



PROSPECTUS

of

TM QUILTER CHEVIOT OEIC

Consisting of the following Fund:
Refined Balanced Fund

An umbrella UK UCITS
Open-Ended Investment Company

Valid as at and dated 1 September 2026

This document constitutes the Prospectus for TM Quilter Cheviot OEIC (the **Company**) which has been prepared in accordance with the rules contained in the Collective Investment Schemes Sourcebook (**COLL**) published by the Financial Conduct Authority (**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

PROSPECTUS OF TM QUILTER CHEVIOT OEIC

The Company is a UK UCITS established in the UK and will be marketed to the public in the UK. It is not intended that the Company or the Fund will be marketed outside the UK. This Prospectus is intended for distribution in the United Kingdom. The distribution of this Prospectus and the offering of Shares in the Company may be restricted in other jurisdictions. Potential Shareholders must inform themselves of the legal requirements and restrictions of their own jurisdiction and act accordingly. This Prospectus does not amount to a solicitation or offer by any person in any jurisdiction in which such solicitation or offer would be unauthorised or unlawful.

In particular, the Shares have not been and will not be registered under the 1933 Act, as amended, or any applicable securities laws of any state of the United States of America. They may not be offered or sold directly or indirectly in the United States of America, its territories and possessions, any state of the United States or the District of Columbia, or to US Persons. Any re-offer or resale of any of the Shares in the United States or to US Persons may constitute a violation of United States law. The Company has not been and will not be registered under the United States Investment Company Act of 1940, as amended. The ACD has not been and will not be registered under the United States Investment Advisers Act of 1940, as amended.

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 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 under the FCA Rules or otherwise.

Copies of this document have been sent to the Financial Conduct Authority and to the Depositary in accordance with the COLL Sourcebook.

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

The Prospectus is based on information, law and practice at the date hereof. The Company is not bound by any out-of-date Prospectus when it has issued a new Prospectus and potential investors should check that they have the most recently published Prospectus. 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.

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

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

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1 INTERPRETATION

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

"ACD"	the Authorised Corporate Director holding office from time to time pursuant to the FCA Rules being Thesis Unit Trust Management Limited at the date of this Prospectus;
"Act"	the Financial Services and Markets Act 2000;
"Administrator"	Northern Trust Global Services SE, UK branch, or such other person appointed from time to time to be the administrator of the Company;
"Approved Bank"	(in relation to a bank account opened for the Company): (a) if the account is opened at a branch in the UK; (i) the Bank of England; or (ii) the central bank of a member state of the OECD; or (iii) a bank; or (iv) a building society; or (v) a bank which is supervised by the central bank or other 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 issued by the FCA as amended or replaced from time to time;

"Company"	TM Quilter Cheviot OEIC;
"Custodian"	the person who provides custodian services to the Company, being The Northern Trust Company, or its successor or successors as custodian;
"Data Protection Laws"	all applicable laws relating to the processing, privacy and/or use of personal data including the following laws to the extent applicable in the circumstances: (a) the UK GDPR; (b) the Data Protection Act 2018; (c) any laws which implement any such laws; (d) any laws which replace, extend, re-enact, consolidate or amend any of the foregoing (whether or not before or after the date of this Prospectus); and (e) all final and binding guidance, guidelines and codes of practice issued by any relevant supervisory authority relating to such Data Protection Laws;
"Dealing Day"	means, in respect of all Funds, a Business Day which does not fall within a period of suspension of calculation of the net asset value (unless stated otherwise in this Prospectus or the FCA Rules) and any such other day as the ACD may decide from time to time and agree with the Depositary;
"Depositary"	the person appointed from time to time by the Company or otherwise pursuant to the Regulations being NatWest Trustee and Depositary Services Limited at the date of this Prospectus;
"Depositary Agreement"	the agreement between the Company, the ACD and the Depositary regarding the appointment of the Depositary;
"Directors"	the directors of the Company for the time being (including the ACD) or, as the case may be, the directors of the Company for the time being assembled as a board including any committee of such board;
"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;
"FCA"	the Financial Conduct Authority, or any successor regulatory entity. The contact details of the FCA are set out under the Directory in Schedule 6;
"FCA Glossary"	the glossary giving the meanings of the defined expressions used in the FCA Handbook as amended from time to time;

"FCA Handbook"	the FCA Handbook of rules and guidance, including COLL, as amended from time to time;
"FCA Rules"	the rules contained in COLL but, for the avoidance of doubt, not including guidance or evidential requirements contained in COLL;
"Financial Instruments"	as defined in the FCA Glossary;
"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;
"Funds"	the sub-funds from time to time of the Company and "Fund" shall mean one of the sub-funds;
"Home State"	as defined in the FCA Glossary;
"Instrument"	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;
"Investment Manager"	Quilter Cheviot Limited appointed by the ACD as investment adviser to the Funds;
"Non-UCITS retail scheme"	means an authorised fund which is not a UK UCITS, a qualified investor scheme or a long-term asset fund;
"OECD"	the Organisation for Economic Co-operation and Development;
"OEIC Regulations"	the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended or re-enacted from time to time;
"Office Hours"	from 9am to 5pm on any Business Day;
"Prospectus"	this prospectus of the Company as amended or updated from time to time;
"recognised scheme"	a collective investment scheme recognised for the purposes of sections 264 or 272 of the Act;
"Register"	the register of shareholders of the Company;
"Registrar"	Northern Trust Global Services SE, UK branch, or such other person appointed from time to time to be the registrar of the Company;
"Regulations"	the OEIC Regulations and COLL;
"Scheme Property"	the property of a Company or a Fund (as appropriate) to be given to the Depositary for safekeeping, as required by the FCA Rules;

"Share" or "Shares"	a share or shares in the Company (including larger denomination shares and smaller denomination shares);
"Shareholder(s)"	holder(s) of registered Shares in the Company;
"Sterling"	pounds sterling of the UK;
"UCITS Directive"	means the European Parliament and Council Directive of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (No. 2009/65/EC), as amended;
"UCITS"	Undertaking for Collective Investment in Transferable Securities. This will include a UCITS scheme or an EEA UCITS scheme, each as defined in the FCA Glossary;
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland;
"UK AIF"	as defined in the FCA Glossary;
"UK GDPR"	means Regulation 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;
"UK UCITS Regulations"	means the Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2019 SI 2019/325 incorporating European directives or other European legislation relating to undertakings for collective investment in transferable securities into UK domestic law following the UK's withdrawal from the European Union;
"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: (a) a person included in the definition of "U.S. person" under Rule 902 of Regulation S under the 1933 Act; or (b) a person excluded from the definition of a "Non-United States person" as used in Commodity Futures Trading Commission ("CFTC") Rule 4.7 For the avoidance of doubt, a person is excluded from this definition of 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; and
"1933 Act"	the United States Securities Act of 1933 (as may be amended or re-enacted).

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

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

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

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

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

2 CONSTITUTION AND REGULATORY STATUS

The Company is an open-ended investment company incorporated under the OEIC Regulations. It is a UK UCITS as defined in the FCA Glossary and also an umbrella company for the purposes of the OEIC Regulations.

The Company has one sub-fund available for investment; details of these sub-funds ("Funds") are set out below.

The Company was authorised by an order made by the Financial Services Authority with effect from 27 July 2007. The Financial Services Authority was the predecessor to the FCA and the Prudential Regulation Authority in all matters arising prior to 1 April 2013. The Company is incorporated in England and Wales with registered number IC000559 and its FCA product reference number is 468637.

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

The Company will continue until wound up in accordance with the Rules. Details of the procedure to wind the Company up are set out under the paragraph 22.

The Shareholders of the Company will not be liable for the debts of the Company.

The base currency for the Company is Sterling. The maximum size of the Company's capital is £100,000,000,000 and the minimum size is £1.

Historical performance data for the Funds are set out in Schedule 3.

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

The Funds

The Company has one Fund as follows:

- Refined Balanced Fund with FCA product reference number 638864.

The property attributable to each of the Funds is managed as if such fund belonged to the "UCITS scheme" category as specified in Chapter 5 of COLL.

Subject to the terms set out in this Prospectus, holders of Shares in a Fund are entitled to receive the net income derived from the Fund and to redeem their Shares at a price linked to the value of the property of the Fund. Shareholders do not have any proprietary interest in the underlying assets of any Fund.

The investment objective and policy of the Funds, and limitations on investment policy, are set out at paragraph 6 below.

Further Funds

Subject to the Company's Instrument and COLL, the ACD may establish additional Funds from time to time.

Segregated Liability

Funds established by the Company are segregated portfolios of assets, and, accordingly, the assets of a Fund belong exclusively to that Fund, and shall not be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the Company or any other Fund, and shall not be available for any such purpose.

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

Investor Profile

The ACD considers that the Funds are compatible with investors seeking a medium to long term investment and investors should be prepared to hold their investment for at least 5 years (in the case of Refined Balanced Fund). Investors should note that the recommended time horizon is a minimum and not a recommendation to sell at the end of that minimum period. If you are uncertain about whether this product is compatible with your needs, please contact an independent financial adviser.

It is anticipated that retail investors will typically invest in Retail Shares and institutional investors will typically invest in Institutional Shares. In general, however, the ACD recommends that investors seek suitable advice from an authorised independent intermediary before investing.

Attention is drawn to paragraph 3 ("Risk Factors") below.

Marketing

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

3 RISK FACTORS

Investors should bear in mind that all investment carries risk and in particular should be aware of the following:

- (a) Past performance is not a guide to the future. The value of Shares and the income derived from them can go down as well as up and as a result the investor may not get back the amount originally invested. This can be as a result of market movements and also of variations in the exchange rates between currencies. The ACD's preliminary charge (as set out under the heading "The Authorised Corporate Director's Charges") is deducted from an investment at the outset and various other charges accrue daily, therefore an equivalent rise in the value of the Shares is required before the original investment can be recovered;
- (b) **For hedging purposes only, in order to reduce or eliminate risk arising from fluctuations in interest or exchange rates and in the price of investments, the Investment Manager may enter into certain derivatives transactions, including, without limitation, forward transactions, futures and options.** The value of these investments may fluctuate significantly. By holding these types of investments there is a risk of capital depreciation in relation to certain Fund assets. There is also the potential for capital appreciation of such assets. **The ACD does not anticipate that the use of derivatives in this way will change or alter the overall risk profiles of the Funds;**
- (c) The levels of relief from taxation will depend upon individual circumstances. Please note current tax levels and reliefs may change and their value will depend on the investor's individual circumstances;
- (d) **The levels of income generated by the Funds will fluctuate and are not guaranteed.**
- (e) **Counterparty risk in over-the-counter markets:** a Fund may enter into transactions in over-the-counter markets, which will expose the Fund to the credit of its counterparties and their ability to satisfy the terms of such contracts. For example, the Fund may enter into agreements or use other derivative techniques, each of which expose the Fund to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, the Fund could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Company seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights. There is also a possibility that the above agreements and derivative techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. In such circumstances, investors may be unable to recover any losses incurred.
- (f) **Legal and Regulatory Risks:** legal and regulatory (including taxation) changes could adversely affect the Company. Regulation (including taxation) of investment vehicles such as the Company is subject to change. The effect of any future legal or regulatory (including taxation) change on the Company is impossible to predict, but could be substantial and have adverse consequences on the rights and returns of Shareholders.
- (g) **Exchange-traded Funds:** exchange traded funds (or ETFs) are usually open-ended collective investment schemes, the units of which track an index, a commodity or a basket of assets like an index, but are traded like a stock on regulated markets and investment

exchanges.

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

- (i) a discount of the ETF's shares to its net asset value;
- (ii) failure to develop an active or liquid trading market for the ETF's shares. The lack of a liquid secondary market, in particular, may make it very difficult for the Company to sell the ETFs it holds and there can be no guarantee that a secondary trading market will develop;
- (iii) the listing / relevant exchange halting trading of the ETF's shares;
- (iv) failure of the ETF's shares to track the quoted reference index;
- (v) the re-weighting of and
- (vi) the holding of troubled or illiquid securities in the quoted reference index.

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

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

- (h) **Exchange Traded Notes:** exchange traded notes (or ETNs) are a type of unsecured, unsubordinated debt security, the returns of which are based on the performance of a market index minus applicable fees, combining both the aspects of bonds and exchange traded funds and traded on a major exchange(s).

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

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

Although most ETNs will quote an annual management charge ratio, this may not include all

of the costs involved in running the investment and they do not always quote a total expense ratio figure.

- (i) **Custody Risk:** the Depositary may delegate the function of safekeeping of Financial Instruments to the Custodian, who may in turn appoint custody agents. The Depositary or Custodian or custody agents may hold Financial Instruments in fungible accounts (meaning the assets are interchangeable) or omnibus accounts (resulting in accounts being combined). The use of omnibus accounts gives rise to a potential risk that there could be a shortfall in the Financial Instruments held in such an account should the total of the Financial Instruments be less than the aggregate entitlement of the Company. It is expected that such risks will be mitigated by the Custodian's trade matching and reconciliation processes, however in the event of an irreconcilable shortfall, the affected clients would bear the risk of any shortfall on a pro-rata basis and the Company may not recover all of its Financial Instruments.
- (j) **Infectious Diseases:** infectious diseases that pose significant threats to human health may be highly disruptive to global economies and markets. The economic and market disruptions caused by infectious diseases could significantly impact the value of the Scheme Property of the Company and the value of distributions paid to Shareholders.
- (k) **Specific Risks for ESG Funds:** Funds which have an ESG investment strategy may have an investable universe that is smaller than that of an unscreened universe. These Funds may restrict exposure to exclude companies, industries or sectors that do not meet certain ESG criteria. Therefore, there may be assets with potentially higher returns that cannot be invested in. Assessments of ESG criteria often incorporate subjective judgements. It is important that investors carefully assess the ESG investment strategy of such Funds to ensure that this aligns with their own views and priorities regarding ESG characteristics.

4 MANAGEMENT AND ADMINISTRATION OF THE COMPANY

The Authorised Corporate Director

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

The directors of the ACD are:

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

S R Mugford is also a director of Tutman Fund Solutions Limited and a member of the governing body of TUTMAN LLP, both authorised fund managers within the same group as the ACD, performing a senior management function. They hold directorships of other companies within the Thesis group and performs a senior management function within Thesis Asset Management Limited, which acts as an investment manager for some authorised funds operated by the ACD.

D W Tyerman is also a member of the governing body of TUTMAN LLP, an authorised fund manager within the same group as the ACD, performing senior management functions. They hold directorships of other companies within the Thesis group and performs senior management functions within Thesis Asset Management Limited, which acts as an investment manager for some authorised funds operated by the ACD.

S E Noone is also a member of the governing body of TUTMAN LLP, an authorised fund manager within the same group as the ACD, performing a senior management function.

N C Palios is also a director of Tutman Fund Solutions Limited and a member of the governing body of TUTMAN LLP, both authorised fund managers within the same group as the ACD, performing a senior management function. They hold directorships of other companies within the Thesis group and performs a senior management function within Thesis Asset Management Limited, which acts as an investment manager for some authorised funds operated by the ACD.

D K Mytnik and V R Smith also hold non-executive directorships of other companies within the Thesis group and are members of the governing body of TUTMAN LLP, an authorised fund manager within the same group as the ACD.

C J Willson and C A E Lawson are also independent non-executive directors of Tutman Fund Solutions Limited and members of the governing body of TUTMAN LLP, both authorised fund managers within the same group as the ACD. They are not engaged in other business activities that are of significance to the Company.

S Macdonald and L R Robinson are also independent non-executive directors of Tutman Fund Solutions Limited, an authorised fund manager within the same group as the ACD. They are not engaged in other business activities that are of significance to the Company.

The registered office and head office of the ACD is at Exchange Building, St John's Street, Chichester, West Sussex, PO19 1UP. The ACD has a share capital of £5,673,167 issued and paid up.

Thesis Unit Trust Management Limited is authorised and regulated by the FCA. For the purposes of COLL, as the ACD of the Company, Thesis Unit Trust Management Limited is referred to as an authorised fund manager.

The ACD may act as authorised fund manager to other regulated collective investment schemes. Details of these schemes, as at the date of this Prospectus, are set out in Schedule 5.

The ACD may provide investment services to other clients and funds and to companies in which the Company may invest in accordance with the Regulations.

When managing investments of the Company, the ACD will not be obliged to make use of information which in doing so would be a breach of duty or confidence to any other person or which comes to the notice of an employee or agent of the ACD but properly does not come to the notice of an individual managing the assets of the Company.

