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PROSPECTUS

of

**TM LANSDOWNE OEIC**

Consisting of the following Funds:

TM Lansdowne European Special Situations Fund

An umbrella UK UCITS  
Open-Ended Investment Company

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Valid as at and dated **26 August 2026**

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

Thesis Unit Trust Management Limited

Authorised and regulated by the Financial Conduct Authority.

FCA firm reference number: 186882

**IMPORTANT INFORMATION: Retail and institutional investors in Switzerland**

**The TM Lansdowne European Special Situations Fund is registered for promotion to retail and institutional investors in Switzerland and is represented by the following agents:**

**Representative and Paying Agent in Switzerland**

RBC Investor Services Bank S.A.  
Esch-sur-Alzette  
Zweigniederlassung Zürich,  
Bleicherweg 7  
8027 Zürich  
Switzerland

**Tax Agent for Switzerland**

Deloitte LLP  
Hill House  
1 Little New Street  
London  
EC4A 3TR

## **IMPORTANT INFORMATION**

**THIS PROSPECTUS IS IMPORTANT. IF YOU ARE IN ANY DOUBT AS TO THE MEANING OF ANY INFORMATION CONTAINED IN THIS PROSPECTUS, YOU SHOULD CONSULT THE ACD OR YOUR FINANCIAL ADVISER.**

**THIS PROSPECTUS IS BASED ON INFORMATION, UK LAWS AND PRACTICE AS AT THE "VALID AS AT DATE" WHICH APPEARS ON THE FRONT COVER AND BELOW. THE COMPANY AND THE ACD CANNOT BE BOUND BY AN OUT OF DATE PROSPECTUS WHEN IT HAS ISSUED A NEW PROSPECTUS. INVESTORS SHOULD CHECK WITH THE ACD THAT THIS IS THE LATEST VERSION OF THE PROSPECTUS AND THAT THERE HAVE BEEN NO REVISIONS OR UPDATES BEFORE DECIDING TO PURCHASE SHARES IN THE COMPANY.**

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

The Company is a UK UCITS established in the UK and will be marketed to the public in the UK. Certain of the Funds of the Company have been registered for marketing in Switzerland. It is not intended that the Company will be marketed outside the UK other than Switzerland, for which there is a separate Swiss version prospectus.

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

Distributors and other intermediaries which offer, recommend or sell shares in the Funds must comply with all laws, regulations and regulatory requirements as may be applicable to them. Also, such Distributors and other intermediaries must consider such information about the Funds and its share classes as is made available by the Authorised Corporate Director for the purposes of the UK's Product Governance regime. Distributors and intermediaries may obtain further information by contacting the ACD.

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

Shareholders are deemed to have taken notice of the provisions of the Instrument of Incorporation which is binding on each of the Shareholders. A copy of the Instrument of Incorporation is available on request from Thesis Unit Trust Management Limited.

### ***International Tax Reporting***

In order to fulfil our legal obligations in accordance with the requirements of FATCA and other intergovernmental arrangements such as the OECD Common Reporting

Standard for Automatic Exchange of Financial Account Information (CRS), including pursuant to the International Tax Compliance Regulations 2015, the Company is required to obtain confirmation of the tax residency of Shareholders and certain other information to comply with certain reporting requirements. We may ask for evidence of the tax identification number, and country and date of birth of individual Shareholders, or for the Global Intermediary Identification number (GIIN) of corporate and other Shareholders. If certain conditions apply, information about your shareholding may be passed to HM Revenue & Customs ("HMRC") in order to be passed on to other tax authorities, where the UK has an agreement with that country. Any Shareholder that fails to provide the required information may be subject to a compulsory redemption of their Shares and/or monetary penalties.

### ***Information for US Persons***

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.

### ***Data Protection***

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

### ***Electronic Verification***

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

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## 1 INTERPRETATION

In this Prospectus the words and expressions set out in the first column below shall have the meanings set opposite them unless the context requires otherwise. Words and expressions contained in this Prospectus but not defined herein shall have the same meanings as in the Act or Regulations (as defined below) unless the contrary is stated. The definitions are as follows:

