment which has an actual contingent liability attached unless the maximum amount of such liability is ascertainable at the time of acquisition.

The restrictions on investment set out above are tighter than those imposed by the FCA Rules in the following respects: for the purposes of paragraph headed "Deposits", the FCA Rules do not require a certain rating for an Approved Bank.

#### 4.14 **Immovable Property**

It is not the current intention of the ACD that the Company should invest in immovable property, but the Company has the power to do so. The Company may invest in land or buildings which satisfy the conditions set out below:

- (a) the land or building must:
  - (i) be situated in any country identified in a revised version of this Prospectus; and
  - (ii) if situated (i) in England and Wales or Northern Ireland, be a freehold or leasehold interest; or (ii) in Scotland, any interest or estate in or over land or heritable right including a long lease; or
  - (iii) if not situated in either of these jurisdictions, be equivalent to the above-mentioned interests or, if no such equivalent interest is available, it must be an interest that grants beneficial ownership of the immovable to the Company and provides as good a title as any of the above-mentioned interests;
- (b) the ACD must have received a report from the appropriate valuer (as set out below) that:
  - (i) contains a valuation of the immovable (with and without any relevant subsisting mortgage); and
  - (ii) states that in the appropriate valuer's opinion the immovable would if acquired by the Company, be capable of being disposed of reasonably expeditiously at that valuation;
- (c) unless (b) is satisfied the ACD must have received a report from an appropriate valuer valuing the immovable and stating that:
  - (i) the immovable is adjacent to or in the vicinity of another immovable included in the property of the Company or is another legal interest as defined above in an immovable which is already included in the property of the Company; and
  - (ii) in the opinion of the appropriate valuer, the total value of both immovables would at least equal the sum of the price payable for the immovable and the existing value of the other immovable; and
- (d) it must:
  - (i) be bought or agreed by enforceable contract to be bought within 6 months of receipt of the report or the appropriate valuer;

- (ii) not be bought if it becomes apparent to the ACD that the report in (b) could no longer reasonably be relied upon; and
- (i) not be bought at more than 105% of the valuation in the report in (b).

The following limits apply to immovables:

1. Not more than 15% in value of the property of the Company in any one immovable, but this can increase to 25% once the immovable has been included in the property of the Company;
2. The income receivable from any one group in any accounting period must not be attributable to immovables comprising:
  - (a) more than 25%; or
  - (b) in the case of a government or public body more than 35% of the value of the property of the Company.
3. Not more than 20% of the value of the property of the Company is to consist of immovables that are subject to a mortgage any mortgage must not secure more than 100% of the value of the Company's property.
4. Not more than 20% of the value of the property of the Company can be comprised of the aggregate of:
  - (a) mortgages secured on immovable property;
  - (b) borrowings by the Company; or
  - (c) any transferable securities that are not approved.
5. Not more than 50% of the value of the property of the Company is to consist of immovables that are unoccupied and non-income producing or in the course of substantial development, redevelopment or refurbishment; and
6. no option may be granted to a third party to buy any immovable comprising the Company's property unless the value of that property does not exceed 20% of the value of the Scheme Property together with, where appropriate, the value of investments in:
  - (a) unregulated collective investment schemes; and
  - (b) any transferable securities, which are not approved securities.

Any furniture, fittings or other contents of any building may be regarded as part of the relevant immovable.

An appropriate valuer must be a person who:

- (i) has knowledge of and experience in the valuation of immovables of the relevant kind in the relevant area;
- (ii) is qualified to be a standing independent valuer of a non-UCITS retail scheme or is considered by the Company's standing independent valuer to hold an equivalent qualification;
- (iii) is independent of the ACD and Depositary and each of the directors of the Company, ACD or Depositary; and

- (iv) has not engaged any of their associates in relation to the finding of the immovable for the Company or the finding of the Company for the immovable.

The following limits apply in respect of immovables held as part of the property of the Company.

- (a) the amount secured by mortgages over any immovable must not exceed 100% of the latest valuation by an appropriate valuer; and
- (b) no agreement may be granted to buy any immovable comprised in the property of the Company if this might unduly prejudice the ability to provide redemption.

In relation to the appointment of a valuer, the ACD must:

- (a) ensure that any immovables in the property of the Company are valued by an appropriate valuer (standing independent valuer) appointed by the ACD; and
- (b) at the outset appoint the standing independent valuer with the approval of the Depositary and likewise upon any vacancy.

The following apply in relation to the functions of the standing independent valuer:

- (a) the ACD must ensure that the standing independent valuer values all the immovables held within the property of the Company, on the basis of a full valuation with physical inspection (including, where the immovable is or includes a building, internal inspection) at least once a year;
- (b) for the purposes of (a) any inspection in relation to adjacent properties of a similar nature and value may be limited to that of only one such representative property;
- (c) the ACD must ensure that the standing independent valuer values the immovables, on the basis of a review of the last full valuation, at least once a month;
- (d) if either the ACD or the Depositary becomes aware of any matter which appears likely to:
  - (i) affect the outcome of a valuation of an immovable; or
  - (ii) cause the valuer to decide to value under (a) instead of under (c), it must immediately inform the standing independent valuer of that matter;
- (e) the ACD must use its best endeavours to ensure that any affected person reports to the standing independent valuer immediately upon that person becoming aware of any matter within (d); and
- (f) any valuation by the standing independent valuer must be undertaken in accordance with COLL 5.6.20R(3), subject to any provisions of the Instrument of Incorporation.

In relation to an immovable:

- (a) any valuation under the FCA Rules has effect, until the next valuation under the FCA Rules, for the purposes of the value of immovables; and
- (b) an agreement to transfer an immovable or an interest in an immovable is to be disregarded for the purpose of the valuation of the property of the Company unless it reasonably appears to the ACD to be legally enforceable.

The ACD's policy in relation to insurance of immovables forming part of the property of the Company, and the ACD's policy in relation to the granting of options over immovables in the property of the Company, and the purchase of options in immovables, will be set out in a revised Prospectus published at least 60 days before the first immovable is acquired by the Company

The ACD has not yet appointed a standing independent valuer. The identity of any standing independent valuer will be set out in a revised Prospectus published at least 60 days before the first immovable is acquired by the Company.

#### **4.15 Borrowing Powers**

The Company may, in accordance with the FCA Rules and this paragraph, borrow money on terms that the borrowing is repayable out of the property of the Company. Borrowings may only be made from an Eligible Institution or an Approved Bank.

Borrowings must not exceed 10% of the net value of the property of the Company, on any Business Day.

These borrowing restrictions do not apply to "back-to-back" borrowing for currency hedging purposes, i.e. borrowing permitted in order to reduce or eliminate risk arising by reason of fluctuations in exchange rates.

#### **4.16 Stock lending**

The Company, or the Depositary at the Company's request, may enter into stock lending transactions in respect of the Company. Stock lending transactions should be in accordance with the rules in COLL.

Briefly, such transactions are those where the Company delivers the securities which are the subject of the transaction, in return for which it is agreed that securities of the same kind and amount should be re-delivered at a later date. The Company at the time of delivery of the securities receives assets as collateral to cover the risk that the securities are not returned. Such transactions must always comply with the relevant requirements of the Taxation of Chargeable Gains Act 1992 and the specific rules in the FCA Rules. There is no limit on the value of the property of a Company which may be the subject of stock lending transactions, but the Company must ensure that the value of any collateral is at all times at least equal to the value of the securities transferred.

### **5. CHARACTERISTICS OF SHARES**

The Company can issue different classes of share. Income shares and accumulation shares are available.