The ACD provides its services to the Company under the terms of a service agreement (the "ACD Agreement"). The material provisions of the ACD Agreement are as follows:

The ACD Agreement provides that the appointment may be terminated by either party after the expiry of 6 months written notice or forthwith by the Company in the case of fraud, wilful default or gross negligence on the part of the ACD. The ACD Agreement will also terminate on expiry of notice given by the Depositary in accordance with Rule 6.5.4(3) of COLL (liquidation, receivership or an administration order in respect of the ACD). The ACD is entitled to payment of its fees to the date of termination but no additional compensation.

The ACD Agreement provides that the Company will indemnify the ACD against any liability incurred by it in managing the Company and carrying out its duties as authorised corporate director of the Company except to the extent such liability arises from the gross negligence, wilful default or fraud of the ACD or its breach of the Act or the regulatory system under the Act. 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 a principal but does not profit from this activity.

Delegation

The ACD has delegated the following functions to third-parties:

General Administration – fund valuation and fund accounting functions have been delegated to Northern Trust Global Services SE, UK branch (the "Administrator"). Northern Trust Global Services SE, UK branch, also acts as the Company's Registrar.

Investment Management – (being the management of the investments held by the Funds from time-to-time) has been delegated to the Investment Manager. Details of the Investment Manager's appointment are set out below.

The ACD remains responsible for ensuring that the companies to whom it delegates such functions perform those delegated functions in compliance with the Regulations.

The Depositary

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

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

The Depositary's registered and head office address is 250 Bishopsgate, London EC2M 4AA. The address of its office which handles matters relating to the Company is set out under the Directory in Schedule 6.

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

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

Duties of the Depositary

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

Terms of appointment

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

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

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

Under the Depositary Agreement the Depositary has the power to appoint sub-custodians and may include in such appointment powers to sub-delegate. The Depositary has delegated custody of the Scheme Property to The Northern Trust Company (the "Custodian"). Contact details for the Custodian are set out in the Directory in Schedule 6. The Custodian has, in turn, sub-delegated the custody of assets in certain markets in which the Company may invest to various sub-delegates ("sub-custodians").

A list of sub-custodians is set out in Schedule 4. Investors should note that the list of sub-custodians is updated only at each Prospectus review.

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

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

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

Details of the fees payable to the Depositary are set out in paragraph 16.

Conflicts of interest

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

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

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

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

role as depositary.

Updated Information

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

The Investment Manager

Quilter Cheviot Limited (the "Investment Manager") is the investment adviser to the ACD in relation to the Funds. The Investment Manager is authorised and regulated by the FCA. The Investment Manager's principal activity is the provision of investment management services. The Investment Manager is required to comply with its own execution policy. A copy of its execution policy is available from the Investment Manager's website (listed in the Directory) or, alternatively, available on request from the ACD.

Under the terms of an agreement dated 31 January 2014, between the Investment Manager and the ACD, the Investment Manager has the authority of the ACD to make decisions on behalf of the ACD in respect of the investments of the Funds, subject always to the provisions of the Instrument, the Prospectus, the Regulations, and the investment objectives and policies of the Funds. The Investment Manager is also authorised to deal on behalf of the Funds. This agreement may be terminated by the ACD giving 14 days' notice or by the Investment Manager giving 30 days' notice. This agreement may also be terminated immediately by the ACD if it is in the interests of investors.

Under the terms of the investment advisory agreement, the Investment Manager may delegate to any person the performance of its duties and services required to be performed by it under the agreement with the consent of the ACD.

Details of the fees that the Investment Manager is entitled are set out in paragraph 15 ("The Authorised Corporate Director's Charges") under the sub-paragraph 'periodic charge'.

The Registrar and Register

Northern Trust Global Services SE, UK branch acts as Registrar to the Company. The Register (including the plan register, where applicable) is kept, and will be available for inspection by Shareholders on any Business Day during normal Office Hours, at the office of the Registrar at 50 Bank Street, Canary Wharf, London E14 5NT.

The plan register is a record of persons who subscribe for Shares through Individual Savings Accounts (ISAs).

No certificates will be issued in respect of a holding of Shares. Should any Shareholder require evidence of title to Shares the Registrar will, upon such proof of identity and the payment of such fee (if any) as the ACD may reasonably require, supply the Shareholder with a certified copy of the relevant entry in the Register relating to the Shareholder's holding of Shares.

Shareholders should notify the Registrar in writing of any change to their name or address and provide such evidence as the Registrar may reasonably request.

No bearer Shares are issued.

The fees that the Registrar may be entitled to are set out at paragraph 17 ("Other Payments of the Company"). Please refer to the respective sub-paragraphs relating to the Registrar.

Northern Trust Global Services SE, UK branch was formerly Northern Trust Global Services PLC.

The Auditors

The auditors to the Company are PricewaterhouseCoopers LLP. The address for PricewaterhouseCoopers LLP is set out in the Directory in Schedule 6.

5 SHARES IN THE COMPANY

The Company's Instrument permits income and accumulation Shares to be issued under such designation as the ACD may decide, and as set out in this Prospectus.

The Company may issue income and accumulation Shares. The current Share class availability, for each Fund, is as follows:

Refined Balanced Fund

- B Sterling Accumulation
- B Sterling Income
- X Sterling Accumulation
- X Sterling Income

The Share Classes

X Shares are only available for subscription by Quilter Cheviot Limited, the Investment Manager to the TM Quilter Cheviot Funds.

Further classes of Shares may be established from time to time by the ACD with the approval of the FCA (where required by the Regulations), the agreement of the Depositary, and in accordance with the Instrument and the applicable Regulations. On the introduction of a new class of Share a revised Prospectus will be prepared setting out the details of the Share class.

The base currency for each new class of Share will be determined at the date of creation and set out in the Prospectus.

Each Share is deemed to represent one undivided unit of entitlement in the property of the Company. No bearer Shares are issued.

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

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

Income Shares are Shares in respect of which income allocated to them is distributed periodically to the relevant Shareholder or, if accumulation Shares, credited periodically to capital.

If both income and accumulation Shares are in existence, the income of a Fund is allocated as between income Shares and accumulation Shares according to the respective units of entitlement

in the property of the Fund represented by the accumulation Shares and income Shares in existence at the end of the relevant accounting period.

Where the Company has different Share classes, each class may attract different charges and so monies may be deducted from the Scheme Property attributable to such classes in unequal proportions.

The rights attaching to the Shares of all classes may be expressed in two denominations and, in each of these classes, the proportion of a larger denomination Share represented by a smaller denomination Share shall be one thousandth of the larger denomination.

No certificates will be issued in respect of a holding of Shares. Ownership of Shares will be evidenced by an entry in the Company's Register. Should any Shareholder require evidence of title to Shares the ACD will, upon such proof of identity and the payment of such fee (if any) as the ACD may reasonably require, supply the Shareholder with a certified copy of the relevant entry in the Register relating to the Shareholder's holding of Shares.

Shareholders should notify the Registrar in writing of any change to their name or address.

6 INVESTMENT OBJECTIVES, POLICIES AND OTHER DETAILS OF THE FUNDS

Investment of the assets of each of the Funds must comply with the COLL rules as they apply to UK UCITS and in accordance with the investment objective and policy of the relevant Funds. These investment objectives and policies are set out below.

The eligible securities markets and eligible derivatives markets on which the Funds may invest are set out in Schedule 2.

A detailed statement of the general investment and borrowing restrictions and the extent to which the Company may invest are set out in Schedule 1.

Each of the Funds may invest in derivative instruments and forward transactions for limited purposes as explained in Schedule 1.

6.1 REFINED BALANCED FUND

This product does not have a UK sustainability investment label.

Sustainability investment labels help investors find products that have a specific sustainability goal.

This Fund does not use a UK sustainability investment label because, while it seeks to invest at least 70% of its value in assets with environmental, social and governance ("**ESG**") characteristics and applies exclusionary screening to remove companies with excluded characteristics from its investment universe, the Fund does not have a sustainability objective and it does not seek any particular or measurable positive outcomes.

This statement is made in compliance with ESG 4.3.5R of the ESG Sourcebook. The Fund's further sustainability disclosures, in compliance with ESG 5.3R of the ESG Sourcebook, are set out below.

Investment Objective

The objective of the Fund is to provide income and capital growth, net of fees, over the longer term (a five-year rolling period).

Investment Policy

The Fund will aim to achieve its investment objective through investment in a portfolio of transferable securities which aims to provide a balance of income and capital growth. These may include:

- equity securities (55% to 95%)
- corporate bonds and government bonds (5% to 40%)
- permitted closed-ended funds, including investment trusts and REITs (up to 20%)
- warrants (up to 5%).

Exposure to the above asset classes may be obtained directly or indirectly via investment in collective investment schemes (including those managed or operated by the ACD or its associates and/or advised or managed by the Investment Manager or its associates).

In addition, the Fund may invest 5% to 30% of its value in alternatives (e.g. commodities and property), indirectly via permitted instruments, such as collective investment vehicles.

The Fund may also invest in other transferable securities, cash, near cash and deposits and approved money market instruments.

The Fund will invest at least 70% of its value in assets with environmental, social and governance (“**ESG**”) characteristics as described in the “ESG Investment Strategy” section below and in the asset types detailed above.

The Fund will be actively managed (which means the Investment Manager decides which investments to buy and sell and when) and will normally remain fully invested save for such operational liquidity as is required from time to time.

The assets of the Fund will be managed in such a way that the Shares in the Fund will be qualifying investments for Individual Savings Accounts.

The use of derivatives and/or hedging transactions are permitted in connection with the efficient portfolio management of the Fund.

Performance Comparator

The Fund uses the Investment Association Mixed Investment 40 - 85% Shares peer group for performance comparison purposes. The peer group is not a target and the Fund is not constrained by it.

The peer group has been selected as a comparator for performance because the constituents of this peer group are similar to the parameters for asset allocation set in the investment policy of the Fund. It is therefore an appropriate comparator for the Fund’s performance. However, it is important to appreciate that the Fund is specifically managed in line with the ESG Investment Strategy detailed below, including exclusionary screening criteria and therefore, investors should be aware that the performance of the Fund may deviate from other funds in the peer group.

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.

ESG Investment Strategy

What does "refined" mean?

The use of "Refined" in the Fund name reflects the application by the Investment Manager of the exclusionary criteria set out below to narrow the Fund's investment universe. This criteria includes the removal of the lowest-performing assets from an ESG perspective (as assessed by the Investment Manager), ensuring at least 70% of the Fund's assets have environmental, social and governance ("**ESG**") characteristics and the additional application of exclusionary screening to companies held directly by the Fund in its whole portfolio.

For the avoidance of doubt, in the remaining 30% of the Fund's portfolio, the Fund may invest in assets that are not considered to be assets with ESG characteristics. This includes funds and companies that have been assessed as ESG laggards (as described below) or sovereign debt instruments with a UN SDG index score of less than 80. This may also include assets which may well have sufficient ESG characteristics to eventually contribute towards the Fund's 70%, but where work to fully assess those ESG characteristics has not concluded. However, the Fund cannot actively invest in Excluded Assets (as defined below).

ESG factor integration

The Investment Manager's asset selection process embeds ESG factor integration. This means that, when identifying investment opportunities for the Fund, the Investment Manager will assess both qualitatively and quantitatively, how any material ESG characteristics could impact shareholder returns for any investment.

In addition, the Investment Manager undertakes a twice-yearly assessment of the classification of investments within the Fund's monitored universe. This assessment identifies ESG "laggards" (as described in the Investment Manager's ESG Investment Strategy) in comparison to their peers using proprietary dashboards, as further described in the Quilter Cheviot Refined Balanced Fund ESG investment strategy and process document published on the Investment Manager's website: <https://www.quiltercheviot.com/siteassets/documents/guides/quilter-cheviot-refined-balanced-fund-esg-investment-strategy-and-process.pdf>, with such companies or funds removed from the Fund's investable universe. The remaining companies and funds are considered to be assets with ESG characteristics.

In summary, the Investment Manager's assessment incorporates the following:

- **Companies:** Companies are assessed by the Investment Manager using company dashboards which incorporate material ESG-factors based on the Sustainability Accounting Standards Board (SASB) framework and additional factors that have been identified by the Investment Manager as relevant and informative for that industry group. For example, ESG-factors within a dashboard may include data points that relate to a company's: i) greenhouse gas emissions and quality of related disclosures, including approved Science Based Targets; ii) CEO pay changes in relation to total shareholder return; iii) business ethics and strength of governance structure, including contravention of the principles of the UN Global Compact; and iv) product safety. The dashboards' quantitative approach is accompanied by qualitative assessments and engagement with companies to test the dashboards' output and finalise the categorisation. The assessment reflects the number of key ESG metrics in which the company is classified as an ESG laggard.

If the Investment Manager does not think the quantitative data represents true ESG

performance, the Investment Manager will make a qualitative judgement-based decision on categorisation. This may result in a company not being classified as an ESG laggard (and being included within the Fund's 70%) despite having a material number of underperforming quantitative data points.

While the Investment Manager's assessment includes governance as well as environmental and social characteristics, and notes that all three are assessed, governance characteristics alone are not sufficient for the assessment of a company as having ESG characteristics.

As part of this broad assessment of potential investments, the Investment Manager considers the climate impact of the companies' own operations. The Investment Manager favours equities with well-managed climate impact and risks, such as those companies that have an independently validated science-based target for greenhouse gas emission reductions, and a detailed, transparent, and credible climate action plan.

- **Open-ended funds:** For collective investment schemes, the Investment Manager's fund dashboards compare funds (on an asset class and geographic basis) through an assessment of: i) the fund's investment manager; ii) the fund's investment objective, policy and strategy; and iii) for funds investing in listed underlying investments, their holdings. The worst performing funds in each industry group dashboard (grouped by asset class and geographical location) are identified as ESG laggards.
- **Closed-end funds:** For funds that invest in unlisted holdings (e.g. property and infrastructure), the Investment Manager has developed proprietary scorecards, using the external sustainability framework as a foundation, to focus on the most relevant ESG risks and opportunities for each asset class. These scorecards enable a more granular, sector specific evaluation of the funds and their underlying assets, recognising that unlisted investments present different ESG risks, data availability challenges, and engagement opportunities. The funds with the lowest scores are identified as ESG laggards.

The Investment Manager overlays this quantitative analysis with qualitative insights gathered by the Investment Manager's research teams and through meetings with fund managers alongside any relevant responsible investment engagement activity to form a comprehensive view of the fund's ESG characteristics.

Assessment of sovereign debt instruments

The ESG characteristics of sovereign debt instruments are determined by the issuing country's Sustainable Development Goals ("**SDGs**") index score.¹ The Investment Manager considers sovereign debt instruments to have sufficient ESG characteristics if the issuing country received an SDG index score of 80 or higher in the most recent UN Sustainable Development Solutions Network ("**SDSN**") Sustainable Development Report.² An SDG index score of 80 or higher indicates the country has made meaningful progress towards achieving all the SDGs in accordance with that country's United Nations commitments.

The SDSN has a comprehensive framework for assessing each country's progress towards achieving the 17 SDGs using a broad range of data from across international organisations (such

¹ More information about the methodology underpinning the SDG Index can be found within or alongside the SDSN Sustainable Development Report. International statistics may be subject to time lags and as a result the latest report's data may not reflect recent significant factors (e.g. factors arising from recent conflict escalation).

² All thresholds are published by the SDSN either within or alongside the SDSN Sustainable Development Report.

as the World Bank and OECD) and other sources (such as peer reviewed journals).³

As part of the SDSN Sustainable Development Report, each set of raw data is considered and standardised using a pre-determined methodology to give a score out of 100. This figure reflects the country's progress to completion for that specific sustainability indicator (which closely aligns with the SDG underlying targets). All standardised indicator scores for a given SDG are then averaged for an SDG score. Finally, the average of all 17 SDG scores gives a country's overall SDG index score. An SDG index score of 100 indicates all 17 SDGs have been achieved by that country.

What assets are excluded from the Fund?

The Investment Manager applies restrictions which prevents the Fund from investing in companies which have certain excluded characteristics. These are referred to as "**Excluded Assets**".

Any company with one or more of the following characteristics is considered an Excluded Asset and removed from the Fund's investable universe. This applies to all 'direct' investments, regardless of their classification under the ESG Factor Integration process.

The following exclusions do not apply to collective investment schemes or collective investment vehicles.

The Investment Manager utilises independent assessments from a specialist research provider to ensure the negative criteria are applied fairly and consistently.