|                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>"ACD"</b>           | the Authorised Corporate Director holding office from time to time pursuant to Regulations being Thesis Unit Trust Management Limited at the date of this Prospectus;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>"Act"</b>           | the Financial Services and Markets Act 2000 as amended, restated, re-enacted or replaced from time to time;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>"Administrator"</b> | means Northern Trust Global Services SE, UK branch, or such other entity as is appointed to act as administrator to the Company from time to time.;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>"Approved Bank"</b> | <p>in relation to a bank account opened for the Company:</p> <ul style="list-style-type: none"><li>(a) if the account is opened at a branch in the UK:<ul style="list-style-type: none"><li>(i) the Bank of England; or</li><li>(ii) the central bank of a member state of the OECD; or</li><li>(iii) a bank; or</li><li>(iv) a building society; or</li><li>(v) a bank which is supervised by the Bank of England or the central bank or other banking regulator of a member state of the OECD; or</li></ul></li><li>(b) if the account is opened elsewhere:<ul style="list-style-type: none"><li>(i) a bank in (a); or</li><li>(ii) a bank which is regulated in the Isle of Man or the Channel Islands; or</li></ul></li><li>(c) a bank supervised by the South African Reserve Bank; or</li><li>(d) a credit institution established in an EEA State and duly authorised by the relevant Home State regulator,</li></ul> <p>as such definition may be updated in the FCA Glossary from time to time.</p> |
| <b>"Business Day"</b>  | a weekday being Monday to Friday (excluding any public or bank holiday in England;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>"CASS"</b>          | the requirements relating to holding client assets and client money published by the FCA as part of the FCA Rules, as amended or replaced from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

|                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>"CCP"</b>                                                | as defined in the FCA Glossary;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>"Collective Investment Schemes Sourcebook" or "COLL"</b> | the Collective Investment Schemes Sourcebook issued by the FCA pursuant to the Act as amended or replaced from time to time;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>"Company"</b>                                            | TM Lansdowne OEIC;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>"Conversion"</b>                                         | the conversion of Shares in one class in a Fund to Shares of another class in the same Fund and <b>"Convert"</b> shall be construed accordingly;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>"Custodian"</b>                                          | the person who provides custodian services to the Company, being The Northern Trust Company, London Branch, and its successor or successors as custodian;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>"Data Protection Laws"</b>                               | all applicable laws relating to the processing, privacy and/or use of personal data, including the following laws to the extent applicable in the circumstances: <ul style="list-style-type: none"> <li>(a) the UK GDPR;</li> <li>(b) the Data Protection Act 2018;</li> <li>(c) any laws which implement any such laws; and</li> <li>(d) any laws which replace, extend, re-enact, consolidate or amend any of the foregoing (whether or not before or after the date of this Prospectus); and</li> <li>(e) all final and binding guidance, guidelines and codes of practice issued by any relevant supervisory authority relating to such Data Protection Laws;</li> </ul> |
| <b>"Dealing Day"</b>                                        | 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;                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>"Depositary"</b>                                         | means Northern Trust Investor Services Limited, the depositary of the Company;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>"Depositary Agreement"</b>                               | means the agreement between the ACD, the Company and the Depositary regarding the appointment of the Depositary;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>"EEA"</b>                                                | the European Economic Area;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>"EEA State"</b>                                          | as defined in the FCA Glossary;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>"Eligible Institution"</b>                               | as defined in the FCA Glossary;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>"EMIR"</b>                                               | as defined in the FCA Glossary;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>"FATCA"</b>                                              | the Foreign Account Tax Compliance Act provisions contained in sections 1471 to 1474 of the United States Internal                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

|                                                   |                                                                                                                                                                                                                                                                                     |
|---------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                   | Revenue Code and US Treasury Regulations promulgated thereunder (as amended from time to time);                                                                                                                                                                                     |
| <b>"FCA"</b>                                      | the Financial Conduct Authority, or any successor regulator from time to time;                                                                                                                                                                                                      |
| <b>"FCA Glossary"</b>                             | the glossary giving the meanings of the defined expressions used in the FCA Handbook as amended from time to time;                                                                                                                                                                  |
| <b>"FCA Handbook"</b>                             | the handbook of rules and guidance issued by the FCA as amended, updated or replaced from time to time;                                                                                                                                                                             |
| <b>"FCA PRN"</b>                                  | the FCA's product reference number for the Company or one of its sub-funds;                                                                                                                                                                                                         |
| <b>"FCA Rules"</b>                                | the rules contained in COLL but, for the avoidance of doubt, not including guidance or evidential requirements contained in COLL;                                                                                                                                                   |
| <b>"Financial Instrument"</b>                     | as defined in the FCA Glossary;                                                                                                                                                                                                                                                     |
| <b>"Fund" or "Funds"</b>                          | a sub-fund of the Company (being part of the property of the Company which is pooled separately) to which specific assets and liabilities of the Company may be allocated and which is invested in accordance with the investment objective and policy applicable to such sub-fund; |
| <b>"Home State"</b>                               | as defined in the FCA Glossary;                                                                                                                                                                                                                                                     |
| <b>"Instrument"</b>                               | the instrument of incorporation constituting the Company, as amended from time to time;                                                                                                                                                                                             |
| <b>"International Tax Compliance Regulations"</b> | The International Tax Compliance Regulations 2015 (SI 2015/878), as amended or re-enacted from time to time;                                                                                                                                                                        |
| <b>"Investment Manager"</b>                       | meaning: <ul style="list-style-type: none"> <li>(a) with respect to TM Lansdowne European Special Situations Fund, Lansdowne Partners (UK) LLP acts as Investment Manager.</li> </ul>                                                                                               |
| <b>"KIID"</b>                                     | the key investor information document prepared in accordance with COLL;                                                                                                                                                                                                             |
| <b>"ISA"</b>                                      | an individual savings account under The Individual Savings Account Regulations 1998 (as amended);                                                                                                                                                                                   |
| <b>"Non-UCITS retail scheme"</b>                  | in accordance with the FCA Rules an authorised fund which is not a UK UCITS, a qualified investor scheme or a long-term asset fund;                                                                                                                                                 |
| <b>"OECD"</b>                                     | the Organisation for Economic Co-operation and Development;                                                                                                                                                                                                                         |
| <b>"OEIC Regulations"</b>                         | Open-Ended Investment Companies Regulations 2001(SI 2001/1228), as amended or re-enacted from time to time;                                                                                                                                                                         |
| <b>"Office Hours"</b>                             | every Business Day between 9.00 a.m. and 5.00 p.m. when the London Stock Exchange is open for business;                                                                                                                                                                             |