The price of the shares is expressed in pounds sterling and the shares themselves have no nominal value.

The rights attaching to the shares of all classes may be expressed in two denominations and in each of those classes the proportion of a larger denomination share represented by a smaller denomination share shall be one thousandth of the larger denomination share.

Names and addresses of holders will be entered in the Register to evidence title to the shares. Shareholders will not be issued with a certificate. The ACD will impose no requirements nor will shareholders have any special rights or entitlements with respect to the transfer of their holding or exchange of their shares to or for shares in any other fund operated by the ACD. Income will be payable by cheque or by bank transfer if a relevant mandate is held.

### **6. DEALING IN THE COMPANY SHARES**

## 6.1 Issue and redemption of shares

The ACD will accept orders from eligible investors for the purchase and sale of shares on normal Business Days between 9.30 am and 5.00 pm. Before accepting an order, the ACD will require appropriate evidence to satisfy itself that the investor falls within the categories of eligible investors in the Company, having regard to COLL 8.1.3R.

The ACD's normal basis of dealing is at a forward price plus or minus any applicable dilution levy, which means that transactions will be effected at prices determined at the Valuation Point next following the ACD's agreement to sell, or as the case may be, to redeem the shares in question ("the dealing date").

Instructions to issue or redeem shares may be either in writing, by obtaining an application form by telephoning the ACD's Customer Enquiry Line on 0333 300 0375 or through the means of electronic communication (in accordance with paragraph 6.7). To confirm the transaction, a contract note or allocation letter will be issued by close of business on the next Business Day after the dealing date.

The ACD will buy back shares from registered holders at not less than the price determined at the next Valuation Point following receipt of redemption instructions less any dilution levy. Payment of redemption proceeds will be made not later than four Business Days after either the dealing date or receipt of the renouncement document if later. Payment for this purpose will be the issuance and posting of a sterling cheque to the address of the shareholder held on the Register. First class postage will be used where available.

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.

### **Non-accountability for profits**

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

a) dealings in the shares of the Company; or

any transaction in the Scheme Property; or

the supply of services to the Company.

### **Minimum subscription size**

There will be a minimum subscription size of £100,000 in respect of all classes of shares which may be waived at the absolute discretion of the ACD and a minimum transaction size of £100,000 unless the ACD in its absolute discretion waives this requirement or unless the sale is of an entire holding which is smaller than that minimum. There will be a minimum holding of £100,000.

## 6.2 Publication of share prices

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

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

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

The price shown will be that calculated at the previous Valuation Point. The price will not include any dilution levy that may apply but details will be available on request.

The shares are not listed or dealt in on any investment exchange.

### **6.3 Suspension of dealing**

The issue and redemption of shares in the Company will not take place if dealing in the shares is temporarily suspended by the ACD with prior agreement of the Depositary or if required by the Depositary in either case if the ACD or the Depositary (as the case may be) believes that due to exceptional circumstances it is in the interests of shareholders or potential shareholders in the Company. Notice of suspension will be provided to shareholders as soon as practicable after commencement of the suspension setting out the exceptional circumstances which led to the decision to suspend the dealing.

The notice of suspension must be clear, fair and not misleading. Shareholders will be informed in writing of the expected duration of the suspension (if known) and provided with updates concerning any such suspension. Any such suspension may only continue for so long as it is justified having regard to the interests of the shareholders and must cease as soon as practicable after the exceptional circumstances have ceased.

On suspension the ACD, or the Depositary if it has required the ACD to suspend dealing, must immediately inform the FCA stating the reasons for its actions and, as soon as practicable, give written confirmation of the suspension and the reasons for its actions to the FCA.

The ACD and Depositary must formally review any such suspension at least every 28 days and inform the FCA of the results of their review.

In addition, the FCA Rules may require the ACD to temporarily suspend the issue, cancellation, sale and redemption of shares in certain circumstances (for example, where the Company is invested in other authorised funds which are themselves suspended).

### **6.4 The ACD's right to refuse applications**

The ACD may, inter alia, reject at its discretion any application for the purchase, sale or exchange of shares 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.

### **6.5 Mandatory transfers, redemptions and conversions**

If it comes to the notice of the ACD that any shares ("affected shares") 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 by virtue of which the shareholder or shareholders in question is/are not qualified and entitled to hold such shares or if it reasonably believes this to be the case, the ACD may give notice to the holder(s) of the affected shares requiring either 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 or cancellation of such shares in accordance with the OEIC Regulations and COLL. If any person upon whom such a notice is served does not within thirty days after the date of such notice transfer their affected shares to a person qualified to hold them or establish to the satisfaction of the ACD (whose judgement is final and binding) that they or the beneficial owner are qualified and entitled to own the affected shares, they shall be deemed upon the expiration of that thirty day period to have given a request in writing for the redemption of all the affected shares pursuant to the OEIC Regulations and COLL.

A person who becomes aware that they have acquired or are holding affected shares 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 by virtue of which they are not qualified to hold such affected shares, shall forthwith, unless they have already received a notice as aforesaid, either transfer or procure the transfer of all their affected shares to a person qualified



to own them or give a request in writing or procure that such a request for the redemption or cancellation of all their affected shares pursuant to the OEIC Regulations and COLL.

Where the ACD considers it in the best interests of shareholders, the ACD may convert a shareholder's holding in one class of shares to another class of shares. The ACD shall give at least 60 days' prior written notice to the shareholders concerned of the proposed conversion, including details of the new class of shares and reminding shareholders of their rights to redeem.

## 6.6 Switching of shares

It is possible for shareholders to switch their entitlement between share classes in the Company. An instruction to exchange shares is where the Company converts, at the request of the shareholder and upon receipt of an exchange notice, part or all of the shares relating to one class held by the shareholder into shares of one or more other classes on the same day.

**Shareholders should be aware that an exchange of shares – if available - for shares of another class in the Company should not be treated as a disposal for Capital Gains Tax purposes.**

Exchange requests may be made by telephone, by fax or by letter in each case to the ACD. Shareholders may be required to complete a switching form (which in the case of joint shareholders must be signed by all joint holders). Switching forms will be available on request from the ACD.

The ACD may, at its discretion, make a charge on the switching of shares. The charge will not exceed any excess of the preliminary charge applicable to the shares being acquired over the preliminary charge applicable to the shares being switched. If, for any reason, an exchange notice is not received by the Company on the same day, the application will still be binding and considered irrevocable by the Company. The exchange notice must be addressed to the Company and signed by all registered holders. Exchange instructions accepted on any dealing day will be satisfied at prices calculated at the next valuation point. The relevant prices will be the NAV price (as defined under paragraph 7 below) per share of the Company. The number of new shares issued to the shareholder will be the number of shares to be exchanged multiplied by the NAV price of those shares divided by the NAV price of the new shares. In the event that an exchange involves share classes of differing currency denomination a currency exchange factor will be applied.

## 6.7 Electronic communications

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

- a) the electronic media by which such communications may be delivered;

how such communications will be identified as conveying the necessary authority; and

assurance from any person who may give such authority on behalf of the investor that they will have obtained the required appointment in writing from the shareholder.

## 6.8 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 fund 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 Depositary or the client or, if direct issues and cancellations of shares by the Company are permitted, to the Company, as applicable.

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

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

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.

## **7. PRICING OF SHARES**

The Company will be single priced. The Scheme Property of the Company will be valued at daily intervals at 12 noon ("the Valuation Point"), for the purpose of determining prices at which shares in the Company may be purchased or redeemed.

The ACD currently elects to deal on a forward basis.