- **Adult Content** – Companies with a major involvement in the production, distribution or retail of pornographic material.
- **Alcohol** – Companies involved in the irresponsible marketing of alcoholic drinks.
- **Armaments** – Companies that manufacture or sell weapons or weapon systems for military purposes.
- **Environment** – Companies in the highest impact sectors (such as oil and gas and mining) with poor environmental management, mitigation and reporting.
- **Gambling** – Companies involved in the irresponsible marketing of gambling or with a major involvement in the operation of gambling facilities.
- **High Interest Lending** – Companies that provide high-interest consumer credit facilities.
- **Human Rights** – Companies where there is credible evidence that operations, knowingly or unintentionally, cause or contribute to the abuse of human rights, or with operations in countries regarded as having oppressive regimes where evidence is held of their involvement, either by collusion or complacency, in abuses of human rights.
- **Tobacco** – Companies manufacturing or processing tobacco products.

"**Major involvement**" is assessed using a revenue threshold (currently 10%) with consideration also given to i) the relative contribution of the company's operations to the industry as a whole, and ii) the nature of the activity.

"**Irresponsible marketing**" is assessed as companies deemed to be in breach of UK Advertising Standards Authority codes or similar codes.

Where it is assessed that a current investment is inconsistent with the Fund's restrictions criteria, the Investment Manager may engage with the relevant company on the topic of concern with a view to persuading the company to change its approach. If the Investment Manager considers that

³ This framework and the corresponding data for each country is published annually in the SDSN Sustainable Development Report (Sustainable Development Report 2025).

either engagement with the company is unlikely to achieve the desired outcome (including, where applicable, following initial engagement with the company) it will, except where it considers that material detriment to the Fund (including its unitholders) is likely to arise, divest from the company within three months of the date of its identification of the inconsistency or, where applicable, the date on which its engagement with the company concluded.

Further information on how the exclusions are applied is available from the Investment Manager upon request.

How does the Investment Manager's stewardship strategy support the Fund?

The Investment Manager will use voting rights (where appropriate) to further the economic interests of the Fund and to encourage engagement and ultimately express its view on companies' performance to support the creation of value to the benefit of holders and other stakeholders. All decisions are made in conjunction with the relevant research analyst. The Investment Manager has established a set of voting principles which guides how it votes. The Investment Manager leverages a proxy voting service provider to support its voting process. Voting is considered an important tool for encouraging companies in ways that support the development of sustainable societies. Whilst each vote is determined based on the specific circumstances and issues, the Investment Manager's voting policy provides a guide to how it typically votes in relation to specific topics, related to both environmental and social considerations. The Investment Manager's voting policy is available upon request.

Useful metrics

The following metrics are considered useful in understanding the ESG investment strategy of the Fund and how its portfolio has been refined as described above:

Environmental & Social

- Percentage of the Fund invested in assets with ESG characteristics.
This links directly to the Fund's ESG Factor Integration process.
- Percentage of Excluded Assets in the Fund's portfolio.
This links directly to the Fund's restricted investments.
- Weighted average SDG index score of the issuers of sovereign debt instruments held in the Fund.
This links directly to the requirement for sovereign debt instruments to have an SDG index score of 80 or above.
- Percentage of shares in companies that contravene the principles of the UN Global Compact.
This is an important data point within the Investment Manager's company dashboards, demonstrating strong and effective management of a company's climate impact.

7 VALUATIONS

Each Share linked to a Fund represents a proportional Share of the overall property attributable to such Fund. Therefore, the value of a Share attributable to a Fund will be calculated, in broad outline, by calculating the net value of the property attributable to the Fund, and dividing that value (or that part of that value attributed to Shares of the class in question) by the number of Shares (of the class in question) in issue.

Valuations will normally be carried out on each Dealing Day. The valuation point for each Fund is 12 noon on each Dealing Day. Shares in the Company are "single priced".

The ACD may carry out additional valuations if it considers it desirable to do so. Valuations will not be made during a period of suspension of dealings (see "**Suspension of Dealings**" below). The ACD is required to notify the Depositary if it carries out an additional valuation.

The property attributable to a Fund will, for all purposes, be valued on the following basis (which is set out in full in the Company's instrument):

- 1 All the Scheme Property (including receivables) is to be included, subject to the following provisions.
- 2 Property which is not cash (or other assets dealt with in paragraphs 3 and 4 below) 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 any preliminary charge included therein and the selling price has been increased by any 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) exchange-traded derivative contracts:
 - (i) if a single price for buying and selling the exchange-traded derivative contract is quoted, at that price; or
 - (ii) if separate buying and selling prices are quoted, at the average of the two prices;
 - (c) over-the-counter derivative contracts shall be valued in accordance with the method of valuation as shall have been agreed between the ACD and the Depositary;
 - (d) any other investment:
 - (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 the most recent price available does not reflect the ACD's best estimate of the value, at a value which, in the opinion of the ACD, is fair and reasonable;

(e) property other than that described in (a), (b), (c) and (d) above: at a value which, in the opinion of the ACD, represents a fair and reasonable mid-market price.

- 3 Cash and amounts held in current, margin and deposit accounts and in other time-related deposits shall be valued at their nominal values.
- 4 In determining the value of the Scheme Property, all instructions given to issue or cancel Shares shall be assumed (unless the contrary is shown) to have been carried out and any cash payment made or received and all consequential action required by the Regulations or this Instrument shall be assumed (unless the contrary has been shown) to have taken place.
- 5 Subject to paragraphs 6 and 7 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 shall not materially affect the final net asset amount.
- 6 Futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options shall not be included under paragraph 5.
- 7 All agreements are to be included under paragraph 5 which are, or ought reasonably to have been, known to the person valuing the property assuming that all other persons in the ACD's employment take all reasonable steps to inform it immediately of the making of any agreement.
- 8 An estimated amount for anticipated tax liabilities (on unrealised capital gains where the liabilities have accrued and are payable out of the property of the Scheme; on realised capital gains in respect of previously completed and current accounting periods; and on income where liabilities have accrued) including (as applicable and without limitation) capital gains tax, income tax, corporation tax, value added tax, stamp duty and stamp duty reserve tax shall be deducted.
- 9 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 shall be deducted.
- 10 The principal amount of any outstanding borrowings whenever payable and any accrued but unpaid interest on borrowings shall be deducted.
- 11 An estimated amount for accrued claims for tax of whatever nature which may be recoverable shall be added.
- 12 Any other credits or amounts due to be paid into the Scheme Property shall be added.
- 13 A sum representing any interest or any income accrued due or deemed to have accrued but not received and any stamp duty reserve tax provision anticipated to be received shall be added.
- 14 Currencies or values in currencies other than base currency 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.

Each Fund will have credited to it the proceeds of all Shares attributed to it, together with the assets in which such proceeds are invested or reinvested and all income, earnings, profits, or

assets deriving from such investments. All liabilities and expenses attributable to a Fund will be charged to it.

The Company is required to allocate (and the ACD may from time to time reallocate) any assets, costs, charges or expenses which are not attributable to a particular Fund against all the Funds in a manner which is fair to the Shareholders of the Company generally.

Where the ACD has reasonable grounds to believe that:

- (a) no reasonable price exists for a security at a valuation point; or
- (b) the most recent price available does not reflect the ACD's best estimate of the value of a security at a valuation point;

it will value an investment at a price which, in its opinion, reflects a fair and reasonable price for that investment (the fair value price).

The circumstance which may give rise to a fair value price being used includes where there has been no recent trade in the security concerned or where there has been the occurrence of a significant event since the most recent closure of the market where the price of the security is taken.

8 PRICES OF SHARES

Shares in the Company are "single priced". This means that subject to the dilution levy referred to below and the preliminary charge (as set out in paragraph 15 under the heading "The Authorised Corporate Director's Charges"), the price of a Share for both buying and selling purposes will be the same and determined by reference to a particular valuation point. The price of a Share will be calculated at or about the valuation point each Dealing Day (to at least four significant figures) by:

- taking the value of the property attributable to the relevant Fund and therefore all Shares (of the relevant class) in issue (on the basis of the units of entitlement in the property of the Fund attributable to that class at the most recent valuation of the Fund);
- dividing the result by the number of Shares of the relevant class in issue immediately before the valuation concerned;
- in relation to classes of Shares which are denominated in a currency other than the designated currency of a Fund, applying a rate of exchange that is not likely to result in any material prejudice to the interests of Shareholders or potential shareholders.

Publication of Prices

The most recent prices will appear daily on the Trustnet website at www.trustnet.com and can also be obtained by telephone on 01483 783 900.

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

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

9 DILUTION LEVY

What is 'dilution'? - Where a Fund buys or sells underlying investments in response to a request for the issue or redemption of Shares, it will generally incur a cost, made up of dealing costs and

any spread between the bid and offer prices of the investments concerned, which is not reflected in the issue or redemption price paid by or to the Shareholder and which is referred to as "dilution".

To mitigate the effects of dilution the ACD has discretion to charge a dilution levy on the purchase or redemption of Shares in a Fund. A dilution levy is a separate charge of such amount or rate as determined by the ACD.

The ACD's policy regarding the Dilution Levy – At its absolute discretion, the ACD may charge a dilution levy on the price of Shares in the following circumstances:

- Where a Fund experiences a large level of net redemptions on any Dealing Day, relative to its size (i.e. net redemptions equivalent to greater than 5% of the Net Asset Value of the Fund);
- Where a Fund is in continuing decline, in terms of Net Asset Value, as a result of poor market conditions or continual net redemptions;
- On large deals, which for this purpose, is defined as a single purchase or redemption of Shares equivalent to more than 5% of the Net Asset Value of the relevant Fund.

The amount is not retained by the ACD but is paid into the affected Fund.

How will it affect investors? - On the occasions when the dilution levy is not applied there may be an adverse impact on the total assets of the Fund. As dilution is directly related to the inflows and outflows of monies from the relevant Fund it is not possible to predict accurately whether dilution is likely to occur. However, the ACD believes that the likely effect of not charging a dilution levy, excluding such cases referred to in "***The ACD's policy regarding the Dilution Levy***" above, will be negligible.

Based on the types of transactions that have historically incurred in the Funds since their launch, the ACD anticipates applying a dilution on very few occasions as it is unlikely that any single holder will have control of greater than 5% of any single Fund. However, where it is applied, based on historical data the ACD believes that the amount will not normally exceed 5% of the Net Asset Value of Shares being bought or sold.

The table below shows historic information on dilution levies to the Share price:

Name	Estimated Dilution Levy applicable for purchases as at 31 December 2025	Estimated Dilution Levy applicable for sales as at 31 December 2025	Number of days on which a Dilution Levy has been applied over the period 1 January 2025 to 31 December 2025
Refined Balanced Fund	0.036%	0.135%	0

10 ISSUE, REDEMPTION AND EXCHANGE OF SHARES

Issue

Applications

The ACD is required to procure the issue or cancellation of Shares by the Company where necessary to meet any obligations to sell or redeem Shares. Applications for Shares linked to any Fund may be made by any eligible person.

Following the expiry of the initial offer period of a Fund (if any), dealings shall be effected at forward prices i.e. at prices calculated by reference to the next valuation following acceptance of the application (see "**Valuations**" for details of the valuation points).

Applications may be made by completing an application form and delivering it to Thesis Unit Trust Management Limited at the dealing office of the Administrator. Alternatively, an application form may be obtained by telephoning the ACD's Customer Enquiry Line on 0333 300 0375 during Office Hours on each Dealing Day. Applications for Shares must be received by the ACD before the valuation point on a Dealing Day in the relevant Fund or Funds concerned to be dealt with at the prices at the valuation point on that Dealing Day. Subscription requests received after a valuation point will be held over until the next day that is a Dealing Day in the relevant Fund or Funds.

The address for the Administrator is set out in the Directory in Schedule 6.

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 or in another jurisdiction by an equivalent supervisory authority, subject to:

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

Instructions received by telephone must be confirmed in writing prior to the remittance of proceeds. Application forms are available from the ACD. Applications, however made, are irrevocable (except where cancellation rights apply-see below). Subject to its obligations under COLL, the ACD reserves the right to reject any application in whole or in part. In that event application monies or any balance will be returned to the applicant by post at the applicant's risk.

The Company is subject to the UK's anti-money laundering regulations and associated legislation. The ACD will always require verification of identity and address from any person(s) applying for Shares (the "Applicant") including, without limitation. Please refer to the paragraph headed 'Electronic Verification' for details of resources the ACD may access in verifying information on an Applicant. Any Applicant who:

- (a) tenders payment by way of cheque or banker's draft on an account in the name of a person or persons other than the Applicant; or
- (b) appears to the ACD to be acting on behalf of some other person.

In the former case verification of the identity of the Applicant may be required. In the latter case, verification of the identity of any person on whose behalf the Applicant appears to be acting may be required.

Applications will not be acknowledged but a contract note giving details of the number and price of Shares bought will be issued no later than the end of the Business Day following the later of receipt of the application to buy Shares and the valuation point by reference to which the price is determined, together with, where appropriate, a notice of the applicant's right to cancel. Certificates will not be issued. Where the total price payable for all Shares for which the application is made would include a fraction of one penny it will be rounded up or down to the nearest penny.

Payment in respect of applications must be received in cleared funds no later than the fourth Business Day after the relevant Dealing Day. However, the ACD reserves the right to request that payment in respect of applications be received prior to that date.

If an Applicant defaults in making any payment in money, or by way of a transfer of property, due to the ACD in respect of the sale or issue of Shares, the Company is entitled to make any necessary amendment to the Register and the ACD will become entitled to the Shares in place of the Applicant, subject, in the case of an issue of Shares, to the ACD's payment of the purchase price to the Company. The ACD reserves the right to cancel investments for which settlement is not received, or fails to clear, and to recover from an Applicant, the amount of any decrease in value of the investment if this occurs.

Applicants who have received advice may have the right to cancel their application to buy Shares at any time during the 14 days after the date on which they receive a cancellation notice from the ACD. If an applicant decides to cancel the contract, and the value of the investment has fallen at the time the ACD receives the completed cancellation notice, they will not receive a full refund as an amount equal to any fall in value will be deducted from the sum originally invested.

In Specie Application

Where the application for issue of Shares is equivalent to 5% or more of the Net Asset Value of the relevant Fund, the ACD may at its discretion, in consultation with the Depositary, accept assets other than cash as payment for the issue of Shares. The acceptance of the assets will be on the basis that the receipt of the property should not adversely affect the interests of the existing Shareholders of the relevant Fund and subject to the investment restrictions of the said Fund.

Minimum Purchase

In respect of Shares in each Fund, the minimum sterling value of Shares which any one person may purchase initially and subsequently (or the equivalent value in the currency applicable to the relevant Fund) is shown in the table below. However, the ACD may, by special arrangement and at its discretion, agree on an individual basis a lower amount in relation to the minimum transaction sizes.

Class of Share	Type of Share	Minimum Initial Purchase	Minimum Subsequent Purchase
B	Accumulation Income	£1,000	£1,000

Class of Share	Type of Share	Minimum Initial Purchase	Minimum Subsequent Purchase
X	Accumulation Income	£100	£100

Redemption

Shares in each Fund may be redeemed on any Dealing Day. Dealings are on a forward price basis (as explained in the paragraph headed "**Issue**" above).

Written redemption instructions may be given, on any Dealing Day, by delivery to the Administrator at the address set out in the Directory in Schedule 6.

The ACD may also, at its sole discretion, accept instructions by telephone on 0333 300 0375 or electronic means (refer to the "Electronic Communications" paragraph above) on such terms as it may specify. A request to redeem must be received by the ACD before the valuation point on a Dealing Day in the relevant Fund or Funds concerned to be dealt with at the prices at the valuation point on that Dealing Day. Redemption requests received after a valuation point will be held over until the next day that is a Dealing Day in the relevant Fund or Funds.

Unless a coverall renunciation is in place, redemption instructions given by telephone must be confirmed in writing to the ACD prior to redemption proceeds being remitted. Redemption instructions are irrevocable.

A redemption contract note giving details of the number and price of Shares redeemed will be sent to the redeeming Shareholder (or the first-named Shareholder, in the case of joint Shareholders) together with (if sufficient written instructions have not already been given) a form of renunciation for completion and execution by the Shareholder (or, in the case of a joint holding, by all the joint Shareholders) no later than the end of the Business Day following the later of the request to redeem Shares or the valuation point by reference to which the price is determined. Where the total consideration for the transaction would include a fraction of one penny it will be rounded up or down to the nearest penny. There may also be deducted, if the consideration is to be remitted outside the UK, the cost of remitting the proceeds (if any). If a redeeming Shareholder wishes to be paid other than by cheque, the ACD will endeavour to arrange this but at the cost of the Shareholder. The redemption proceeds will be paid not later than the close of business on the fourth Business Day after the later of the following times:

- (a) the valuation point immediately following the receipt by the ACD of the request to redeem the Shares; or
- (b) the time when the ACD has received all duly executed instruments and authorisations which effect (or enable the ACD to effect) transfer of title to the Shares.