|                                           |                                                                                                                                                                                                                                                                                                        |
|-------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>"OTC"</b>                              | over-the-counter derivative: a derivative transaction which is not traded on an investment exchange;                                                                                                                                                                                                   |
| <b>"Register"</b>                         | the register of Shareholders of the Company;                                                                                                                                                                                                                                                           |
| <b>"Registrar"</b>                        | SS&C Financial Services Europe Limited or such other person appointed from time to time to be the Registrar to the Company;                                                                                                                                                                            |
| <b>"Regulations"</b>                      | the OEIC Regulations and the Collective Investment Schemes Sourcebook;                                                                                                                                                                                                                                 |
| <b>"Scheme Property"</b>                  | means the property of the Company or a Fund (as appropriate) to be held by the Depositary for safe-keeping, as required by the FCA Rules;                                                                                                                                                              |
| <b>"SDRT"</b>                             | stamp duty reserve tax;                                                                                                                                                                                                                                                                                |
| <b>"Securities Financing Transaction"</b> | as defined in the FCA Glossary;                                                                                                                                                                                                                                                                        |
| <b>"SFT"</b>                              | securities financing transaction;                                                                                                                                                                                                                                                                      |
| <b>"Share" or "Shares"</b>                | a share or shares in the Company (including larger denomination shares and fractions);                                                                                                                                                                                                                 |
| <b>"Shareholder"</b>                      | a holder of registered Shares in the Company;                                                                                                                                                                                                                                                          |
| <b>"Sterling"</b>                         | pounds sterling of the UK;                                                                                                                                                                                                                                                                             |
| <b>"Switch"</b>                           | where permissible, the exchange of shares of one class of a Fund for shares of the same or another class of a different Fund and <b>"Switching"</b> shall be construed accordingly;                                                                                                                    |
| <b>"SYSC"</b>                             | the Senior Management Arrangements, Systems and Controls sourcebook issued by the FCA pursuant to the Act, as amended or replaced from time to time;                                                                                                                                                   |
| <b>"Transfer Agent"</b>                   | SS&C Financial Services Europe Limited or such other person appointed from time to time to be the Transfer Agent to the Company;                                                                                                                                                                       |
| <b>"UCITS"</b>                            | Undertaking for Collective Investment in Transferable Securities. This will include a UCITS scheme or an EEA UCITS scheme, as defined in the FCA Glossary;                                                                                                                                             |
| <b>"UCITS Directive"</b>                  | the European Parliament and Council Directive of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (No 2009/65/EC), as amended.                                                |
| <b>"UK"</b>                               | the United Kingdom of Great Britain and Northern Ireland;                                                                                                                                                                                                                                              |
| <b>"UK GDPR"</b>                          | Regulation (EU) 2016/679 as it forms part of the law of England and Wales, Scotland and Northern Ireland by virtue of section 3 of the European Union (Withdrawal) Act 2018 and as modified by the Data Protection, Privacy and Electronic Communications (Amendments etc) (EU Exit) Regulations 2019; |

|                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>"UK UCITS"</b>             | as defined in the FCA Glossary;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>"UK UCITS Regulations"</b> | 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;                                                                                                                                                                                                                                                              |
| <b>"US Persons"</b>           | <p>a person who is in either of the following two categories:</p> <p>(a) a person included in the definition of "U.S. person" under Rule 902 of Regulation S under the 1933 Act ; or</p> <p>(b) a person excluded from the definition of a "Non-United States person" as used in Commodity Futures Trading Commission ("CFTC") Rule 4.7.</p> <p>For the avoidance of doubt, a person is excluded from this definition of US Person only if they are outside both the definition of "U.S. person" in Rule 902 and the definition of "Non-United States person" under CFTC Rule 4.7;</p> |
| <b>"VAT"</b>                  | UK value added tax.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>"1933 Act"</b>             | 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 paragraph 1 (Interpretation) 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**