The Company will be valued on a net asset value basis to determine the price of the shares ("NAV price"). Except in circumstances where the application of a dilution levy applies shares will be redeemed at the NAV price and purchased at a price that includes a preliminary charge at the rate applying to the Company. Please see paragraph 11 ("Charges and Other Expenses") for details of a dilution levy and/or a preliminary charge.

Out of the preliminary charge the ACD may pay commission to qualifying intermediaries, including the Investment Manager and its associates.

Although it is not current policy, if a dilution levy were to apply in the future the NAV price will be adjusted accordingly to determine the price at which shares can be purchased and redeemed.

The net asset value of the property of the Company shall be the value of its assets less the value of their liabilities determined (inter alia) in accordance with the following provisions which are set out in the Instrument of Incorporation.

All the property of the Company (including receivables) is to be included, subject to the following provisions:

1. Property which is not cash (or other assets dealt with in paragraph 3 below) or a contingent liability transaction shall be valued as follows and the prices used shall (subject as follows) be the most recent prices which it is practicable to obtain:
  - (a) units or shares in a collective investment scheme:
    - (i) if a single price for buying and selling units or shares is quoted, at that price; or
    - (ii) if separate buying and selling prices are quoted, at the average of the two prices provided the buying price has been reduced by an preliminary charge included therein and the selling price has been increased by an exit or redemption charge attributable thereto; or
    - (iii) 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, at a value which, in the opinion of the ACD, is fair and reasonable;
  - (b) any other transferable security:
    - (i) if a single price for buying and selling the security is quoted, at that price; or
    - (ii) if separate buying and selling prices are quoted, at the average of the two prices; or
    - (iii) if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no price exists, at a value which, in the opinion of the ACD, is fair and reasonable;
  - (c) property other than that described in (a) and (b) above shall be valued at a value which, in the opinion of the ACD, represents a fair and reasonable mid-market price.
2. Cash and amounts held in current and deposit accounts and in other time-related deposits shall be valued at their nominal values.
3. There will be a deduction of an estimated amount for anticipated tax liabilities at that point including (as applicable and without limitation) capital gains tax, income tax, corporation tax, valued added tax, stamp duty and stamp duty reserve tax.
4. There will be a deduction of an estimated amount for any liabilities payable out of the Scheme Property and any tax thereon treating periodic items as accruing from day to day.
5. There will be a deduction of the principal amount of any outstanding borrowings whenever payable and any accrued but unpaid interest on borrowings.
6. Property which is a contingent transaction shall be treated as follows:
  - (a) if a written option, (and the premium for writing the option has become part of the Scheme Property), deduct the amount of the net value of premium receivable. If the property is an off-exchange derivative the method of valuation shall be agreed between the ACD and Depositary.
  - (b) if an off-exchange future, include at the net value of closing out in accordance with a valuation method agreed between the ACD and the Depositary;

- (c) if any other form of contingent liability transactions, include at the net value of margin on closing out (whether as a positive or negative value). If the property is an off-exchange derivative, include at a valuation method agreed between the ACD and the Depositary.
7. 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.
  8. Subject to paragraph 9 and 10 below, agreements for the unconditional sale or purchase of property which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the valuation takes place and, in the opinion of the ACD, their omission will not materially affect the final net asset amount.
  9. 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 8.
  10. All agreements are to be included under paragraph 8 which are, or ought reasonably to have been, known to the person valuing the property.
  11. Add an estimated amount for accrued claims for tax of whatever nature which may be recoverable.
  12. Add any other credits or amounts due to be paid into the Scheme Property.
  13. Add a sum representing any interest or any income accrued due or deemed to have accrued but not received.
  14. Currencies or values in currencies other than base currency or (as the case may be) the designated currency of a sub-fund 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.

If there is more than one class in issue in the Company, the proportionate interests of each class in the assets and liabilities of the Company shall be ascertained as follows:

- 1.1 A notional account shall be maintained for each class. Each account shall be referred to as a "Proportion Account".
- 1.2 The word "proportion" in the following paragraphs means the proportion which the balance on a Proportion Account at the relevant time bears to the balance on all the Proportion Accounts of a Company at that time.
- 1.3 There shall be credited to a Proportion Account:
  - 1.3.1 the subscription money (excluding any preliminary charges or dilution levy) for the issue of shares of the relevant class;
  - 1.3.2 that class's proportion of the amount by which the Net Asset Value of the Company exceeds the total subscription money for all shares in the Company
  - 1.3.3 that class's proportion of the Company's income received and receivable; and
  - 1.3.4 any notional tax benefit under paragraph 1.5 below.
- 1.4 There shall be debited to a Proportion Account:

- 1.4.1 the redemption payment for the cancellation of shares of the relevant class;
  - 1.4.2 that class's proportion of any amount by which the Net Asset Value of the Company falls short of the total subscription money for all shares in the Company;
  - 1.4.3 all distributions of income (including equalisation if any) made to shareholders of that class;
  - 1.4.4 all costs, charges and expenses incurred solely in respect of that class;
  - 1.4.5 that class's proportion of the costs, charges and expenses incurred in respect of that class and one or more other classes in the Company, but not in respect of the Company as a whole;
  - 1.4.6 that class's proportion of the costs, charges and expenses incurred in respect of or attributable to the Company as a whole; and
  - 1.4.7 any notional tax liability under paragraph 1.5.
- 1.5 Any tax liability in respect of the Company and any tax benefit received or receivable in respect of the Company shall be allocated between classes in order to achieve, so far as possible, the same result as would have been achieved if each class were itself a Company so as not materially to prejudice any class. The allocation shall be carried out by the ACD after consultation with the Auditors.
- 1.6 Where a class is denominated in a currency which is not the base currency, the balance on the Proportion Account shall be converted into the base currency in order to ascertain the proportions of all classes. Conversions between currencies shall be at a rate of exchange decided by the ACD as being a rate that is not likely to result in any material prejudice to the interests of shareholders or potential shareholders.
- 1.7 The Proportion Accounts are notional accounts maintained for the purpose of calculating proportions. They do not represent debts from the Company to shareholders or the other way round.

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

When shares are issued thereafter each such share shall represent the same proportionate interest in the property of the relevant Company as each other share of the same denomination and class then in issue in respect of that Company.

The Company shall allocate the amount available for income allocation (calculated in accordance with the FCA Rules) between the classes in issue according to their respective proportionate interests and equally between each share of the same class.

### **Hard-to-value assets**

Where the ACD has reasonable grounds to believe that the price obtained is unreliable or the most recent price available does not reflect the ACD's best estimate of the value of the relevant investment at the relevant Valuation Point or no price or no recent price exists, the ACD may use a price which, in the opinion of the ACD, reflects a fair and reasonable price for that investment (the fair value price). In calculating any value, the

ACD shall be entitled to rely on any valuations provided or attributed to any asset or liability by the Investment Manager.

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

- (a) no recent trade in the security concerned; or
- (b) the occurrence of a significant event since the most recent closure of the market where the price of the security is taken.

In (b), a significant event is one that means the most recent price of a security or a basket of securities is materially different to the price that it is reasonably believed would exist at the Valuation Point had the relevant market been open.

In determining whether to use such a fair value price, the ACD will include in its consideration:

- (a) the type of authorised fund concerned;
- (b) the securities involved;
- (c) the basis and reliability of the alternative price used; and
- (d) the ACD's policy on the valuation of Scheme Property as disclosed in the prospectus.

### **Income Equalisation**

When an incoming shareholder purchases a share during an accounting period, part of the purchase price will reflect the relevant share of accrued income in the net asset value of the Company.