However, neither the Company nor the ACD is required to make payment in respect of a redemption of Shares where the money due on the earlier issue of those Shares has not yet been received or where the ACD considers it necessary to carry out or complete identification procedures in relation to the holder or another person pursuant to a statutory or regulatory obligation (such as the UK's anti-money laundering regulations).

In Specie Redemption

Where a Shareholder requests redemption of a number of Shares representing value in excess of 5% of the value of the Scheme Property, the ACD at its discretion may, by serving a notice of election on the Shareholder not later than the close of business on the second Business Day following the day of receipt of the request, elect that the Shareholder shall not be paid the redemption price of their Shares but instead there shall be a transfer to that holder of property of the relevant Fund having the appropriate value. Where such a notice is so served on a Shareholder, the Shareholder may serve a further notice on the ACD not later than the close of business on the fourth Business Day following the day of receipt by the Shareholder of the first mentioned notice requiring the ACD, instead of arranging for a transfer of property, to arrange for a sale of that property and the payment to the Shareholder of the net proceeds of that sale. The selection of Scheme Property to be transferred (or sold) is made by the ACD in consultation with the Depositary, with a view to achieving no more advantage or disadvantage to the Shareholder requesting redemption of their Shares than to continuing Shareholders. The Company may retain out of the property to be transferred (or the proceeds of sale) property or cash of value or amount equivalent to any SDRT to be paid in relation to the cancellation of the Shares.

Minimum Redemption and Holding

In respect of each class of Share in each Fund, and subject to the minimum holding requirements, if the redemption request is in respect of some only of the Shares held the minimum value of Shares which may be the subject of one act of redemption is shown in the table below:

Share Class	Minimum Redemption
B	£1,000
X	£100

Where the value of an individual holding of Shares would, in consequence of a request for redemption/cancellation, fall below the levels in the following table:

Share Class	Minimum Holding
B	£1,000
X	£100

Such request may be treated as a request for redemption/cancellation of all the Shares of such class held by such Shareholder. The value of Shares for this purpose is calculated by reference to the current price, net of any preliminary charge and before any application of a dilution levy. However the ACD may, by special arrangement and at its discretion, agree on an individual basis a lower amount in relation to the minimum redemption size.

Restrictions on Redemption

The ACD may defer redemptions at a particular dealing day to the next dealing day where the requested redemptions exceed 10 per cent of a Fund's value. The ACD will ensure the consistent treatment of all Shareholders who have sought to redeem Shares at any dealing day at which redemptions are deferred. The ACD will pro-rata all such redemption requests to the stated level (i.e. 10 per cent of the Fund's value) and will defer the remainder until the next dealing day. The ACD will also ensure that all deals relating to an earlier dealing day are completed before those relating to a later dealing day are considered.

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.

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

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

11 SWITCHING BETWEEN CLASSES / BETWEEN FUNDS

A Shareholder is entitled to exchange Shares of one class in a Fund for the appropriate number of Shares of another class, whether linked to the same or a different Fund. Shareholders are entitled to exchange Shares in one Fund for Shares in a different Fund. The appropriate number of Shares is determined by the following formula:

$$N = \frac{O \times (RP \times ER)}{SP}$$

where N is the number of new Shares to be issued, rounded down to the nearest whole number of Shares; O is the number of Shares of the old class to be exchanged, RP is the price at which one Share of the old class can be redeemed and SP is the price at which one Share of the new class can

be purchased (net of any preliminary charge), in both cases at the application valuation point (see below).

ER is 1, where the original Shares and the new Shares are designated in the same currency and, in any other case, is the exchange rate determined by the ACD in its absolute discretion (subject to the Regulations as representing the effective rate of exchange between the two relevant currencies as at the date the exchange notice is received (or deemed to be received) by the Company having adjusted such rate as may be necessary to reflect any costs incurred by the Company in making any transfer of assets as may be required as a consequence of such an exchange being effected.

Switches between Shares denominated in differing currencies shall be effected 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 provided that such rate may be adjusted to reflect any costs incurred by the Company in making any transfer of assets as may be required as a consequence of such an exchange being effected. The ACD may adjust the number of new Shares to be sold to reflect the effect of the dilution levy (if applicable) and any SDRT or other charges payable on the redemption or sale (as applicable) of the Shares concerned.

The right to exchange is subject to the following:

- the ACD and the Depositary are not obliged to give effect to a request for exchange of Shares if the value of the Shares to be exchanged is less than the minimum permitted transaction (see above) or if it would result in the Shareholder holding Shares of any class of less than the minimum holding for that class of Share (see above);
- the ACD may decline to permit an exchange into a Fund in respect of which there are no Shares in issue, or in any case in which they would be entitled under COLL to refuse to give effect to a request by the Shareholder for the redemption of Shares of the old class or the issue of Shares of the new class.

Exchanges between classes of Shares linked to different Funds may be subject to a charge (See "**Switching Charge**" below).

In no circumstances will a Shareholder who exchanges Shares in one class of Shares for Shares in any other Fund be given a right by law to withdraw from or cancel the transaction.

Investors subject to UK tax on capital gains should note that a switch is treated as a redemption and sale, and will be a realisation for the purposes capital gains taxation. A gain realised on such transaction may give rise to liability to capital gains taxation for UK resident or ordinarily resident Shareholders. Conversions will not be treated as a disposal for capital gains tax purposes.

Application

A Shareholder wishing to switch Shares should apply in the same way as for a redemption (see above). A request to switch Shares must be received by the ACD before the valuation point on a Dealing Day in the relevant Fund or Funds concerned to be dealt with at the prices at the valuation point on that Dealing Day. Switching requests received after a valuation point will be held over until the next day that is a Dealing Day in the relevant Fund or Funds.

A contract note giving details of the exchange will be sent on or before the next Business Day following the relevant Dealing Day.

12 SUSPENSION OF DEALINGS

The ACD may with the prior agreement of the Depositary, and must without delay, if the Depositary so requires, temporarily suspend the issue, cancellation, sale, redemption and exchange of any Shares in the Funds ("dealing") where, due to exceptional circumstances, it is in the interests of all Shareholders in the relevant Fund or Funds.

The ACD and the Depositary must ensure that the suspension is only allowed to continue for so long as it is justified having regard to the interests of the Shareholders. On suspension, the ACD, or the Depositary (if the Depositary has required the ACD to suspend dealings) will immediately inform the FCA stating the reason for the suspension and as soon as practicable give written confirmation of the suspension and the reasons for it to the FCA.

The ACD will notify Shareholders of the suspension as soon as practicable after suspension commences, drawing Shareholders' particular attention to the exceptional circumstances which resulted in the suspension in a manner that is clear, fair and not misleading, and will inform Shareholders of how to obtain further information regarding the suspension with a view to keeping Shareholders sufficiently informed. The ACD shall publish on its website and/or by other general means sufficient details to keep Shareholders appropriately informed about the suspension including, if known, its likely duration.

During a suspension none of the obligations in COLL 6.2 (Dealing) apply; and the ACD shall comply with as much of COLL 6.3 (Valuation and pricing) as is practicable in the light of the suspension. The suspension of dealings in Shares must cease as soon as practicable after the exceptional circumstances which led to the suspension, have ceased.

The ACD and the Depositary shall formally review the suspension at least every 28 days and inform the FCA of the results of this review and any change to the information provided to the FCA in respect of the reasons for the suspension.

The ACD shall inform the FCA of the proposed restart of dealing in Shares and immediately after the restart shall confirm this by giving notice to the FCA.

The ACD may, agree, during the suspension, to deal in Shares in which case all deals accepted during, and outstanding prior to, the suspension will be undertaken at a price calculated at the first valuation point after restart of dealing in Shares, provided that if the ACD operates limited redemption arrangements, and the event leading to the suspension of dealing has affected a valuation point, the ACD shall declare an additional valuation point as soon as possible after the restart of dealing in Shares.

The provisions relating to suspension of dealings can only apply to one or more classes of Shares without being applied to other classes, if it is in the interest of all the Shareholders.

13 MANDATORY REDEMPTION AND CONVERSION OF SHARES

If the ACD reasonably believes that any Shares are owned directly or beneficially in circumstances which:

- (a) constitute a breach of the law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory; or
- (b) may (or may if other Shares are acquired or held in like circumstances) result in the Company incurring any liability to taxation or suffering any other adverse consequence

(including a requirement to register under any securities or investment or similar laws or governmental regulation of any country or territory),

it may give notice to the holder of such Shares requiring them to transfer them to a person who is qualified or entitled to own them, or to request the redemption of the Shares by the Company. If the holder does not either transfer the Shares to a qualified person or establish to the ACD's satisfaction that the holder and any person on whose behalf they hold the Shares are qualified and entitled to hold and own them, the holder will be deemed on the expiry of a thirty-day period to have requested their redemption.

Conversion of Shares

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

14 DISTRIBUTION AND ACCUMULATION

The annual accounting period for the Company and each of the Funds ends on 31 December (the "accounting reference date"). The half-yearly accounting period ends on 30 June (the "interim accounting reference date"). The amount of income to be distributed or accumulated in respect of the Fund is calculated on the last day of each accounting period.

Allocations and distributions of income will be made on or before 30 April and 31 October each year (being within four months after the end of the relevant annual or interim accounting reference date).

In the case of Funds in respect of which accumulation Shares are in issue, income is transferred to the capital account of the relevant Fund on each distribution date. In accordance with the Regulations, the ACD and the Depositary, have agreed that in the event the income available for distribution or accumulation is less than £20 per Shareholder for the Retail Shares and less than £200 in respect of Institutional Shares, income, if any will revert to the relevant Fund.

Vouchers will be sent to Shareholders, but only where income is available for distribution and when a Fund makes a distribution. A voucher will be sent to the Shareholder (or to their bank or building society if the distribution is paid to a bank or building society account, where applicable, as nominated on the application form, or such account as is instructed and verified thereafter). Where bank details have not been supplied income will be reinvested automatically.

All distributions unclaimed for a period of six years after having become due for payment shall be forfeited and shall revert to the Company and such reclaimed distribution shall become part of the capital of the relevant Fund for the benefit of all Shareholders. The payment of any unclaimed distribution, interest or other sum payable by the Company on or in respect of a Share into a separate account shall not constitute the Company a trustee thereof.

Determination of Distributable Income

As at the end of each annual and interim accounting period, the ACD must arrange for the Depositary to transfer the income payable for distribution attributable to the relevant Fund to the distribution account.

The income available for distribution or accumulation in relation to a Fund is determined in accordance with the Regulations. Broadly it comprises all sums deemed by the Company, after consultation with the auditors, to be in the nature of income received or receivable for the account of the Company and attributable to the Fund in respect of the accounting period concerned, after deducting net charges and expenses paid or payable out of such income in respect of the period and adding the ACD's best estimate of any relief from tax on such charges and expenses and making such adjustments as the ACD considers appropriate, after consulting the auditors in accordance with the Regulations, in relation to taxation and other matters.

On or before each annual or interim income distribution date, the ACD must calculate the amount available for income distribution for the immediately preceding interim accounting period and must inform the Depositary of such amount.

The amount available for income distribution is calculated by taking the aggregate of the income property received or receivable for the account of the relevant Fund in respect of the relevant period, deducting the charges and expenses of the Company paid or payable out of the income property in respect of that period and adding the ACD's best estimate of any relief from tax on those charges and expenses. Further adjustments may be made as the ACD considers appropriate (after consultation with the auditors) in relation to taxation and the proportion of the prices received or paid for Shares that relate to income (taking account of any provisions in the Instrument constituting the scheme relating to income equalisation (see paragraph 18 below), potential income which is unlikely to be received until 12 months after the relevant allocation date, income which should not be accounted for on an accrual basis because of lack of information about how it accrues, any transfer between the income and the capital account (regarding payments from capital or income) and making any other adjustments which the ACD considers appropriate (after consultation with the auditors).

In relation to income Shares, on or before each relevant income distribution date, the ACD will instruct the Depositary to enable it to distribute the income allocated to income Shares among the holders of such Shares and the ACD in proportion to the number of such Shares held, or treated as held, by them respectively at the end of the relevant period.

The amount of income allocated to accumulation Shares becomes part of the capital property and to the extent that Shares of any other class (such as income Shares) were in issue in relation to the relevant period, the interests of holders of accumulation Shares in that amount must be satisfied by an adjustment at the end of the relevant period in the proportion of the Scheme Property to which the price of an accumulation Share is related. This ensures that the price of an accumulation Share remains unchanged despite the transfer of income to capital property.

In calculating the amount to be distributed, the ACD must deduct any amounts previously allocated by way of interim allocation of income for that annual accounting period and deduct and carry forward in the income account such amount as is necessary to adjust the allocation of income in accordance with the Regulations.

15 THE AUTHORISED CORPORATE DIRECTOR'S CHARGES

The ACD's charges are accrued to the Funds on a daily basis and are levied monthly in arrears.

Preliminary charge

The ACD currently imposes the following preliminary charges:

Share Class	Current preliminary charge
B	0%
X	10%

The preliminary charge is payable to the ACD. If at any time the current preliminary charge applicable to Shares of a particular Fund is increased, the ACD is required to give not less than 60 days' prior notice in writing to all Shareholders before such increase may take effect. The ACD is also required to revise the Prospectus to reflect the new current rate and the date of its commencement.

Switching Charge

The ACD is entitled to make a charge in respect of a switch of Shares of one class linked to one Fund for Shares of the same class or another class linked to the same Fund or another Fund (the "Switching Fee"). The Switching Fee will be equal to the preliminary charge (see above) in respect of the class of Shares being switched into, and will be deducted from the proceeds of sale of the Shares being switched from. When switching between Share classes of the same Fund, no dilution levy will be charged in respect of the Shares being sold and purchased as part of the switch. A dilution levy and/or an SDRT provision may be charged where a switch is from one Fund to another (see pages 11 and 12 for the ACD's policy on Dilution Levy and SDRT). Currently however, the ACD does not operate a Switching Fee.

Periodic Charge

The ACD is entitled to make a periodic charge, calculated and accruing on each Business Day at each valuation point (the "Calculation Date"), and payable out of the property of each Fund, by way of remuneration for the services of the ACD. The periodic charge is payable to the ACD monthly in arrears. The periodic charge will be calculated separately in respect of each Fund, as a percentage rate per annum of the total value of the units of entitlement in the property of the Fund represented by the class on the Calculation Date.

The periodic charges are as follows:

Share Class	Periodic charge
B	Up to 1% (currently 0.6%)
X	0%

The first accrual will be in respect of the day on which the first valuations of the Funds are made.

Any increase in the above rate requires not less than 60 days' prior notice in writing to the Shareholders before such increase may take effect. Also, the ACD is required to revise the Prospectus to reflect the new current rate and the date of its commencement.

The annual management charge will cease to be payable (in relation to a Fund) on the date of commencement of its termination, and (in relation to the Company as a whole) on the date of the commencement of its winding up or, if earlier, the date of the termination of the ACD's appointment as such.

Investment Manager's fee

The Investment Manager is entitled to an advisory fee which is paid by the ACD from the periodic charge. Research costs will be paid for by the Investment Manager out of this fee and shall not be borne by the relevant Fund. The Investment Manager may also receive further remuneration from the ACD's periodic charge, as a commission payment or for other services where permitted by the FCA rules.

Redemption charge

At present no charge is levied on the redemption of Shares, although the ACD is permitted to charge a dilution levy and/or SDRT provision, if applicable. The ACD has the right (subject to COLL) to introduce a charge on the redemption of Shares in the future, but this will not affect Shares issued prior to its introduction.

16 THE FEES, CHARGES AND EXPENSES OF THE DEPOSITARY

Periodic Fee

The Depositary is paid a monthly periodic fee (plus VAT) in remuneration for its services from the property of the Funds. The Depositary's fee is accrued daily based on the value of the relevant Fund on the immediately preceding day and is payable as soon as practicable after the month end (and in any event within seven days after the month end). The first accrual is calculated by reference to the first valuation point of the Fund.

The rate of the periodic fee is agreed between the ACD and the Depositary in accordance with COLL, and in relation to each Fund is subject to a minimum fixed amount of £7,500 (plus VAT) per annum.