The first allocation of income in respect of that share refunds this amount as a return of capital. The amount of income equalisation is calculated by dividing the aggregate of the amounts of income included in the creation price of shares of the type in question issued or re-issued in a grouping period by the number of those shares and applying the resulting average to each of the shares in question.

## **8. ACCOUNTING AND INCOME DISTRIBUTION DATES**

The Company's annual accounting reference and half yearly accounting dates are:

Annual accounting reference date:	31 March
Annual income allocation date:	31 May
Half yearly accounting date:	30 September
Half yearly income allocation date:	30 November

Distributions of income for the Company are made on or before the annual income allocation date and on or before the half yearly income allocation date each year.

Each holder of income shares is entitled, on the half yearly and annual income allocation dates, to the income attributable to their holding.

Holders of accumulation shares are not entitled to be paid the income attributable to such shares, but that income is automatically transferred to (and retained as part of) the capital assets of the

Company at the end of the relevant distribution period and is reflected in the price of an accumulation share.

The ACD reserves the right to change or create additional accounting and income distribution dates, usually as a result of accounting or taxation changes.

Any distribution that remains unclaimed for a period of 6 years after the distribution became due for payment will be forfeited and shall revert to the Company.

## **9. PAYMENT OF DISTRIBUTIONS**

The income available for distribution is determined in accordance with COLL. It comprises all income received or receivable for the account of the Company in respect of the accounting period concerned, after deducting net charges and expenses paid or payable out of such income and after making such adjustments as the ACD considers appropriate, after consulting with the Company's auditors, in accordance with COLL, in relation to taxation and other matters.

On the income allocation dates, an amount, as determined by the ACD in accordance with the Instrument of Incorporation, is either paid, reinvested or accumulated to those shareholders who are entitled to the distribution by evidence of their holding on the Register at the previous accounting date. Payments will be made by means of direct credit to the shareholder's nominated bank account. If the income allocation date is not a Business Day, payment will be made on the next Business Day.

## **10. MEETINGS AND VOTING RIGHTS**

For the purposes of this paragraph 10:

- (a) a "physical meeting" is a general meeting convened at a physical location where shareholders, or their proxy, must be physically present;
- (b) a "hybrid meeting" is a general meeting which allows shareholders, or their proxy, to be physically present at the location where the meeting is convened, or to attend and vote remotely; and
- (c) a "virtual meeting" is a general meeting where all shareholders, or their proxy, attend and vote remotely.

The provisions below, unless the context otherwise requires, apply to share class meetings as they apply to general meetings of the Company.

The Company does not propose to hold annual general meetings. Resolutions will be voted upon at extraordinary general meetings.

The ACD and the Depositary may convene a general meeting of the Company at any time in accordance with the FCA Rules. The ACD may hold a virtual meeting or a hybrid meeting as this is not inconsistent with any provisions in the Instrument of Incorporation.

Shareholders may request the convening of a general meeting by a requisition which must:

- (a) state the objective of the meeting;
- (b) be dated;
- (c) be signed by shareholders who, at that date, are registered as the shareholders of shares representing not less than one-tenth in value of all of the shares then in issue; and
- (d) be deposited at the head office of the Company or with the Depositary.

Any shareholder who participates remotely in a hybrid meeting by the means specified in the notice is deemed to be present at the meeting and has the same rights as a shareholder who is physically present at the meeting.

Any shareholder who participates in a virtual meeting by the means specified in the notice is deemed to be present at the meeting and has the same rights that the shareholder would have at a physical meeting.

Any shareholder who participates remotely may do so without having to appoint a proxy and is not required to submit their vote on a resolution in advance of the meeting.

A meeting of shareholders, duly convened and held shall be competent by extraordinary resolution to require, authorise or approve any act, matter or document in respect of which any such resolution is required or expressly contemplated by the relevant regulations.

An extraordinary resolution is a resolution passed by a majority of not less than three-quarters of the votes validly cast (whether on a show of hands or on a poll) for the resolution at a general meeting, or, as the case may be, a share class meeting of shareholders.

Except where an extraordinary resolution is specifically required or permitted, any resolution of shareholders is passed by a simple majority of the votes validly cast.

A meeting of shareholders has no powers other than those contemplated by the FCA Rules.

Where a meeting of shareholders is convened by the ACD or the Depositary, shareholders must receive at least 14 days' written notice (inclusive of the date on which the notice is first served and the day of the meeting) and the notice shall specify:

- (a) whether the meeting is to be a physical meeting, a hybrid meeting or a virtual meeting;
- (b) if the meeting is a physical meeting or a hybrid meeting, the place of the meeting;
- (c) if the meeting is a hybrid meeting or a virtual meeting, the means by which a shareholder may participate, including any requirements for shareholders to register before the meeting begins or to provide proof of their right to attend, and an explanation of how participating shareholders may vote in a show of hands or in a poll, if they do not appoint a proxy;
- (d) the day and hour of the meeting;
- (e) the terms of the resolutions to be proposed; and
- (f) the address of the website where the minutes of the meeting will subsequently be published.

Where the notice is served by the ACD a copy shall be sent to the Depositary.

The accidental omission to give notice to, or the non-receipt of notice by any shareholder will not invalidate the proceedings at any meeting.

Notice of an adjourned meeting of shareholders must be given to each shareholder, stating that while two shareholders are required to be present, in person, by proxy or remotely, to constitute a quorum at the adjourned meeting, this may be reduced to one in accordance with COLL 4.4.6R(3), should two such shareholders not be present after a reasonable time of convening of the meeting.

Where the meeting is a hybrid meeting or a virtual meeting, the ACD shall take reasonable care to ensure that the necessary supporting technology to enable shareholders to attend and vote



is in place at the start of the meeting and operates adequately throughout its proceedings, so that shareholders who attend or vote remotely are not unfairly disadvantaged.

The quorum at a meeting of Shareholders shall be two shareholders present in person, by proxy or (where applicable) remotely using the means specified in the notice. If, after a reasonable time after the start of the meeting, a quorum is not present, the meeting:

- (a) if convened on the requisition of shareholders, must be dissolved;
- (b) in any other case, must stand adjourned to:
  - (i) a day and time which is seven or more days after the day and time of the meeting;
  - (ii) in the case of a physical meeting or a hybrid meeting, a place to be appointed by the chair; and
- (c) if, at an adjourned meeting under paragraph (b) above, a quorum is not present after a reasonable time from the time for the meeting, one person entitled to be counted in a quorum present at the meeting shall constitute a quorum.

The chair of a meeting which permits shareholders to attend and vote remotely shall take reasonable care to give such shareholders:

- (a) an adequate opportunity to be counted as present in the quorum; and
- (b) sufficient opportunities to participate fully in the proceedings of the meeting, in particular when a vote is taken on a show of hands or by poll.

In the case of an equality of votes cast, the chair is entitled to a casting vote.

At any meeting of shareholders, on a show of hands every shareholder who is present in person or who attends the meeting remotely using the means specified in the notice, shall have one vote.

On a poll, votes may be given either personally or by proxy or in another manner permitted by the Instrument of Incorporation. The voting rights for each share must be the proportion of the voting rights attached to all of the shares in issue that the price of the shares bears to the aggregate price or prices of all of the shares in issue at a cut-off date selected by the ACD which is a reasonable time before notice of the meeting is sent out. A shareholder entitled to more than one vote need not, if they vote, use all their votes or cast all the votes they use in the same way. For joint shareholders, the vote of the first shareholder, or the proxy of the first shareholder, stated in the Register will be accepted to the exclusion of the votes of other joint shareholders.

In the context of despatch of notice, "shareholders" means the persons who were entered in the Register seven days before the notice of meeting was given but excluding persons who are known not to be entered on the Register at the date of despatch of the notice.

To be included in the quorum and entitled to vote at the meeting, "shareholders" means the persons entered on the Register at a time 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.

The ACD is not entitled to vote at or be counted in a quorum at a meeting of shareholders in respect of shares held or deemed to be held by the ACD, except where the ACD holds shares on behalf of, or jointly with, a person who, if themselves the sole registered shareholder would be entitled to vote, and from whom the ACD has received voting instructions. Associates of the ACD are entitled to be counted in a quorum and, if they hold shares on behalf of a person who would have been entitled to vote if they had been a registered shareholder and they have

received voting instructions from that person, may vote in respect of such shares pursuant to such instructions.

The ACD will publish the minutes on a website accessible to the general public without charge, no later than 5 Business Days after the meeting has taken place (but in the case of an original meeting which is adjourned, the minutes will be published no later than 5 Business Days after the adjourned meeting has taken place).

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

- (a) delivered to the shareholder's address as appearing in the Register; or
- (b) sent using an electronic medium in accordance with paragraph 6.7 above.

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

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

Any notice or document served by post on one joint shareholder is deemed to also have been served on each other joint shareholder whose address, as appearing on the Register, is the same address to which the notice or document was sent.

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

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

Changes to the Company are classified as fundamental, significant or notifiable.

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

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

The ACD must give prior written notice to shareholders of any proposed change which constitutes a "significant change". This is a change or event which is not fundamental, but which:

- (a) affects a shareholder's ability to exercise their rights in relation to their investment;
- (b) would reasonably be expected to cause the shareholder to reconsider their participation in the Company;

- (c) results in any increased payments out of Scheme Property to the ACD, or an associate of the ACD; or
- (d) materially increases other types of payment out of the Scheme Property.

The notice period must be a reasonable length and must not be less than 60 days.

The ACD must inform shareholders in an appropriate manner and timescale of any notifiable changes that are reasonably likely to affect, or have affected, the operation of the Company. This is a change or event, other than a fundamental or significant change, which a shareholder must be made aware of unless the ACD concludes the change is insignificant. The appropriate manner and timescale of notification will depend on the nature of the change or event. An appropriate manner of notification could include the information being included in the next report of the Company.

Changes to the investment objective and policy of the Company will normally require approval by shareholders at an extraordinary general meeting if the changes alter the nature or risk profile of the Company, or on giving 60 days' notice to shareholders where the changes do not alter the nature or risk profile of the Company. In exceptional circumstances, changes may be made to the investment objective and policy of the Company with no minimum period of notice where these are for clarification purposes only. In all cases, changes may only be made to the investment objective and policy following notification to the FCA pursuant to the OEIC Regulations and confirmation from the FCA that these changes will not affect the ongoing authorisation of the Company.

## **11. CHARGES AND OTHER EXPENSES**

### **11.1 ACD's preliminary charge**

The ACD may receive, or waive in part or in whole, a preliminary charge upon the sale or purchase of shares. The current preliminary charge is 1% of the issue price in respect of all classes of shares.

Out of the preliminary charge the ACD may pay commission to qualifying intermediaries, including the Investment Manager and its associates. If not waived, the preliminary charge will be charged upon the sale or purchase of shares.

### **11.2 ACD's periodic charge**

The ACD receives a periodic charge for managing the Company at a rate per annum of the value of the property of the Company accruing daily and payable out of the property of the Company. The rate of the periodic charge is up to 0.5% (currently 0.35%) per annum and is the same in respect of all classes of shares.

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 Manager and those of its sub-advisers. Research costs will be paid for by the Investment Manager out of this fee and shall not be borne by the Company.

The periodic charge in respect of the Company will be treated as an income charge and will be paid monthly in arrears.

### **11.3 Dilution levy**

The actual cost of purchasing or selling investments may be higher or lower than the mid-market value used in calculating the share price - for example, due to dealing charges or through dealing at prices other than the mid-market price. Under certain circumstances (for example large volumes of deals) this may have an adverse effect on the shareholders' interest in the Company. In order to prevent this effect ("dilution"), the ACD has the power to charge a "dilution levy" on

the sale and/or redemption of shares but does not at present intend to do so. If the ACD decides in the future to charge a dilution levy, it will be 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 change the current policy and charge a dilution levy will depend on the volume of sale and redemptions. The ACD may elect to charge a discretionary dilution levy on the sale and redemption of shares if, in its opinion, the existing shareholders (for sales) or remaining shareholders (for redemptions) might otherwise be adversely affected. In particular, the dilution levy may then be charged in the following circumstances: where the Scheme Property is in continual decline; on "large deals" (which for these purposes is defined as a deal in respect of shares exceeding the sum of £100,000 in value); in any case where the ACD is of the opinion that the interests of remaining shareholders require the imposition of a dilution levy. If a dilution levy is not charged in such circumstances, this may have an adverse effect on the future growth of the Scheme Property.

It is not possible to predict accurately whether dilution is likely to occur at any point in time, nor to estimate the amount of any dilution levy, since, as indicated above, the ACD does not at present intend to charge such a levy.

Although the ACD does not intend to charge a dilution levy at present, should the ACD choose to do so in the future then 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.

#### **11.4 Depositary's fees**

##### **Periodic fee**

The Depositary is paid a monthly periodic fee (plus VAT) in remuneration for its services from the Scheme Property of the Company. The Depositary's fee is calculated, on the value of the Scheme Property of the Company determined in accordance with the Instrument of Incorporation and COLL, and payable out of the Scheme Property of the Company in accordance with COLL.

For this purpose, the value of the Company is inclusive of the issues and cancellations which take effect as at the relevant Valuation Point.

The Depositary's fee shall accrue daily, and shall be calculated by reference to the value of the Scheme Property of the Company for successive periods commencing on each Valuation Point and ending immediately before the next Valuation Point in each month. The Depositary's fee is payable on, or as soon as is practicable after, the end of the month in which it accrued.

The rate of the periodic fee is agreed between the ACD and the Depositary and is calculated on a sliding scale for the Company on the following basis:

0.0275% per annum	on the first £50,000,000 value of the Scheme Property of the Company
0.025% per annum	on the next £50,000,000 value of the Scheme Property of the Company
0.020% per annum	on the next £100,000,000 value of the Scheme Property of the Company
0.015% per annum	thereafter

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.

These rates can be varied from time to time in accordance with the regulations.

The Depositary's fee shall accrue daily and shall be calculated by reference to the value of the Company at the first valuation point on the first Business Day and shall end immediately before the next valuation point in each month. The Depositary's fee is payable on, or as soon as practicable after, the end of the month in which it accrued.

### **Transaction and derivative and custody charges**

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

<b>Item</b>	<b>Range/Fees</b>
Transaction Charges	£7.50 to £100
Derivative Transaction Charges	£20 (if applicable)
Custody Charges	0.0025% to 0.4% subject to a minimum aggregate custody charge of £7,500 per annum

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

Global custody is delegated by the Depositary to the Custodian; refer to paragraph 1.2 for details.

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

Where relevant, the Depositary may make a charge for (or otherwise benefit from) providing its services in relation to: distributions, the provision of banking services, holding money on deposit, lending money, or engaging in stock lending transactions, in relation to the Company and may purchase or sell or deal in the purchase or sale of Scheme Property, provided always that the services concerned and any such dealing are in accordance with the provisions of the regulations.