Subject to this minimum, the charge is otherwise calculated on a sliding scale for each Fund on the following basis:

0.0275% per annum	on the first £50 million value in each Fund
0.025% per annum	on the next £50 million value in each Fund
0.02% per annum	on the next £100 million value in each Fund
0.015% per annum	on the remaining value within each Fund

Any increase in the above rate shall be affected in accordance with the provisions of COLL 4.3.

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

Transaction charges and Custody charges

In addition to the above periodic fee, the Depositary levies transaction charges and custody charges which are currently as follows:

The total remuneration payable to the Depositary out of the property attributable to each Fund for its services also includes transaction charges and derivative and custody charges. Transaction charges vary from country to country, dependent on markets and the value of the stock involved and range from £7.50 to £180. The 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 again vary from country to country depending on the markets and the value of stock involved. Custody charges are currently up to 0.9% of the net asset value (subject to a minimum aggregate custody charge of £7,500 per annum), and accrue and are payable as agreed from time to time by the ACD and the Depositary. Derivative transaction handling charges, where applicable, are £20.00 per transaction.

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

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

On a winding up of the Company, the termination of a Fund or the redemption of a class of Shares (if applicable), the Depositary will be entitled to its pro rata fees, charges and expenses to the date of the commencement of the winding up the termination or the redemption (as appropriate) and any additional expenses necessarily realised in settling or receiving any outstanding obligations. No compensation for loss of office is provided for in the Depositary Agreement.

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

Allocation of fees and expenses between Funds

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

17 OTHER PAYMENTS OF THE COMPANY

The following expenses (being the actual amounts incurred) may also be payable by the Company out of its capital or income at the discretion of the ACD:

- (a) broker's commissions (excluding costs for research), fiscal charges and other disbursements which are necessarily incurred in effecting transactions for the Funds and normally shown on contract notes, confirmation notes and difference accounts;
- (b) interest on and other charges incurred in reporting, entering into, varying, carrying into effect with or without variation, maintaining and terminating the borrowing arrangements;

- (c) taxation and other duties payable in respect of the property of the Company and the Funds, the Instrument or the issue of Shares;
- (d) any costs incurred in amending the Instrument and the Prospectus including the removal of obsolete provisions where the modification is:
 - (i) necessary to implement any change in the law (including changes to the regulations); or
 - (ii) necessary as a direct consequence of any change in the law (including changes to the Regulations); or
 - (iii) expedient having regard to any fiscal enactment and which the ACD and the Depositary agree is in the interest of Shareholders; or
 - (iv) to remove obsolete provisions from the Instrument and the Prospectus constituting the Company;
- (e) any costs incurred in respect of any other meeting of Shareholders convened on a requisition by holders not including the ACD or an associate of the ACD and expenses of the Depositary in convening a meeting of Shareholders convened by the Depositary alone;
- (f) any costs incurred in relation to a scheme of arrangement where the property of a body corporate (such as an investment company) or of another collective investment scheme is transferred to the Company in consideration of the issue of Shares in the Company to Shareholders in that body corporate or to participants in that other scheme, any liability arising after the transfer which, had it arisen before the transfer, could properly have been paid out of that other property provided the ACD is of the opinion that proper provision was made for meeting such liabilities as were known or could reasonably have been anticipated at the time of the transfer;
- (g) any audit fee and any proper expenses of the auditor and VAT thereon;
- (h) any fee and any proper expenses of any professional advisers retained by the Company or by the ACD in relation to the Company or any Fund;
- (i) payments, costs or any other administrative expenses in relation to the preparation and dissemination of literature required on necessary for the purpose of complying with the Regulations or any other law or regulation (excluding the cost of disseminating the key investor information document or any successor or equivalent documentation);
- (j) any costs of printing and distributing annual, half yearly and quarterly reports and any other reports or information provided for Shareholders;
- (k) 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 out by the Registrar;
- (l) any costs of listing the prices of the Funds in publications and information services selected by the ACD, including the Financial Times;

- (m) any costs of authorising new Funds of the Company after its initial establishment, including the fees and proper expenses of any professional advisers retained by the Company or the ACD;
- (n) any sum due by virtue of any provision of the Regulations, such as cancellation proceeds and reasonable stock lending expenses;
- (o) the costs of preparing documentation required by the regulations of any country or territory in which Shares of the Funds are to be marketed or authorised;
- (p) any costs incurred in producing and despatching any payment made by the Company;
- (q) any costs incurred in taking out and maintaining an insurance policy in relation to the Company;
- (r) the periodic fees of the FCA together with any corresponding periodic fees of any regulatory authority in a country or territory outside the UK in which Shares in the Company are or may be marketed;
- (s) the cost of any licences required, to enable the Funds to use, or quote, names which would normally be under copyright, in any country or territory, including the UK;
- (t) any costs or fees arising in connection with pursuing or defending litigation on behalf of the Company or the Funds;
- (u) 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;
- (v) any costs associated with the admission of Shares to listings on any stock exchange and with the maintenance of that listing (including, for the avoidance of doubt, the fees levied by the exchange in question as a condition of the admission to listing of the Shares and the periodic renewal of that listing), any offer of Shares, including the preparation and printing of any prospectus and the creation, conversion and cancellation of Shares associated with such prospectus;
- (w) any expense incurred with respect to the publication and circulation of details of the Net Asset Value of the Funds;
- (x) any amount payable to the Company under any indemnity provisions provided for in the Instrument or any agreement to which the Company is party;
- (y) the fees and expenses of the Registrar in relation to dealing in Shares of the Funds by new and existing Shareholders, currently ranging between £6 and £19 per transaction, and any costs in respect of electronic dealing in Shares;
- (z) the fees of the Registrar for maintaining the Register. The fees for maintaining the Register for each Fund a Shareholder invests in is currently £15.00 per annum per holding (subject to an overall minimum fee of £15,000 per annum);
- (aa) the Registrar will also maintain sub-registers in respect of Individual Savings Account entitlements. The fees for maintaining the sub-registers will be equivalent to those shown above;

- (bb) value added tax in respect of any of the costs, expenses, fees and charges payable by the Company;
- (cc) any other charges/expenses that may be taken out of the Company's property in accordance with the Regulations; and
- (dd) any costs associated with any CASS related support activity incurred by the Registrar.

VAT where applicable on any fees, charges or expenses will be added to such fees, charges or expenses and will be payable by the Company.

Allocation of fees and expenses between Funds

Expenses not directly attributable to a particular Fund will be allocated proportionately between all Funds in a manner which the ACD believes is fair to Shareholders, in accordance with the Regulations.

Costs relating to efficient portfolio management

Certain direct and indirect operational costs and/or fees may arise from time to time as a result of efficient portfolio management techniques being used for the benefit of the Company and/or the Funds. These costs and/or fees are regarded as transaction costs and, therefore, would fall within (a) above. Further details on the payment of costs and/or fees relating to efficient portfolio management techniques will be set out in the Annual Report.

Allocation of payments; Charges to capital

Expenses will be charged initially against the income account of the Funds at the discretion of the ACD (except those charges and expenses relating directly to the purchase and sale of investments). Thereafter any remaining expenses are charged against the capital account of the Funds subject to any restriction set out in the Instrument, the Prospectus and the Regulations.

The ACD's standard policy is to charge all expenses, except those that are capital in nature, to the income accounts of the individual Funds. However, where a Fund has an objective of producing income, or a combination of income and capital growth, some or all of the ACD's periodic charges and any other expenses may be charged against the capital account of the individual Funds.

Where such payments are made from the capital property, this policy may result in capital erosion or constrain capital growth.

Refined Balanced Fund

In respect of the Refined Balanced Fund the current policy is charge all expenses to the Fund's capital account. **Where such payments are made from the capital property, this policy may result in capital erosion or constrain capital growth.**

18 TAXATION

General

The following summary is based on current UK law and HM Revenue & Customs practice. It summarises the UK tax position of Open-Ended Investment Companies ("OEICs") 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.

(a) Taxation of the Company and the Funds

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

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

(i) Income

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

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

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

(ii) Capital gains

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

(iii) Stamp Duty Reserve Tax

Stamp duty reserve tax ("SDRT") is generally charged on any agreements to transfer shares of OEICs (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 OEICs. However, investors may be subject to an SDRT charge where Shares in the Fund are surrendered and the investors receive assets from the Fund (rather than cash) which are not in proportion to each investor's share of the total assets held by the Fund.

HM Treasury has announced its intention to replace stamp duty and SDRT with a single tax. The government has stated that any changes would take effect no earlier than 2027. These proposals do not affect the current operation of SDRT as described above. The ACD will continue to monitor developments and will update when further detail is available

(b) Taxation of Shareholders

(i) Income

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

The distribution accounts of the Company for any of its distribution periods may show income available for distribution as either (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 relevant Fund.

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

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

(A) Interest distributions

(1) UK resident individuals

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

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

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

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

(2) UK corporate Shareholders

If, at any point in an accounting period of a UK corporate Shareholder, a Fund fails to satisfy the "qualifying investments" test, Shares held by the UK corporate Shareholder in respect of such Fund are treated as if the Shares in respect of such a corporate's accounting period (including gains, profits and losses) are rights under a creditor loan relationship and will be taxed or relieved as an income receipt or expense on a "fair value accounting" basis. Accordingly, such a corporate Shareholder may, depending on its own circumstances, incur a charge to corporation tax on an unrealised increase in the value of its holding of Shares (and, likewise, obtain relief against

corporation tax for an unrealised reduction in the value of its holding of Shares).

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

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

(B) Dividend distributions

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

(1) 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.

(2) 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.

(ii) Chargeable gains

(A) UK resident individuals

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

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

Shares in the Company may form part of a Shareholder's estate for UK inheritance tax purposes where the Shareholder is a long-term UK resident. The availability of reliefs will depend on the Shareholder's personal circumstances. Investors should seek professional advice if this is relevant to their planning

(B) 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.

(c) Income equalisation – tax implications

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

(d) UK information reporting regime

OEICs 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.

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

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

(f) International tax compliance

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

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

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

Shareholders should note that:

- **they may be asked to provide additional information (including information regarding their tax residence) to the ACD or the Administrator to enable the Company to satisfy these obligations;**
- **the ACD or Administrator may report these details, along with information about a Shareholder's holding, to HMRC ; and**
- **HMRC may subsequently exchange this information with other governments or tax authorities in other jurisdictions.**

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

19 REPORTS AND ACCOUNTS

The annual accounting period of the Company ends on 31st December.

The annual report of the Company (the "long report") will be available on or before the end of April and the half-yearly long report on or before the end of August in each year. Copies of these long reports may be inspected at, and copies obtained free of charge, from the ACD on any Business Day during normal business hours at the offices of the ACD (please refer to the Directory in Schedule 6 for the address).

20 MEETING AND VOTING RIGHTS

Meetings

For the purposes of this paragraph 20:

- a "physical meeting" is a general meeting convened at a physical location where Shareholders, or their proxy, must be physically present;
- 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
- 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 Class meetings and meetings of Funds 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.

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

- state the objective of the meeting;
- be dated;
- 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

- 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 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:

- whether the meeting is to be a physical meeting, a hybrid meeting or a virtual meeting;
- if the meeting is a physical meeting or a hybrid meeting, the place of the meeting;
- 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;
- the day and hour of the meeting;
- the terms of the resolutions to be proposed; and
- 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 within fifteen minutes (which shall be deemed to be a reasonable time) after the time fixed for the start 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, a quorum is not present within fifteen minutes (which shall be deemed to be a reasonable time), the meeting:

- if convened on the requisition of Shareholders, must be dissolved;
- in any other case, must stand adjourned to:
 - (a) a day and time which is seven or more days after the day and time of the meeting;
 - (b) in the case of a physical meeting or a hybrid meeting, a place to be appointed by the chair; and
- if, at an adjourned meeting as described above, a quorum is not present after within fifteen minutes (which shall be deemed to be a reasonable time) after the time fixed for the start of the meeting, one person entitled to be counted in a quorum present at the meeting shall constitute a quorum.

When a meeting is adjourned for thirty days or more or for an indefinite period, not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting.

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

- an adequate opportunity to be counted as present in the quorum; and
- 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.

Voting rights

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. 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 five 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 five Business Days after the adjourned meeting has taken place).

Service of documents

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

- delivered to the Shareholder's address as appearing in the Register; or
- sent using an electronic medium as detailed below.

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 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:

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

Changes to the Company

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:

- changes the purpose or nature of the Company;
- may materially prejudice a Shareholder;

- alters the risk profile of the Company; or
- 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:

- affects a Shareholder's ability to exercise their rights in relation to their investment;
- would reasonably be expected to cause the Shareholder to reconsider their participation in the Company;
- results in any increased payments out of the Scheme Property to the ACD, or an associate of the ACD; or
- 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.

21 TRANSFER OF SHARES

A Shareholder is entitled (subject to as mentioned below) to transfer Shares by an instrument of transfer in any usual or common form or in any other form approved by the ACD. The ACD is not obliged to accept a transfer if it would result in the holder, or the transferee, holding less than the minimum holding of Shares of the class in question. The instrument of transfer, duly stamped if it is required to be stamped, must be lodged with the Registrar for registration. The transferor remains the holder until the name of the transferee has been entered in the Register.

The Company or the Registrar may require the payment of such reasonable fee as the ACD and the company may agree for the registration of any grant of probate, letters of administration or any other documents relating to or affecting the title to any Share.

22 WINDING UP OF THE COMPANY AND TERMINATION OF FUNDS

The Company must not be wound up under chapter 7.3 of COLL (or a Fund terminated) unless (a) effect has been given, under regulation 21 of the OEIC Regulations, to proposals to wind up the affairs of the Company (or a Fund terminated) and a statement has been prepared, and delivered to, the FCA under COLL 7.3.5 R ("solvency statement") prior to satisfaction of the condition in (a).

Subject to the foregoing, the Company or the relevant Fund will be wound up or terminated (as appropriate) under COLL:

- a) if an extraordinary resolution of Shareholders of either the Company or the Fund (as appropriate) to that effect is passed; or
- b) on the date stated in any agreement by the FCA in response to a request from the ACD for the winding up of the Company or a request for the termination of the Fund; or

- c) when the period (if any) fixed for the duration of the Company by the Instrument expires or any event occurs for which the Instrument provides that the Company is to be wound up (or a Fund is to be terminated);
- d) on the effective date of a duly approved scheme of arrangement which results in the Company (or a Fund, as the case may be) ceasing to hold any Scheme Property; or
- e) on the date on which all of the Company's Funds fall within d) above, or if all of its Funds cease to hold any Scheme Property, notwithstanding that the Company may have assets and liabilities that are not attributable to any particular Fund.

The ACD may request that a Fund be terminated or wound up in certain situations such as if, at any time after the first anniversary of the issue of the first Shares linked to a Fund the net value of the assets of the Company attributable to such Fund is less than £1 million.

The winding up of the Company or termination or winding up of a Fund under COLL is carried out by the ACD which will, as soon as practicable, cause the property of the Company or that property attributable to the relevant Fund 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 or the Fund (as the case may be) the ACD may arrange for interim distribution(s) to be made to Shareholders. When all liabilities have been met, the balance (net of a provision for any further expenses) will be distributed to Shareholders. The distribution made in respect of each Fund will be made to the holders of Shares linked to that Fund, in proportion to the units of entitlement in the property of that Fund which their Shares represent.

Shareholders will be notified of any proposal to wind up the Company or terminate or wind up any of the Funds. On commencement of such winding up or termination the Company will cease to issue and cancel Shares and transfers of such Shares shall cease to be registered.

On completion of the winding up of 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.

23 OTHER INFORMATION

Delegation

The ACD and the Depositary, subject to exceptions specified in COLL, may retain (or arrange for the Company to retain) the services of other persons to assist them in the performance of their respective functions. Subject to certain relevant legal and/or regulatory requirements, in relation to certain functions, the Depositary will not be liable for the actions of the persons so appointed provided certain provisions of COLL apply however the ACD will retain responsibility for the provision of such services.

Conflicts of Interest

The Depositary or any associate of the Depositary, or of any Investment Manager may (subject to COLL) hold money on deposit from, lend money to, or engage in stock lending transactions in relation to the Company, so long as the services concerned are provided on arm's length terms.

The Depositary, the ACD, or any Investment Manager or any associate of any of them may sell or deal in the sale of property to the Company or purchase property from the Company provided the applicable provisions of the COLL apply and are observed.

Subject to compliance with COLL the ACD may be party to or interested in any contract, arrangement or transaction to which the Company is a party or in which it is interested. The ACD is entitled in its own discretion to determine the terms of its appointment as such, and consequently to amend the terms of the Service Agreement referred to under "The Authorised Corporate Director" above.