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

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

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

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

### **Other expenses**

The following other expenses may be paid out of the property of the Company:-

1. broker's commission (excluding costs for research), fiscal charges (including stamp duty and/or stamp duty reserve tax) and other disbursements which are necessary to be incurred in effecting transactions for the Company and normally shown in contract notes, confirmation notes and difference accounts as appropriate;
2. fees and expenses in respect of establishing and maintaining the Register, (the current fee, being £10 per shareholder per annum)
3. any costs incurred in or about the listing of shares in the Company on any Stock Exchange, and the creation, conversion and cancellation of shares;
4. any costs incurred by the Company in publishing the price of the shares in a national or other newspaper;
5. any costs incurred in producing and dispatching any payments made by the Company, or the periodic reports of the Company;
6. 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;
7. any fees or costs associated with any CASS related support activity incurred by the Registrar;
8. any fees, expenses or disbursements of any legal or other professional adviser of the Company;
9. any costs incurred in taking out and maintaining an insurance policy in relation to the Company;
10. any costs incurred in respect of meetings of shareholders convened for any purpose including those convened on a requisition by shareholders not including the ACD or an associate of the ACD;
11. liabilities on amalgamation or reconstruction including certain liabilities arising after transfer of property to the Company in consideration for the issue of shares as more fully detailed in COLL;
12. interest on borrowings and charges incurred in effecting or terminating such borrowings or in negotiating or varying the terms of such borrowings;
13. taxation and duties payable in respect of the property of the Company or the issue or redemption of shares
14. the audit fees of the Auditors (including VAT) and any expenses of the Auditors;
15. the fees of the FCA as prescribed in the Fees Manual of the FCA Handbook together with any corresponding periodic fees of any regulatory authority in a country or territory outside the United Kingdom in which shares in the Company are or may be marketed;
16. any expense incurred in relation to company secretarial duties including the cost of maintenance of minute books and other documentation required to be maintained by the Company;
17. the total amount of any cost relating to the application for authorisation and incorporation of the Company and of its initial offer, or issue of shares;
18. any payments otherwise due by virtue of COLL; and

19. any value added or similar tax relating to any charge or expense set out herein.

## **12. ALLOCATION OF CHARGES AND EXPENSES**

The ACD and the Depositary have agreed that all charges and expenses will be treated as a charge against the income of the Company (except those charges and expenses relating directly to the purchase and sale of investments).

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

## **13. TAXATION**

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

### **13.1 Taxation of the Company**

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

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

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

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. The rate of corporation tax applicable to the Company is equal to 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 should actually be paid on that part of the income funding the interest 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. Any 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.

## 13.2 **Taxation of shareholders**

### **(A) Income**

For tax purposes, an ICVC is treated as distributing the whole of the income available for distribution in each of its distribution periods, whether actually distributed or accumulated by it. 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 either actually takes or is deemed to take place depends on the source and composition of the income within the Company.

Where more than 60% of the Company is invested in "qualifying investments" (broadly speaking interest paying investments, see further below) the Company 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 and showing their taxable income.

#### **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, on the amount in excess of the applicable personal savings allowance) on any income distributions at the basic rate, the higher rate or the additional rate (as applicable).

##### UK corporate shareholders

If, at any point in an accounting period of a UK corporate shareholder the Company fails to satisfy the "qualifying investment" test, Shares held by the UK corporate shareholders in respect of the Company are treated as if the shares in respect of such a corporate's accounting period (including gains, profits and losses) are rights under a creditor loan relationship and will be taxed or relieved as an income receipt or expense on a "fair value accounting" basis. Accordingly, such a corporate shareholder may, depending on its own



circumstances, incur a charge to corporation tax on an unrealised increase in the value of its holding of shares (and, likewise, obtain relief against corporation tax for an unrealised reduction in the value of its holding of shares).

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, cash on deposit, certain derivative contracts or holdings in other collective investment schemes which at any time in the relevant accounting period do not themselves satisfy the "qualifying investments" test, or other interest bearing securities.

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

### **Dividend Distributions**

Dividend distributions paid by 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 voucher. The unfranked portion is, to the extent it comprises UK source income, generally treated as an annual payment received after deduction of income tax at the basic rate, whereas the balance is treated as franked income – i.e. a dividend. Both annual payments and dividends are liable to corporation tax in the hands of UK corporate shareholders although the franked dividend portion should fall within an exemption from corporation tax.

## **(B) Chargeable gains**

#### UK resident individuals

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

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

#### UK corporate shareholders

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

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

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

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.

### 13.4 **UK information reporting regime**

ICVCs 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.

### 13.5 **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.

### 13.6 **International Tax Compliance**

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

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

To be compliant with the International Tax Compliance Regulations the Company must collect information about each shareholder's tax residence and, in certain circumstances, provide information about shareholders' holdings in shares 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 shareholder's 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.

## **14 GENERAL INFORMATION**

#### 14.1 Telephone calls

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

Recordings will be provided on request for a period of at least five years from the date of such recording or, where requested by a competent regulatory authority, for a period of seven years where the ACD can identify the call.

If an investor asks the ACD to send a recording of a particular call the ACD may ask for further information to help identify the exact call to which the request relates to.

#### 14.2 Complaints

Complaints concerning the operation or marketing of the Company should be referred (in the first instance) to the ACD at the ACD's registered office. Details of the ACD's registered office are set out in Appendix 5.

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

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

#### 14.3 Annual and interim reports

Annual reports will be published and made available on the annual income allocation date listed in paragraph 8 above. Half-yearly reports will be published on the interim income allocation date.

Copies of the most recent annual and half-yearly long reports may be inspected, or obtained free of charge, at the registered office of the ACD.

#### 14.4 Documents of the Company

Copies of this Prospectus, the Instrument of Incorporation (and any subsequent amending Instrument of Incorporation) may be inspected (free of charge) or obtained at the registered office of the ACD. The address for the ACD's registered office is set out in Appendix 5.

Copies of the contracts of service between the Company and the ACD will be provided to shareholders on request.

#### 14.5 Future Disclosures

The following information will be made available to shareholders as part of the Company's annual report:

- 14.5.1 the percentage of the Company's assets which are subject to special arrangements arising from their illiquid nature;
- 14.5.2 any new arrangements for managing the liquidity of the Company;
- 14.5.3 the current risk profile of the Company and the risk management systems employed by the ACD to manage those risks; and
- 14.5.4 the total amount of leverage employed by the Company, as applicable.

Shareholders will also be provided with information regarding changes to:

- 14.5.5 the maximum level of leverage that the ACD may employ on behalf of the Company;

- 14.5.6 any right of re-use of collateral under the Company's leveraging arrangements;  
and
- 14.5.7 any guarantee granted under the Company's leveraging arrangements.

This information will be made available to shareholders, without undue delay following the occurrence of that change, usually by way of update to this Prospectus. Where required, such change will be preceded by notification to shareholders.

#### **14.6 Money Laundering**

The EC Money Laundering Directive has now been implemented in the UK by measures added to the Criminal Justice Act 1993 and by the Money Laundering Regulations 1993. As a result, firms conducting investment business are required to maintain procedures to combat money laundering. In order to implement these procedures, in certain circumstances shareholders may be asked to provide some proof of identity when buying or selling shares.

Please refer to paragraph 14(9) below titled 'Electronic Verification' for details of the resources the ACD may access in verifying information on you.