Non-accountability for profits

Neither the Company, the ACD, the Depositary, the Administrator, the Registrar, the Investment Manager (or any associate of the same) nor the auditors is liable to account to each other or to the Shareholders for any profits or benefits it makes or receives that are made or derived from or in connection with:

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

Liability and Indemnity

With the exception mentioned below:

- The ACD, the Depositary and the auditors are each entitled under the Instrument of the Company to be indemnified against any loss, damage or liability incurred by them in or about the execution of their respective powers and duties in relation to the Company; and
- the ACD and the Depositary are, under the terms of their respective agreements with the Company, exempted from any liability for any loss or damage suffered by the Company.

The above provisions will not, however, apply in the case of:

- any liability which would otherwise attach to the ACD or the auditors in respect of any negligence, default, breach of duty or breach of trust in relation to the Company;
- any liability on the part of the Depositary for any failure to exercise due care and diligence in the discharge of its functions.

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General information

All documents and remittances are sent at the risk of the Shareholder.

A notice of an applicant's right to cancel the agreement to purchase Shares will be forwarded, where this is required by rules made under the Act.

When the investment is a lump sum investment, an applicant who is entitled to cancel and does so will not get a full refund of the money paid if the purchase price of the Shares falls before the cancellation notice is received by the ACD, because an amount equal to such fall (the "shortfall")

will be deducted from the refund the applicant would otherwise receive. Where the purchase price has not yet been paid the applicant will be required to pay the amount of the shortfall to the ACD. The deduction does not apply where the service of the notice of the right to cancel precedes the entering into of the agreement. Cancellation rights must be exercised by posting a cancellation notice to the ACD on or before the 14th day after the date of receipt of the notice of the right to cancel.

Complaints

Any complaint should be referred to the ACD at its registered office. If a complaint cannot be resolved satisfactorily with the ACD it may be referred to the Financial Ombudsman Service, Exchange Tower, London E14 9SR. More details about the Financial Ombudsman Service are available from the ACD.

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

The Financial Services Compensation Scheme

The Scheme has been established under the rules of the FCA as a "rescue fund" for certain clients of firms authorised and regulated by the FCA which have gone out of business. The ACD will supply you with further details of the scheme on written request to its operating address. Alternatively, you can visit the scheme's website at www.fscs.org.uk or by writing to the Financial Services Compensation Scheme, PO Box 300, Mitcheldean, GL17 1DY.

Documents and information available

Copies of the following documents are available on request, free of charge from the ACD:

- Latest version of the Prospectus;
- Latest version of the Instrument which constitutes the Company and the Funds;
- Latest annual and half-yearly long reports applying to each of the Funds;
- The ACD Agreement;
- Copies of the service contracts in place between the Company and its service providers; and
- Supplementary information relating to the quantitative limits applying to the risk management of the Company and the Funds, the methods used in relation to such risk management and any recent developments of the risk and yields of the main categories of investment which apply to the Company and the Funds.

The above documents are also available for inspection on any Business Day during normal business hours at the offices of the ACD.

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.

This Prospectus

This Prospectus describes the constitution and operation of the Company at the date of this Prospectus. In the event of any materially significant change in the matters stated herein or any materially significant new matter arising which ought to be stated herein this Prospectus will be revised. Investors should check with the ACD that this is the latest version and that there have been no revisions or updates.

Remuneration

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

Details of the up-to-date Remuneration Policy including, but not limited to, a description of how remuneration and benefits are calculated and the identity of persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee, are available on www.tutman.co.uk and a paper copy of such information can be obtained, free of charge, upon request at the offices of the ACD.

Data Protection

The personal details of each applicant for Shares and each Shareholder will be held by the ACD and/or the Administrator as its agent in accordance with the Data Protection Laws for the purposes of carrying out the ACD's agreement with each Shareholder. This may include the transfer of such data to other members of the ACD's group and to other businesses providing services to the ACD (including their offices outside the UK), where the transfer is necessary for the provision of services in relation to the ACD's role as operator of the Company. The data protection laws and other laws of these countries may not be as comprehensive as those that apply within the UK. In these instances, the ACD will take steps to ensure that your privacy rights are respected.

Shareholders have the right to access their personal data processed by the ACD together with (in certain circumstances) the right to object to the processing of such data for legitimate reasons.

A copy of the ACD's Privacy Notice relating to investors is available at www.tutman.co.uk or on request from compliance@tutman.co.uk.

Electronic Verification

The Money Laundering Regulations Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, The Proceeds of Crime Act 2002, the Senior Management Arrangements, Systems and Controls Sourcebook and Joint Money Laundering Steering Group guidance notes (which are updated from time to time) state that the ACD must check your identity and the source of the money invested. The ACD may also request verification documents from parties associated with you. In some cases, documentation may be required for officers performing duties on behalf of bodies corporate. The checks may include an electronic search of information held about you (or your associated party) on the electoral roll and using credit reference agencies.

The credit reference agency may check the details you (or your associated party) supply against any particulars on any database (public or otherwise) to which they have access and may retain a record of that information although this is only to verify identity and will not affect your (or your associated party's) credit rating. They may also use your (or your associated party's) details in the future to assist other companies for verification purposes.

If you apply for Shares you are giving the ACD permission to ask for this information in line with the Data Protection Laws. If you invest through a financial adviser they must fill an identity verification certificate on your behalf and send it to the ACD with your application.

Schedule 1

Investment and Borrowing Powers

The Company may exercise the full authority and powers permitted by COLL applicable to a UK UCITS. However, this is subject to the applicable investment limits and restrictions set out in COLL, the Company's Instrument and this Prospectus. The Company may exercise the full authority and powers permitted by COLL applicable to a UK UCITS in respect of each Fund subject to each Fund's investment objective and policy.

Save for any derivative investment acquired for the purposes of efficient portfolio management, including hedging (referred to in more detail below), the property of each Fund may not include any investment to which a liability (whether actual or contingent) is attached unless the maximum amount of such liability is ascertained at the time when such investment is acquired for the account of that Fund.

The capital property attributable to each Fund is required to consist of such investments although investment in other asset classes is permitted as set out in COLL as it applies to UK UCITS and as set out below. In accordance with the investment policy of each of the Funds, each Fund may invest in transferable securities (including investment trusts), units in collective investment schemes, deposits, approved money-market instruments and derivatives and forward transactions (for efficient portfolio management purposes).

The Funds will not invest in immovable property or tangible movable property.

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

The ACD does not anticipate that the use of derivatives will change or alter the overall risk profiles of the Funds.

Transferable securities

Up to 100% of the Scheme Property attributable to a Fund may consist of transferable securities. For the purposes of COLL a transferable security is an investment which is either a share, a debenture, an alternative debenture, a government and public security, a warrant or a certificate representing certain securities.

The Funds may invest in transferable securities which fulfil the following criteria:

- the potential loss which the Funds may incur with respect to holding the transferable security is limited to the amount paid for it;
- its liquidity does not compromise the ability of the ACD to comply with its obligation to redeem units at the request of any qualifying Shareholder;
- reliable valuation is available for the transferable securities as follows:
 - in the case of a transferable security admitted to or dealt in on an eligible market, where there are accurate, reliable and regular prices which are either market prices or prices made available by valuation systems independent from issuers;

- in the case of a transferable security not admitted to or dealt in on an eligible market, where there is a valuation on a periodic basis which is derived from information from the issuer of the transferable security or from competent investment research;
- appropriate information is available for the transferable security as follows:
 - in the case of a transferable security admitted to or dealt in on an eligible market, where there is regular, accurate and comprehensive information available to the market on the transferable security or, where relevant, on the portfolio of the transferable security;
 - in the case of a transferable security not admitted to or dealt in on an eligible market, where there is regular and accurate information available to the ACD on the transferable security or, where relevant, on the portfolio of the transferable security;
- it is negotiable; and
- its risks are adequately captured by the risk management process of the ACD.

Unless there is information available to the ACD that would lead to a different determination, a transferable security which is admitted to or dealt in on an eligible market shall be presumed not to compromise the ability of the ACD to comply with its obligation to redeem Shares at the request of any qualifying Shareholder; and to be negotiable.

Closed end funds constituting transferable securities

A unit in a closed end fund shall be taken to be a transferable security for the purposes of investment by the Funds, provided it fulfils the criteria for transferable securities set out in COLL 5.2.7AR, and either:

- where the closed end fund is constituted as an investment company or a unit trust:
 - it is subject to corporate governance mechanisms applied to companies; and
 - where another person carries out asset management activity on its behalf, that person is subject to national regulation for the purpose of investor protection; or
- where the closed end fund is constituted under the law of contract:
 - it is subject to corporate governance mechanisms equivalent to those applied to companies; and
 - it is managed by a person who is subject to national regulation for the purpose of investor protection.

Approved Money-Market Instruments

Up to 100% of the Scheme Property attributable to the Funds may consist of money-market instruments which are normally dealt in on the money market, are liquid and whose value can be accurately determined at any time, being an "approved money-market instrument" in accordance with the rules in COLL.

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

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

- (a) issued or guaranteed by:
 - (i) a central authority of the United Kingdom or an EEA State or, if the EEA State is a federal state, one of the members making up the federation;
 - (ii) a regional or local authority of the United Kingdom or an EEA State;
 - (iii) the Bank of England, the European Central Bank or a central bank of an EEA State;
 - (iv) the European Union or the European Investment Bank;
 - (v) a non-EEA State or, in the case of a federal state, one of the members making up the federation;
 - (vi) a public international body to which the United Kingdom or one or more EEA States belongs; or
- (b) issued or guaranteed by an establishment which is:
 - (i) subject to prudential supervision in accordance with criteria defined by UK or EU Law; or
 - (ii) subject to and complies with prudential rules considered by the FCA to be at least as stringent as those laid down by UK or EU Law; or
- (c) issued by a body, any securities of which are dealt in on an eligible market.

Money-market instruments with regulated issuer

In addition to instruments admitted to or dealt in on an eligible market, the Funds may invest in an approved money-market instrument provided it fulfils the requirements in COLL governing regulated issuers of money-market instruments such that the issue or the issuer is regulated for the purpose of protecting investors and savings and the instrument is issued or guaranteed, in accordance with COLL.

The Funds may also with the express consent of the FCA invest in an approved money-market instrument provided:

- (a) the issue or issuer is itself regulated for the purpose of protecting investors and savings in accordance with COLL 5.2.10AR(2);
- (b) investment in that instrument is subject to investor protection equivalent to that provided by instruments which satisfy the requirements of COLL 5.2.10BR(1)(a),(b) or (c); and

- (c) the issuer is a company whose capital and reserves amount to at least EUR 10 million and which presents and publishes its annual accounts in accordance with the requirements of the Companies Act 2006 applicable to public companies limited by shares or by guarantee, or private companies limited by shares or by guarantee, or, for companies incorporated in the EEA, Directive 2013/34/EU, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

Transferable securities and money-market instruments generally to be admitted to or dealt in on an eligible market

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

- (a) admitted to or dealt in on an eligible market which is a regulated market; or
- (b) dealt in on an eligible market which is a market in the UK or an EEA State which is regulated, operates regularly and is open to the public; or
- (c) admitted to or dealt in on a market which the ACD, after consultation with and notification to the Depositary decides that market is appropriate for the investment of, or dealing in, the Scheme Property, is listed in the Prospectus, and the Depositary has taken reasonable care to determine that adequate custody arrangements can be provided for the investment dealt in on that market and all reasonable steps have been taken by the ACD in deciding whether that market is eligible;
- (d) for an approved money-market instrument not admitted to or dealt in on an eligible market, within COLL 5.2.10AR(1); or
- (e) recently issued transferable securities, provided that the terms of issue include an undertaking that application will be made to be admitted to an eligible market, and such admission is secured within a year of issue.

The Funds may invest no more than 10% of the Scheme Property in transferable securities and money-market instruments other than those referred to in (a) to (e) above.

Shares in a Pisces company (as defined in the FCA Glossary) do not fall within (a) to (e) above.

Transferable securities linked to other assets

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

- (a) fulfils the criteria for transferable securities set out in COLL 5.2.7AR; and
- (b) is backed by or linked to the performance of other assets, which may differ from those in which a UK UCITS can invest.

Where such investments contain an embedded derivative component, the requirements of COLL 5.2 with respect to derivatives and forwards will apply to that component.

Warrants

Not more than 5% in value of the Scheme Property attributable to the Funds may consist of warrants.

Investment in nil and partly paid securities

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

Spread: Government and public securities

1. The following section applies in respect of transferable securities or money-market instruments ("such securities") that are issued or guaranteed by:
 - the UK or an EEA State;
 - a local authority of the UK or an EEA State;
 - a non-EEA State; or
 - a public international body to which the UK or one or more EEA States belong.
2. Where no more than 35% in value of the Scheme Property attributable to each Fund 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.
3. **The Funds 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 relevant Fund;**
 - **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; and**
 - **the disclosures in COLL 3.2.6R(8) and COLL 4.2.5R(3)(i) have been made.**
4. In this section in relation to such securities:
 - issue, issued and issuer include guarantee, guaranteed and guarantor; and
 - 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.

5. Notwithstanding paragraph 1 under "Spread: General" below, and subject to paragraphs 2 and 3 above, in applying the 20% limit in COLL 5.2.11R(10) with respect to a single body, such securities issued by that body shall be taken into account.
6. **More than 35% in value of the Scheme Property may be invested in such securities issued by:**
 - (a) **the Government of the United Kingdom; the Executive Committee of the Northern Ireland Assembly; the Scottish Administration; the National Assembly of Wales; or**
 - (b) **the Government of Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, Slovenia; or**
 - (c) **the Government of Australia, Canada, Japan, New Zealand, Switzerland and the United States of America; or**
 - (d) **the European Investment Bank, the World Bank, the European Bank of Reconstruction and Development, the Inter-America Development Bank, the Asian Development Bank, the International Finance Corporation, the Japan Development Bank, the Nordic Investment Bank, the Council of Europe Development Bank, and Federal Home Loans.**

Covered bonds

In general a covered bond is a bond that is issued by a credit institution which has its registered office in the UK or an EEA State and is subject by law to special public supervision designed to protect bondholders and in particular protection under which sums deriving from the issue of the bond must be invested in conformity with the law in assets which, during the whole period of validity of the bond, are capable of covering claims attaching to the bond and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.

Collective investment schemes

Not more than 20% in value of the property of a Fund may consist of units or shares in any one collective investment scheme.

A Fund must not invest in units or shares of a collective investment scheme (the "second scheme") unless the second scheme satisfies all of the conditions referred to in paragraphs 1 to 4 below, and provided that no more than 30% of the value of the Scheme Property attributed to the relevant Fund is invested in second schemes within paragraphs 1(b) to (e) below.

1. The second scheme must:
 - (a) be a UK UCITS or satisfy the conditions necessary for it to enjoy the rights conferred by the UCITS Directive as implemented in the EEA; or
 - (b) be a recognised scheme that is authorised by the supervisory authorities of Guernsey, Jersey or the Isle of Man (provided the requirements of COLL 5.2.13AR are met); or

- (c) be authorised as a Non-UCITS retail scheme provided the requirements of COLL 5.2.13AR (1), (3) and (4) are met; or
- (d) be authorised in an EEA State (provided the requirements of COLL 5.2.13AR are met); or.
- (e) be authorised by the competent authority of an OECD member country (other than an EEA State) which has:
 - i. signed the IOSCO Multilateral Memorandum of Understanding; and
 - ii. approved the scheme's management company, rules and depositary/custody arrangements;

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

2. The second scheme must comply, where relevant, with COLL 5.2.15R and COLL 5.2.16R.
3. The second scheme must have terms which prohibit more than 10% in value of the Scheme Property consisting of units in collective investment schemes.
4. Where the second scheme is an umbrella, the provisions of 2 and 3 above and COLL apply to each sub-fund as if it were a separate scheme.

The requirements of COLL 5.2.13AR are that:

- (a) the second scheme is an undertaking:
 - (i) with the sole object of collective investment in transferable securities or in other liquid financial assets, as referred to in COLL 5, of capital raised from the public and which operate on the principle of risk-spreading; and
 - (ii) with units which are, at the request of holders, repurchased or redeemed, directly or indirectly, out of those undertakings' assets (action taken by a scheme to ensure that the price of its units on an investment exchange does not significantly vary from their net asset value shall be regarded as equivalent to such repurchase or redemption);
- (b) the second scheme is authorised under laws which provide that they are subject to supervision considered by the FCA to be equivalent to that laid down in the law of the United Kingdom, and that cooperation between the FCA and the supervisory authorities of the second scheme is sufficiently ensured;
- (c) the level of protection for unitholders in the second scheme is equivalent to that provided for unitholders in a UK UCITS, and in particular that the rules on asset segregation, borrowing, lending, and uncovered sales of transferable securities and approved money-market instruments are equivalent to the requirements of COLL 5; and
- (d) the business of the second scheme is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period.

Where a substantial proportion of a Fund's assets are invested in other collective investment schemes, the maximum annual management fee that may be charged to the Fund, and to the collective investment scheme in which it invests, should not exceed 2.5% (excluding performance fees) per annum plus VAT (if applicable).

The Company may invest in or dispose of (and the Scheme Property of the Company may include) shares or units in another collective investment scheme managed or operated by (or, in the case of companies incorporated under the OEIC Regulations, have as their authorised corporate director) the ACD or an associate of the ACD.

However, if the Company invests in or disposes of units in another collective investment scheme managed or operated by the ACD or by an associate of the ACD, and there is a charge in respect of such investment or disposal, the ACD must pay the Company before the close of the business on the fourth Business Day after the agreement to invest or dispose of units:

- (a) on investment – any amount by which the consideration paid by the Company for the units in the second scheme exceeds the price that would have been paid for the benefit of the second scheme had the units been newly issued or sold by it; or if such price cannot be ascertained by the ACD, the maximum amount of any charge permitted to be made by the seller of units in the second scheme.
- (b) on a disposal – any charge made for the account of the ACD or operator of the second scheme or an associate of any of them in respect of the disposal.

A Fund may invest in or dispose of (and the Scheme Property of a Fund may include) shares in another Fund within the Company (the "**second fund**") only if the following conditions are satisfied:

- (a) the second fund does not hold shares in any other sub-fund of the Company;
- (b) the conditions in COLL 5.2.15R and COLL 5.2.16R are complied with (as modified by COLL 5.2.15R(2)); and
- (c) the investing or disposing Fund must not be a feeder UK UCITS to that second fund.

Cash and near cash

In accordance with COLL, the Scheme Property attributable to the Funds may consist of cash or near cash to enable:

- (a) the pursuit of a Fund's investment objectives;
- (a) the redemption of shares; or
- (c) the efficient management of a Fund in accordance with its objectives; or
- (d) for other purposes which may reasonably be regarded as ancillary to the objectives of the relevant Fund.

Cash forming part of the property of a Fund may be placed in any current or deposit account with the Depositary, the ACD or any Investment Manager or any associate of any of them provided it is an Eligible Institution or Approved Bank and the arrangements are at least as favourable to the

Fund concerned as would be those of any comparable arrangements effected on normal commercial terms negotiated at arm's length between two independent parties.

Derivatives

As at the date of this Prospectus the Funds(s) only use derivatives for the purpose of efficient portfolio management and hedging as set out below under the section "Derivatives – Efficient Portfolio Management". Subject to obtaining and maintaining the requisite permissions from the FCA under the Regulations, on giving no less than 60 days' prior written notice to all Shareholders in the Fund(s), the ACD will no longer operate the Fund(s) under efficient portfolio management, as set out under the section "Derivatives – Efficient Portfolio Management" below, but instead, certain types of derivatives and forward transactions as set out under the section " Permitted Transactions (derivatives and forward transactions)", may be effected for the Fund(s).

If the ACD elects to use derivatives in this way it is not intended that this will change or alter the overall risk profile of the Fund(s).

Derivatives – Efficient Portfolio Management

The Funds may invest in derivatives for the purposes of efficient portfolio management (including hedging). Such derivatives will be covered and usually exchange traded. Where such derivatives are used for hedging or in accordance with efficient portfolio management techniques, this will not change or alter the risk profile of the Company.

Efficient portfolio management enables the Funds to invest in derivatives and forward transactions (including futures and options) in accordance with COLL using techniques and instruments which relate to transferable securities and approved money-market instruments and which fulfil the following criteria:

- (a) they are economically appropriate in that they are realised in a cost effective way;
- (b) they are entered into for one or more of the following specific aims;
 - (i) reduction of risk;
 - (ii) reduction of cost;
 - (iii) generation of additional capital or income for the Funds with a risk level which is consistent with the risk profile of the relevant Fund and the risk diversification rules laid down in COLL.

In relation to the generation of additional capital or income, there is an acceptably low level of risk in any case where the ACD reasonably believes that the Funds are certain (or certain barring events which are not reasonably foreseeable) to derive a benefit:

- (a) by taking advantage of pricing imperfections in relation to the acquisition and disposal (or disposal and acquisition) of rights in relation to the same or equivalent property, being property which the Fund holds or may properly hold;
- (b) by receiving a premium for the writing of a covered call option, even if that benefit is obtained at the expense of surrendering the chance of yet greater benefit.

To be economically appropriate to the Funds, the ACD must reasonably believe that:

- (a) for transactions undertaken to reduce risk or cost (or both), the transaction (alone or in combination) will diminish a risk or cost of a kind or level which it is sensible to reduce; and
- (b) for transactions undertaken to generate additional capital or income, the Funds are certain (or certain barring events which are not reasonably foreseeable) to derive a benefit from the transaction.

Derivatives – general

A transaction in derivatives or a forward transaction must not be effected for a Fund unless the transaction is of a kind specified in COLL 5.2.20R and the transaction is covered, as required by COLL 5.3.3A R.

Where a Fund invests in derivatives, the exposure to the underlying assets must not exceed the limits in COLL 5.2.11R and COLL 5.2.12R, except for index-based derivatives where the following rules apply:

Where a Fund invests in an index-based derivative, provided the relevant index falls within COLL 5.2.20AR, the underlying constituents of the index do not have to be taken into account for the purposes of COLL 5.2.11R and COLL 5.2.12R. The relaxation is subject to the ACD taking account of COLL 5.2.3R.

Where a transferable security or an approved money-market instrument embeds a derivative, this must be taken into account for the purposes of complying with COLL 5.2.

Permitted Transactions (derivatives and forward transactions)

A transaction in a derivative must either be in an approved derivative (being a derivative which is traded or dealt in on an eligible derivatives market as set out in Schedule 2) or be one which complies with COLL 5.2.23R.

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

Any over the counter transactions in derivatives must also be on approved terms, i.e. the ACD:

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

The underlying of a transaction in a derivative may only consist of any one or more of the following:

- transferable securities permitted under COLL 5.2.8R(3)(a) to (c) and (e);
- approved money-market instruments permitted under COLL 5.2.8R(3)(a) to (d);

- deposits as permitted under COLL 5.2.26R;
- derivatives as permitted under COLL 5.2.20R;
- collective investment scheme units as permitted under COLL 5.2.13R;
- financial indices which satisfy the criteria set out in COLL 5.2.20AR;
- interest rates;
- foreign exchange rates; and
- currencies.

A transaction in a derivative must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more transferable securities, approved money-market instruments, units in collective investment schemes or derivatives provided that a sale is not to be considered as uncovered if the conditions in COLL 5.2.22R(1) (Requirement to cover sales), as read in accordance with the guidance at COLL 5.2.22AG, are satisfied.

Any forward transaction must be made with an Eligible Institution or an Approved Bank in accordance with COLL.

All derivatives transactions are deemed to be free of counterparty risk if they are performed on an exchange where the clearing house is backed by an appropriate performance guarantee; and it is characterised by daily mark-to-market valuation of the derivative positions and an at least daily margining.

Embedded derivatives

Where a Fund invests in a transferable security or an approved money-market instrument which embeds a derivative, this must be taken into account for the purposes of complying with COLL.

A transferable security or an approved money-market instrument will embed a derivative if it contains a component which fulfils the following criteria:

- (a) by virtue of that component some or all of the cash flows that otherwise would be required by the transferable security or approved money-market instrument which functions as host contract can be modified according to a specified interest rate, Financial Instrument price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, and therefore vary in a way similar to a stand-alone derivative;
- (b) its economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract; and
- (c) it has a significant impact on the risk profile and pricing of the transferable security or approved money-market instrument.

A transferable security or an approved money-market instrument does not embed a derivative where it contains a component which is contractually transferable independently of the transferable security or the approved money-market instrument. That component shall be deemed to be a separate instrument.

The following types of investments are generally regarded as being transferable securities and approved money-market instruments which embed a derivative:

- (a) credit linked notes;
- (b) transferable securities or approved money-market instruments whose performance is linked to the performance of a bond index;
- (c) transferable securities or approved money-market instruments whose performance is linked to the performance of a basket of shares, with or without active management;
- (d) transferable securities or approved money-market instruments with a fully guaranteed nominal value whose performance is linked to the performance of a basket of shares, with or without active management;
- (d) convertible bonds; and
- (e) exchangeable bonds.

Transferable securities and approved money-market instruments which embed a derivative are subject to the rules applicable to derivatives in COLL as summarised in this section.

A derivative includes instruments which fulfil the following criteria:

- (a) it allows the transfer of the credit risk of the underlying independently from the other risks associated with that underlying;
- (b) it does not result in the delivery or the transfer, including in the form of cash, of assets other than those referred to in COLL 5.2.6AR;
- (c) in the case of an OTC derivative, it complies with the requirements in COLL 5.2.23R;
- (d) its risks are adequately captured by the ACD's risk management process, and by its internal control mechanisms in the case of risks of asymmetry of information between the ACD and the counterparty to the derivative, resulting from potential access of the counterparty to non-public information on persons whose assets are used as the underlying by that derivative.

The Funds may not undertake transactions in derivatives on commodities.

A derivative or forward transaction which will or could lead to the delivery of property for the account of the Company may be entered into only if:

- (a) that property can be held for the account of the Company; and
- (b) the ACD having taken reasonable care determines that delivery of the property under the transaction will not occur or will not lead to a breach of COLL.

Requirement to cover sales

No agreement by or on behalf of the Funds to dispose of property or rights (except for a deposit) may be made unless the obligation to make the disposal and any other similar obligation could

immediately be honoured by the Fund(s) by delivery of property or the assignment of rights, and the property and rights above are owned by the Funds at the time of the agreement.

This requirement does not apply where:

- (a) the risks of the underlying Financial Instrument of a derivative can be appropriately represented by another Financial Instrument which is highly liquid; or
- (b) the ACD or the Depositary has the right to settle the derivative in cash, and cover exits within the Scheme Property which falls within one of the following asset classes:
 - (i) cash;
 - (ii) liquid debt instruments (e.g. government bonds of first credit rating) with appropriate safeguards (in particular, haircuts); or
 - (iii) other highly liquid assets having regard to their correlation with the underlying of the financial derivative instruments, subject to appropriate safeguards (e.g. haircuts where relevant).

In the asset classes referred to above, an asset may be considered as liquid where the instrument can be converted into cash in no more than seven Business Days at a price closely corresponding to the current valuation of the Financial Instrument on its own market.

Over-the-counter ("OTC") transactions in derivatives

Any transaction in an OTC derivative must be:

- (a) with an approved counterparty. A counterparty to a transaction in derivatives is approved only if the counterparty is:
 - (i) an Eligible Institution or an Approved Bank;
 - (ii) a person whose permission including any requirements or limitations, as published in the Financial Services register, permits it to enter into such transactions as principal off-exchange;
 - (iii) a CCP that is authorised in that capacity for the purposes of EMIR;
 - (iv) a CCP that is recognised in that capacity in accordance with the process set out in article 25 of EMIR; or
 - (v) to the extent not already covered above, a CCP supervised in a jurisdiction that:
 - (i) has implemented the relevant G20 reforms on over-the-counter derivatives to at least the same extent as the United Kingdom; and
 - (ii) is identified as having done so by the Financial Stability Board in its summary report on progress in implementation of G20 financial regulatory reforms dated 25 June 2019.

- (b) on approved terms. The terms of a 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.
- (c) 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
- (d) 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.

The jurisdictions that fall within paragraph (a)(v) above are Australia, France, Germany, Hong Kong, Italy, Japan, the Netherlands, Singapore, Spain, Switzerland, and the United States of America.

“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 (a) to (d) above.

Collateral

The ACD may reduce the exposure of the Scheme Property to a counterparty to an OTC derivative transaction through the receipt of collateral. Collateral received must be sufficiently liquid so that it can be sold quickly at a price that is close to its pre-sale valuation.

The ACD must take collateral into account in calculating exposure to counterparty risk in accordance with the limits in COLL 5.2.11BR(7) when it passes collateral to the counterparty to an OTC derivative transaction on behalf of a Fund. Collateral passed may be taken into account on a

net basis only if the ACD is able legally to enforce netting arrangements with this counterparty on behalf of that Fund.

Risk Management

The ACD uses a risk management process (which includes a risk management policy) enabling it to monitor and measure at any time the risk of the Funds' positions and their contribution to the overall risk profile of the Company.

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

- a true and fair view of the types of derivatives and forward transactions to be used within the Company together with their underlying risks and any relevant quantitative limits; and
- the methods for estimating risks in derivative and forward transactions.

The ACD must assess, monitor and periodically review:

- the adequacy and effectiveness of the risk management policy and of the arrangements, processes and techniques referred to in COLL 6.12.5R;
- the level of compliance by the ACD with the risk management policy and with those arrangements, processes and techniques referred to in COLL 6.12.5R; and
- the adequacy and effectiveness of measures taken to address any deficiencies in the performance of the risk management process.

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

Currently derivatives may be used by each of the Funds for the purposes of efficient portfolio management (including hedging). It is not anticipated that the use of derivatives in this way by the Funds will alter or change the risk profile of the Company.

Derivative exposure

The Funds may invest in derivatives and forward transactions only where the exposure to which the Funds are committed by that transaction itself is suitably covered from within the Funds' property. Exposure will include any initial outlay in respect of that transaction.

Cover ensures that the Funds are not exposed to the risk of loss of property, including money, to an extent greater than the net value of the Funds' property. Therefore, the Funds must hold property sufficient in value or amount to match the exposure arising from a derivative obligation to which the Fund is committed. The detailed requirements in accordance with COLL 5.3 for cover of the Funds are set out below.

Cover used in respect of one transaction in derivatives or forward transactions should not be used for cover in respect of another transaction in derivatives or a forward transaction.

Cover for transaction in derivatives and forward transactions

A transaction in derivatives or forward transaction is to be entered into only if the maximum exposure, in terms of the principal or notional principal created by the transaction to which the Company is or may be committed by another person, is covered globally.

Exposure is covered globally if adequate cover from within the Scheme Property is available to meet the Company's total exposure, taking into account the value of the underlying assets, any

reasonably foreseeable market movement, counterparty risk, and the time available to liquidate any positions.

Cash not yet received into a Fund's property but due to be received within one month is available as cover for these purposes.

Property which is the subject of a stock lending transaction is only available for cover if the ACD has taken reasonable care to determine that it is obtainable (by return or re-acquisition) in time to meet the obligation for which cover is required.

The total exposure relating to derivatives held in a Fund may not exceed the net value of the property.

Deposits

Up to 100% of the Scheme Property attributable to the Funds may consist of deposits (as defined in COLL) but only if it:

- **is with an Approved Bank;**
- **is repayable on demand or has the right to be withdrawn; and**
- **matures in no more than 12 months.**

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

Spread: General

1. This section does not apply in respect of a transferable security or an approved money-market instrument to which the section "Spread: Government and public securities" applies.
2. For the purposes of this section companies included in the same group for the purposes of consolidated accounts as defined in accordance with s.399 of the Companies Act 2006, Directive 2013/34/EU, or in the same group in accordance with international accounting standards, are regarded as a single body.
3. Not more than 20% in value of the Scheme Property may consist of deposits with a single body.
4. Not more than 5% in value of the Scheme Property attributable to a Fund may consist of transferable securities or approved money-market instruments issued by any single body.
5. The limit of 5% in paragraph 4 above may be raised to 10% in respect of up to 40% in value of the Scheme Property. Covered bonds need not be taken into account for the purpose of applying the limit of 40%.
6. The limit of 5% in paragraph 4 above is raised to 25% in value of the Scheme Property in respect of covered bonds, provided that when a Fund invests more than 5% in covered bonds issued by a single body, the total value of covered bonds held must not exceed 80% in value of the Scheme Property.
7. In applying paragraphs 4 and 5 above, certificates representing certain securities are to be treated as equivalent to the underlying security.