#### **14.7 Profit and Loss of ACD**

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

#### **14.8 Investors outside of the UK**

The distribution of the Prospectus and the offering or purchase of shares in the Company may be restricted in certain jurisdictions. No persons receiving a copy of the Prospectus in any such jurisdiction may treat the Prospectus as constituting an invitation to them to subscribe for shares unless, in the relevant jurisdiction, such an invitation could lawfully be made to them.

Accordingly the Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. It is the responsibility of any persons in possession of the Prospectus and any persons wishing to apply for shares in the Company to inform themselves of and to observe all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for shares in the Company should inform themselves as to legal requirements of so applying and any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile.

The shares have not been, and will not be, registered under the 1933 Act or the securities laws of the United States. The shares may not be offered, or sold directly or indirectly in the United States or to or for the account or benefit of any US Person, or in a transaction not subject to the regulatory requirements of, the 1933 Act and any applicable state securities laws.

Further details are set out at the beginning of this Prospectus on pages 1 to 2.

#### **14.9 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 carrying out the ACD's agreement with each shareholder. This may include the transfer of such data to other members of the ACD's group and to other businesses providing services to the ACD (including their offices outside the UK), where the transfer is necessary for the provision of services in relation to the ACD's role as operator of the Company. The data protection laws

and other laws of these countries may not be as comprehensive as those that apply within the UK. In these instances the ACD will take steps to ensure that your privacy rights are respected.

Shareholders have the right to access their personal data processed by the ACD together with (in certain circumstances) the right to object to the processing of such data for legitimate reasons. A copy of the ACD's Privacy Notice relating to investors is available at [www.tutman.co.uk](http://www.tutman.co.uk) or on request from [compliance@tutman.co.uk](mailto:compliance@tutman.co.uk).

#### **14.10 Electronic Verification**

The Money Laundering Regulations 2007, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, The Proceeds of Crime Act 2002, the Senior Management Arrangements, Systems & Controls Source book 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.

### **15 RISK PROFILE MANAGEMENT**

- 15.1 The ACD, in consultation with the Investment Manager, has adopted a risk management process in respect of the Company enabling it to monitor and measure the risk of the Company's portfolio and contribution of the underlying investments to the overall risk profile of the Company.
- 15.2 The ACD operates a liquidity risk management policy with a view to ensuring that shareholders are able to realise their shares in accordance with this Prospectus and the requirements of the FCA Rules. This Prospectus provides information in relation to liquidity risk management, including the redemption rights of investors in normal and exceptional circumstances, and the existing redemption arrangements with investors.
- 15.3 Liquidity risk is the risk that the Company is unable to meet its obligations as they fall due. Examples include insufficient cash to meet redemption requests or make margin payments requirements and the risk that a particular derivative position cannot be easily unwound or offset due to insufficient market depth or market disruption or that the Company's financial obligations arising from the derivative activity (such as margin calls) will not be able to be met. It is controlled for through monitoring of the liquidity of all instruments used, including derivatives, in the context of the investment objectives and liquidity requirements of each scheme or client account. Cash positions are monitored and reported to ensure that the Company has sufficient capacity to meet obligations arising from any derivative positions.
- 15.4 Stress tests on the portfolio are undertaken on a periodic basis, the frequency is dependent on a number of factors, e.g. portfolio composition and liquidity.

### **16 LEVERAGE**

16.1 The Company may invest in instruments which are subject to leverage from time to time. Under the UK AIFM regime, the ACD must:

- i. set a maximum level of leveraging which it may employ on behalf of the Company; and
- ii. where the leverage arrangement allows the right to reuse collateral or the granting of a guarantee, set out the extent of that right or guarantee.

16.2 For the Company, the ACD has set the following limits:

<b>Derivative Type</b>	<b>Limits</b>
<b>Allowable on a 'substantial' basis</b>	No
<b>Unsecured cash borrowings</b>	Not permitted
<b>Secured cash borrowings</b>	Up to 10% for liquidity purposes only. ONLY for short-term use.
<b>Convertible borrowings</b>	Not permitted
<b>Interest rate swaps</b>	Not permitted
<b>Contracts for differences</b>	Not permitted
<b>Futures contracts</b>	Not permitted
<b>Total return swaps</b>	Not permitted
<b>Forward agreements</b>	Only as required; No greater than 40% of the Net Asset Value of the portfolio.
<b>Options</b>	Only as required; No greater than 30% of the Net Asset Value of the portfolio.
<b>Repurchase arrangements</b>	Not permitted
<b>Reverse repurchase arrangements</b>	Not permitted
<b>Securities lending arrangements</b>	Not permitted
<b>Securities borrowing arrangements</b>	Not permitted
<b>Credit default swaps</b>	Not permitted
<b>MAXIMUM LEVEL OF LEVERAGE USING THE COMMITMENT METHOD*</b>	200%
<b>MAXIMUM LEVEL OF LEVERAGE USING THE GROSS METHOD*</b>	300%

\*Notes:

\*Under the **gross method**, the exposure of the Company is calculated as follows:

1. the value of any cash and cash equivalents which are highly liquid investments held in the base currency of the Company that are readily convertible to an amount of cash, subject to an insignificant risk of change in value and which provide a return no greater than the rate of a three month high quality government bond is excluded;
2. derivative instruments are converted (using certain specified conversion methodologies) into the equivalent position in their underlying assets;
3. cash borrowings that remain in cash or cash equivalents and where the amounts payable are known are excluded;
4. exposures resulting from the reinvestment of cash borrowings, expressed as the higher of the market value of the investment realised or the total amount of cash borrowed are included; and
5. positions within repurchase or reverse repurchase transactions and securities lending or borrowing or other similar arrangements are included.

The maximum level of leverage for the Company expressed as a ratio of the Company's total exposure to its Net Asset Value current ratio under the gross method is: **3:1**.

\*Under the **commitment method**, the exposure of the Company is calculated as follows:

1. derivative instruments are converted (using certain specified conversion methodologies) into the equivalent position in their underlying assets;
2. netting and hedging arrangements are applied, subject to specified conditions;
3. the exposure created through the reinvestment of borrowings where such reinvestment increases the exposure of the Company is calculated;
4. derivative instruments used for currency hedging purposes are excluded.

The maximum level of leverage for the Company expressed as a ratio of the Company's total exposure to its Net Asset Value current ratio under the commitment method is: **2:1**.

**The Company may use options, forwards and other derivative instruments for both the purpose of meeting the investment objectives of the Company and hedging against either price or currency fluctuations. The ACD's ability to use these strategies may be limited by market conditions, regulatory limits and tax considerations. Use of these strategies involves certain special risks, including (i) imperfect correlation between movements in the securities or currency on which a futures or options contract is based and movements in the securities or currencies in the Company; (ii) the absence of a liquid market for any particular instrument at any particular time; and (iii) possible impediments to the ability to meet redemption requests or other short-term obligations because of the percentage of the Company's assets segregated to cover its obligations. Hedging strategies necessarily add costs to the Company.**

## **17 FAIR TREATMENT OF INVESTORS**

- 17.1 The ACD ensures fair treatment of investors by its compliance with the applicable rules in the COLL and FUND and with the rules contained in the FCA handbook of rules and guidance ("FCA Handbook").
- 17.2 The ACD is required, under the FCA Handbook, to treat its customers fairly, when they become, remain or as they cease to be shareholders. The ACD complies with the rules in the FCA Handbook, and has adopted a series of policies and procedures (including a Conflict of Interest policy) which are designed to achieve this outcome.