8. The exposure to any one counterparty in an OTC derivative transaction must not exceed 5% in value of the Scheme Property. This limit may be raised to 10% where the counterparty is an Approved Bank.
9. Not more than 20% in value of the Scheme Property attributable to the Fund is to consist of transferable securities and approved money-market instruments issued by the same group.
10. Not more than 20% in value of the Scheme Property of a Fund may consist of units or shares in any one collective investment scheme.
11. In applying the limits in paragraphs 3, 4, 5, 7 and 8 above in relation to a single body and subject to 6 above, not more than 20% in the value of the Scheme Property is to consist of any combination of two or more of the following:
 - transferable securities (including covered bonds) or approved money-market instruments issued by that body; or
 - deposits made with that body; or
 - exposures from OTC derivatives transactions made with that body.

Borrowing

Subject to the Company's Instrument and COLL (as it relates to UK UCITS), the Company may borrow money for the purposes of achieving the objectives of the Funds on terms that such borrowings are to be repaid out of the Scheme Property of the relevant Fund. The ACD does not anticipate significant use of this borrowing power. Such borrowing may only be made from an Eligible Institution or Approved Bank and must be on a temporary basis only and must not be persistent.

No period of borrowing may exceed three months without the prior consent of the Depositary (which may give such consent only on conditions as appear to the Depositary appropriate to ensure that the borrowing does not cease to be on a temporary basis). The borrowing of a Fund must not, on any Business Day, exceed 10% of the value of the property of the relevant Fund. As well as applying to borrowing in a conventional manner, the 10% limit applies to any other arrangement designed to achieve a temporary injection of money into the property of the relevant Fund in the expectation that such will be repaid. For example, by way of a combination of derivatives which produces an effect similar to borrowing.

The above provisions on borrowing do not apply to "back to back" borrowing for hedging purposes, being an arrangement under which an amount of currency is borrowed from an Eligible Institution and an amount in another currency at least equal to the amount of currency borrowed is kept on deposit with the lender (or their agent or nominee).

Borrowings may be made from the Depositary, the ACD, the Directors or any Investment Manager or any associate of any of them provided that such lender is an Eligible Institution or Approved Bank and the arrangements are at least as favourable to the Fund concerned as would be those of any comparable arrangements effected on normal commercial terms negotiated at arm's length between two independent parties.

Stock lending

The Funds or the Depositary may enter into a repo contract, or a stock lending arrangement of the kind described in section 263B of the Taxation of Chargeable Gains Act 1992 but only if:

- (a) all the terms of the agreement under which securities are to be reacquired by the Depositary for the account of the Funds are in a form which is acceptable to the Depositary and are in accordance with good market practice;
- (b) the counterparty is an authorised person, a person authorised by a Home State regulator or otherwise acceptable in accordance with COLL; and
- (c) collateral is obtained to secure the obligation of the counterparty under the terms referred to in (a) above, and is acceptable to the Depositary and must also be adequate and sufficiently immediate as set out in COLL. These requirements do not apply to a stock lending transaction made through Euroclear Bank SA/NV's Securities Lending and Borrowing Programme.

Underwriting

The Company may enter into underwriting and sub-underwriting arrangements in accordance with COLL, provided that such agreements are covered in accordance with COLL 5.3 (as summarised above under '***Cover for transaction in derivatives and forward transactions***'), and such that if all possible obligations arising under them had immediately to be met in full, there would be no breach of any limit in COLL.

Lending and other provisions

The Scheme Property of the Funds other than money must not be lent by way of deposit or otherwise and must not be mortgaged. Stock lending transactions permitted under COLL 5.4 however are not to be regarded as lending for the above purposes. The Company or the Depositary at the request of the Company may however lend, deposit, pledge or charge Scheme Property for margin requirements where transactions in derivatives or forward transactions are used for the account of the Funds in accordance with COLL and this Schedule.

Schedule 2

Eligible Markets

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

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

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

Eligible Securities Markets

Country	Market
Indonesia	Indonesia Stock Exchange (IDX)
Malaysia	Kuala Lumpur Stock Exchange
Mexico	Bolsa Mexicana de Valores (BMV)
Singapore	Singapore Exchange (SGX)
South Africa	JSE Limited
South Korea	Korea Composite Stock Price Index
Taiwan (Republic of China)	Taiwan Stock Exchange
USA	New York Stock Exchange
	The Nasdaq Stock Market
	The market in US government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York
	The market organised by the International Securities Market Association; the Alternative Investment Market ("AIM") in the UK; the over-the-counter market in Canadian Government Bonds, regulated by the Investment Dealers Association of Canada; the Singapore International Monetary Exchange; and

PLUS – an independent market for small and mid-cap companies.

For the purposes only of determining the value of the assets of a Fund, the term "eligible market" shall be deemed to include, in relation to any futures or options contract utilised by the Fund for the purposes of efficient portfolio management or to provide protection against exchange rate risk any organised exchange or market on which such futures or options contract is regularly traded.

Eligible Derivatives Markets

- (a) the market conducted by the "listed money market institutions", as described in the FCA publication "The Regulation of the Wholesale Cash and OTC Derivatives Markets under Section 43 of the FCA (the "Grey Paper") as amended from time to time (in Sterling, foreign currency and bullion)";
- (b) the over-the-counter market in Japan regulated by the Securities Dealers Association of Japan;
- (c) NASDAQ in the United States;
- (d) the Tokyo Stock Exchange;
- (e) the over-the-counter market in the United States regulated by the National Association of Securities Dealers Inc. (also described as the over-the-counter market in the United States conducted by primary and secondary dealers regulated by the Securities and Exchanges Commission and by the National Association of Securities Dealers (and by banking institutions regulated by the US Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);
- (f) the French market for Titres de Créances Négotiables (over-the-counter market in negotiable debt instruments);
- (g) NASDAQ Europe;
- (h) the New Zealand Futures and Options Exchange;
- (i) the French market for Titres de Créances Négotiables (over-the-counter market in negotiable debt instruments);
- (j) SESDAQ (the second tier of the Singapore Stock Exchange);
- (k) London International Financial Futures and Options Exchange (LIFFE);
- (l) the London Securities & Derivatives Exchange Ltd (OMLX);
- (m) EUREX; and
- (n) the European Options Exchange.

Schedule 3

Historical Performance

The comparisons have been based on various Share classes for a Fund's 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 charges (subscription and redemption fees) but does not include the effect of any preliminary charge that may be paid on the purchase of an investment.

Investors and potential investors should note the following statements:

- (a) These performance figures are presented as a matter of record and should be regarded as such.
- (b) Performance is determined by many factors including the general direction and volatility of markets and may not be repeatable.
- (c) **These figures refer to the past and past performance is not a reliable indicator of future results or rates of return.**

REFINED BALANCED FUND

Share class	2021 %	2022 %	2023 %	2024 %	2025 %
B Sterling	9.18	-12.21	7.94	7.75	10.67
X Sterling	10.27	-11.35	8.98	8.66	11.50

Source of performance data – Morningstar⁴

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Schedule 4
List of Sub-Custodians

As appropriate to the listed Eligible Markets

Jurisdiction	Sub-custodian	Sub-custodian Delegate
Argentina	Citibank N.A., Buenos Aires Branch	
Australia	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Australia Limited
Austria	UniCredit Bank Austria AG	
Bahrain	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
Bangladesh	Standard Chartered Bank	
Belgium	The Northern Trust Company	
Bosnia and Herzegovina (Federation of Bosnia-Herzegovina)	Raiffeisen Bank International AG	Raiffeisen Bank Bosnia DD BiH
Bosnia and Herzegovina (Republic of Srpska)	Raiffeisen Bank International AG	Raiffeisen Bank Bosnia DD BiH
Botswana	Standard Chartered Bank Botswana Limited	
Brazil	Citibank N.A., Brazilian Branch	Citibank Distribuidora de Titulos e Valores Mobiliarios S.A ("DTVM")
Bulgaria	Citibank Europe plc, Bulgaria Branch	
Canada	The Northern Trust Company, Canada Branch	
Canada	Royal Bank of Canada	
Chile	Citibank N.A.	Banco de Chile
China A Share	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (China) Company Limited
China A Share	Industrial and Commercial Bank of China Limited	
China B Share	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (China) Company Limited
Clearstream	Clearstream Banking S.A	
Colombia	Cititrust Columbia S.A. Sociedad Fiduciaria	
Costa Rica	Banco Nacional de Costa Rica	
Croatia	UniCredit Bank Austria AG	Zagrebacka Banka d.d.
Cyprus	Citibank Europe PLC	
Czech Republic	UniCredit Bank Czech Republic and Slovenia, a.s.	
Denmark	Skandinaviska Enskilda Banken AB (publ)	
Egypt	Citibank N.A., Cairo Branch	

Jurisdiction	Sub-custodian	Sub-custodian Delegate
Estonia	Swedbank AS	
Euroclear	Euroclear Bank S.A/N.V	
Finland	Skandinaviska Enskilda Banken AB (publ)	
France	The Northern Trust Company	
Germany	The Northern Trust Company	
Ghana	Standard Chartered Bank Ghana Limited	
Greece	Citibank Europe PLC	
Hong Kong	The Hongkong and Shanghai Banking Corporation Limited	
Hong Kong (Stock and Bond Connect)	The Hongkong and Shanghai Banking Corporation Limited	
Hungary	Citibank Europe plc	
Iceland	Landsbankinn hf	
India	Citibank N.A.	
Indonesia	Standard Chartered Bank	
Ireland	The Northern Trust Company, London	
Israel	Citibank, N.A., Israel Branch	
Italy	Citibank Europe plc	
Japan	The Hongkong and Shanghai Banking Corporation Limited	
Jordan	Bank of Jordan Plc	
Kazakhstan	Citibank Kazakhstan JSC	
Kenya	Standard Chartered Bank Kenya Limited	
Kuwait	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
Latvia	Swedbank AS	
Lithuania	AB SEB bankas	
Luxembourg	Euroclear Bank S.A./N.V.	
Malaysia	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Malaysia Berhad
Mauritius	The Hongkong and Shanghai Banking Corporation Limited	
Mexico	Banco Citi Mexico S.A.	
Morocco	Citibank Maghreb S.A	
Namibia	Standard Bank Namibia Ltd	
Netherlands	The Northern Trust Company	
New Zealand	The Hongkong and Shanghai Banking Corporation Limited	
Nigeria	Stanbic IBTC Bank Plc	
Norway	Skandinaviska Enskilda Banken AB (publ)	
Oman	First Abu Dhabi PJSC, Oman Branch	

Jurisdiction	Sub-custodian	Sub-custodian Delegate
Pakistan	Citibank N.A., Karachi Branch	
Panama	Citibank N.A., Panama Branch	
Peru	Citibank del Peru S.A.	
Philippines	The Hongkong and Shanghai Banking Corporation Limited	
Poland	Bank Handlowy w Warszawie S.A.	
Portugal	BNP Paribas SA	
Qatar	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
Romania	Citibank Europe PLC	
Russia	AO Citibank	
Saudi Arabia	The Northern Trust Company of Saudi Arabia	
Serbia	UniCredit Bank Austria A.G.	UniCredit Bank Serbia JSC
Singapore	The Hongkong and Shanghai Banking Corporation Limited	
Slovakia	Citibank Europe PLC	
Slovenia	UniCredit Banka Slovenija d.d.	
South Africa	The Standard Bank of South Africa Limited	
South Korea	The Hongkong and Shanghai Banking Corporation Limited	
Spain	Citibank Europe plc	
Sri Lanka	Standard Chartered Bank	
Sweden	Skandinaviska Enskilda Banken AB (publ)	
Switzerland	UBS AG Switzerland	
Taiwan	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (Taiwan) Limited
Tanzania	Standard Chartered Bank (Mauritius) Limited	Standard Chartered Bank Tanzania Limited
Thailand	Citibank N.A., Bangkok Branch	
Tunisia	Union Internationale de Banques	
Turkey	Citibank A.S.	
Uganda	Standard Chartered Bank Uganda Limited	
Ukraine (Market Suspended)	JSC "Citibank"	
United Arab Emirates (ADX)	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
United Arab Emirates (DFM)	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
United Arab Emirates (NASDAQ)	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
United Kingdom	Euroclear UK and Ireland Limited (Northern Trust self-custody)	
United States	The Northern Trust Company	
Uruguay	Banco Itau Uruguay S.A.	

Jurisdiction	Sub-custodian	Sub-custodian Delegate
Vietnam	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (Vietnam) Ltd
West Africa (UEMOA)	Standard Chartered Bank (Mauritius) Limited	Standard Chartered Bank Cote d'Ivoire SA
Zambia	Standard Chartered Bank Zambia PLC	
Zimbabwe	The Standard Bank of South Africa Limited	Stanbic Bank Zimbabwe Limited

Schedule 5

List of Other Authorised Collective Investment Schemes operated by the ACD

<u>Authorised Contractual Schemes</u>	<u>Authorised Open-Ended Investment Companies</u>	<u>Authorised Unit Trusts</u>
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 Lime Grove Fund Meadowgate Funds Mellifera OEIC Moulsoe Fund Scarp Fund Seymour 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 Hector Fund The Juniper Fund The Lockerley Fund The Mazener Fund The MCMLXIII Fund The Motim Fund The Northern Funds The Oenoke Fund The Ord Fund ICVC The Overstone Fund The Penare Fund The Redhill Fund The Saint Martins Fund The Staderas Fund The Stratford Fund The Sun Portfolio Fund The TBL Fund The TM Lancewood Fund The TM Mitcham Fund The Torridon Growth Fund The Vinings Fund The Wharton Fund Thesis JDS Fund TM Acer Fund TM Admiral Fund TM Balanced Growth Fund TM Brickwood Funds TM Brown Advisory Funds TM Brunsdon OEIC	BPM Trust Eden Investment Fund Elfynn International Trust Glenhuntley Portfolio Trust Hawthorn Portfolio Trust KES Diversified Trust KES Ivy Fund KES Growth Fund KES Income and Growth Fund KES Strategic Investment Fund Latour Growth Fund Lavaud Fund Malachite Return Fund Mossylea Fund Pippin Return Fund The Argo Fund The Blandfield Fund The Castor 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 Chainpoint Fund TM Gravis UK Listed Property (Feeder) 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

Authorised Contractual Schemes**Authorised Open-Ended Investment Companies****Authorised Unit Trusts**

TM Castlefield Funds
 TM Castlefield Portfolio Funds
 TM Cerno Investment Funds
 TM Cresswell Fund
 TM First Arrow Investment Funds
 TM Gravis Funds ICVC
 TM Gravis Real Assets ICVC
 TM Hearthstone ICVC
 TM Investment Exposures Fund
 TM James Hambro Umbrella Fund
 TM Lime Fund
 TM Natixis Investment Funds U.K. ICVC
 TM Oak Fund
 TM Oberon Funds ICVC
 TM OEIC
 TM Optimal Funds
 TM P1 Investment Funds
 TM Redwheel Funds
 TM Ruffer Portfolio
 TM Sanford DeLand Funds
 TM Stonehage Fleming Global Multi-Asset Umbrella Fund
 TM Stonehage Fleming Investments Funds
 TM Timeline NURS Funds
 TM Total Return Fund
 TM UBS (UK) Fund
 TM Veritas Investment ICVC
 Trowbridge Investment Funds
 Vastata Fund

Fund
 TM New Institutional World Fund
 TM Preservation Fund
 TM Private Portfolio Trust
 TM Stonehage Fleming Global Equities Fund
 TM Stonehage Fleming Global Equities Umbrella Fund

Schedule 6

Directory

Authorised Corporate Director	Thesis Unit Trust Management Limited Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP
Registered and Head Office of the Company	Thesis Unit Trust Management Limited Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP
Depository	NatWest Trustee and Depository Services Limited House A, Floor 0, Gogarburn, 175 Glasgow Road, Edinburgh EH12 1QH
Investment Manager	Quilter Cheviot Limited Senator House, 85 Queen Victoria Street, London EC4V 4AB www.quiltercheviot.com
Auditors	PricewaterhouseCoopers LLP Atria One, 144 Morrison Street, Edinburgh EH3 8EX
Administrator, Registrar and Fund Accountant	Northern Trust Global Services SE, UK branch 50 Bank Street, Canary Wharf, London E14 5NT
Dealing Office	Thesis Unit Trust Management Limited Sunderland SR43 4AZ Telephone number: 0333 300 0375
Custodian <i>Principal place of business</i> <i>Who may also act under this power through its London branch:</i>	The Northern Trust Company 50 South LaSalle Street, Chicago, Illinois, USA 50 Bank Street, Canary Wharf, London E14 5NT
The Financial Conduct Authority	12 Endeavour Square, London E20 1JN

The regulatory status of the Authorised Corporate Director, Depository and Investment Adviser, are set out under paragraph 4 above.