- 17.3 The ACD and the Investment Manager may in certain circumstances grant preferential treatment to investors. This may include, for example, access to certain unit classes, a waiver or reduction of certain charges, the payment of rebates, or access to individuals within the ACD or the Investment Manager. If such rights are granted, this would typically be to investors who invest significant amounts in the Company. Such investors would not typically be legally or economically linked to the ACD.
- 17.4 Any shareholder may be granted preferential treatment in relation to the terms of its investment in the Company by the ACD, the Investment Manager and/or any other service provider to the Company.
- 17.5 The ACD and/or the Investment Manager may enter into side letters and/or other arrangements ("Side Arrangements") with shareholders, including those deemed to involve a significant or strategic relationship, that will result in the terms of an investment in the Company being different to the terms applicable to other shareholders and/or provide the following preferential treatment:

**17.5.1 Disclosure / Reporting:**

- 17.5.1.1 notification of (A) certain 'key man' events and/or (B) certain changes to the organisation of the Company and/or (C) the issue of shares on more favourable terms to those described herein (as amended by the relevant side letter and/or other arrangement) and/or (D) certain other changes and/or other events, in each case that affects, or relates to, the Company and/or its service providers (including, but not limited to, the Investment Manager) or the relevant shareholder's investment in the Company;
- 17.5.1.2 notification if holdings in the Company by the relevant shareholder exceed specific levels; and/or
- 17.5.1.3 the provision of certain limited information relating to the Investment Manager and/or to the Company's assets, including in order to allow the relevant shareholder to comply with the laws and regulations to which it is subject.

**17.5.2 Investor Liquidity terms:**

- 17.5.2.1 ensure that redemptions of shares are effected in full within a prescribed period of time in the event that redemptions are deferred (i.e. "gated") for any reason; and/or
- 17.5.2.2 permit transferability of shares where there is no change of beneficial ownership.

**17.5.3 Fees:**

- 17.5.3.1 rebate some or all of the periodic charge payable in respect of the relevant shareholder's shares.

**17.5.4 Side Arrangements:**

- 17.5.4.1 The ACD's Risk Management Policy deals with Side Arrangements.
- 17.5.4.2 The main conflict of interest with Side Arrangements is the potential for one or more investors to be advantaged over other investors by terms within their Side Arrangements. For example, the preferential



early exit of one investor may reduce the portfolio liquidity, which might make withdrawals unavailable to other investors. Subsequently, it may be the case that other investors are actually disadvantaged. The ACD will give consideration as to whether the nature and scope of the provisions are consistent with treating all investors fairly.

- 17.5.4.3 Any Side Arrangement which contains 'material terms' will be fully considered before it is put in place. Examples of material terms would include preferential redemption rights, 'key man' provisions, redemption 'gate' waivers and portfolio transparency rights.

## **18 RECOGNITION AND ENFORCEMENT OF JUDGMENTS**

- 18.1 The UK AIFM regime require the ACD to give details of legal instruments providing for the recognition and enforcement of judgments in England and Wales (which is the territory in which the Company is established). The laws of England and Wales provide a number of legal mechanisms for the recognition and enforcement of judgments.

## APPENDIX 1

### **HISTORICAL PERFORMANCE FIGURES**

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

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

<b>Share class</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
	(%)	(%)	(%)	(%)	(%)
<b>The Ord Fund ICVC</b>	17.16	14.05	16.51	-11.82	16.31

Source of performance data - Morningstar

**Investors should note that these figures refer to the past and past performance is not a reliable indicator of future results or rates of return.**

These performance figures are presented as a matter of record and should be regarded as such. Performance is determined by many factors including the general direction and volatility of markets and may not be repeatable.

## **APPENDIX 2**

### **ELIGIBLE MARKETS**

The Company may deal on the securities and derivatives markets listed below.

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

- a) a regulated market (as defined in the FCA Glossary);
- b) an established market in the UK or an EEA State which is regulated, operates regularly and is open to the public;
- c) a market which the ACD, after consultation with the Depositary, determines is appropriate for the purpose of investment of, or dealing in the property of the Company. In accordance with the relevant criteria in COLL, such a market must be regulated; operate regularly; recognised as a market or exchange or as a self-regulating organisation by an overseas regulator; 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	ASX Group
Canada	Toronto Stock Exchange
	TSX Venture Exchange
	Montreal Exchange
Hong Kong	Hong Kong Exchange
Japan	Nagoya Stock Exchange
	Osaka Securities Exchange
	Tokyo Stock Exchange
	JASDAQ Securities Exchange
Korea	Korea Composite Stock Price Index
Mexico	Mexican Stock Exchange
New Zealand	New Zealand Stock Exchange (NZX)
Singapore	Singapore Exchange (SGX)
South Africa	JSE Limited
Switzerland	SIX Swiss Exchange AG
Thailand	Stock Exchange of Thailand

United Kingdom	Alternative Investment Market of the London Stock Exchange (AIM)
United States of America	NYSE Euronext
	Chicago Stock Exchange (CHX)
	NASDAQ
	NYSE Arca Equities
	NASDAQ OMX PHLX

### **Eligible derivatives markets**

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

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

The eligible derivatives markets are NYSE Euronext and London International Financial Futures and Options Exchange (LIFFE).

## APPENDIX 3

### Other Regulated Collective Investment Schemes under management

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

	<p> TM First Arrow Investment Funds  TM Hearthstone ICVC  TM Investment Exposures Fund  TM Investment Funds  TM Lime Fund  TM Natixis Investment Funds U.K.  ICVC  TM Neuberger Berman Investment  Funds  TM Oak Fund  TM OEIC  TM Optimal Funds  TM P1 Investment Funds  TM Redwheel Funds  TM Ruffer Portfolio  TM Stonehage Fleming Global  Multi-Asset Umbrella Fund  TM Stonehage Fleming  Investments Funds  TM Tellworth Investments Funds  TM Total Return Fund  TM UBS (UK) Fund  TM Veritas Investment ICVC  Trowbridge Investment Funds </p>	<p> TM Stonehage Fleming Global  Equities Fund  TM Stonehage Fleming Global  Equities Fund II  TM Stonehage Fleming Global  Equities Umbrella Fund </p>
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## **APPENDIX 4**

### Establishment of Collective Investment Schemes

Second schemes in which the Company may invest in are established in the locations listed below. This list is not restrictive and may be amended from time to time where the Company invests in second schemes established in new locations.

Ireland

Luxembourg

United Kingdom

## APPENDIX 5

### Directory of Contact Details

<b>ACD</b>	<b>Thesis Unit Trust Management Limited</b> Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP
<b>Administrator, Registrar and Fund Accountant</b>	<b>Northern Trust Global Services SE, UK branch</b> 50 Bank Street, Canary Wharf, London E14 5NT
<b>Dealing Office</b>	<b>Thesis Unit Trust Management Limited</b> Sunderland SR43 4AZ  Telephone number: 0333 300 0375
<b>Auditors</b>	<b>Ernst &amp; Young LLP</b> 25 Churchill Place London E14 5EY
<b>Custodian</b> <i>Principal place of business:</i>	<b>The Northern Trust Company</b> 50 South LaSalle Street, Chicago, Illinois, USA
<i>Who may also act under this power through its London branch:</i>	50 Bank Street, Canary Wharf, London E14 5NT
<b>Depository</b>	<b>NatWest Trustee and Depository Services Limited</b> House A, Floor 0, Gogarburn, 175 Glasgow Road Edinburgh EH12 1HQ
<b>Investment Manager</b>	<b>Thesis Asset Management Limited,</b> Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP <a href="http://www.thesisam.com">www.thesisam.com</a>
<b>Financial Conduct Authority (FCA)</b>	12 Endeavour Square London E20 1JN