### ***General***

The Company is an open-ended investment company incorporated in England and Wales under the OEIC Regulations. It is a UK UCITS as defined in COLL and also an umbrella company for the purposes of the OEIC Regulations. The Company is registered with the FCA with registered number IC001022. The head office of the Company is at Exchange Building, St John's Street, Chichester, West Sussex, PO19 1UP. This is also the address for the service on the Company of notices or other documents required or authorised to be served on it.

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

The Company was authorised by an order made by the FCA on 10 December 2014. The FCA product reference number (PRN) is 650757. The operation of the Company is governed by the Regulations, the Instrument and this Prospectus. The Company has unlimited duration. The circumstances in which the Company may be wound up is set out at paragraph 32.

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

The Company is structured as an umbrella company, in that different Funds may be established from time to time by the ACD with the approval of the FCA and the agreement of the Depositary. On the introduction of any new Fund, a revised prospectus will be prepared setting out the relevant details of each Fund.

As at the date of this Prospectus, the Company currently has one Fund being: **TM Lansdowne European Special Situations Fund.**

The property attributable to the Funds is managed as if the Funds belonged to the "UCITS" category as specified in Chapter 5 of COLL. Subject to the terms set out in this Prospectus, holders of shares in the Funds are entitled to receive the net income derived from the Funds and to redeem their shares at a price linked to the value of the property of the Funds. Shareholders do not have any proprietary interest in the underlying assets of the Funds. The Shareholders of the Company will not be liable for the debts of the Company.

Where shares in more than one Fund are available, the assets of each Fund will be treated as separate from those assets of every other Fund and will be invested in accordance with the investment objective and investment policy applicable to that Fund. Each Fund has credited to it the proceeds of all shares linked 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.

Each Fund will be charged with the liabilities, expenses, costs and charges of the Company attributable to that Fund and within a Fund, the charges will be allocated between classes of shares in accordance with the terms of issue of the shares of those classes (as applicable). Any assets, liabilities, expenses, costs or charges not attributable to a particular Fund may be allocated by the ACD in a manner which is fair to the Shareholders generally but they will be normally allocated by the ACD to all Funds pro rata to the value of the net assets of the relevant Funds.

Investors should note that, (where shares in more than one Fund are available) the Company's Funds are segregated portfolios of assets, and, accordingly, the assets of a Fund belong exclusively to that Fund, and shall not be used or made available 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 and these provisions have yet to be tested in the Courts. 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. It is therefore not free from doubt that the assets of a Fund will always be "ring-fenced" from the liabilities of other Funds of the Company and the assets of one Fund.

In certain circumstances the Company may sue and be sued in respect of a particular Fund and may exercise rights of set-off in relation to that Fund.

Historical performance for the Funds are set out at Schedule 5.

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

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. The Funds may invest in derivative instruments and forward transactions as explained in Schedule 1. The eligible securities markets and eligible derivatives markets on which the Funds may invest are set out in Schedule 2.

This section contains information relating to each of the Funds.

The respective roles of the ACD and Lansdowne Partners (UK) LLP are summarised below.

|                           | <b>TM Lansdowne European Special Situations Fund</b>                    |
|---------------------------|-------------------------------------------------------------------------|
| <b>ACD</b>                | Thesis Unit Trust Management Limited                                    |
| <b>Sponsor</b>            | Lansdowne Partners (UK) LLP                                             |
| <b>Manufacturer</b>       | Thesis Unit Trust Management Limited and<br>Lansdowne Partners (UK) LLP |
| <b>Distributor</b>        | Lansdowne Partners (UK) LLP                                             |
| <b>Investment Manager</b> | Lansdowne Partners (UK) LLP                                             |

#### **TM Lansdowne European Special Situations Fund**

***Fund Type: UK UCITS***

***FCA PRN: 659387***

#### ***Investment Objective***

The investment objective of the Fund is to achieve capital growth, net of fees, over 5 year rolling periods by investing in equities of European (excluding the UK) companies in special situations (which may also provide an element of income).

#### ***Investment Policy***

The Fund aims to achieve the investment objective by investing 80% or more in European listed equities ((ordinary or preference shares) of which up to 5% may be in UK companies (defined as companies incorporated or domiciled in the UK) and which are in special situations (as defined in the investment strategy below)). The Fund may also invest in debt securities convertible into ordinary stocks and shares,

cash, near cash, money-market instruments and deposits. The exposure to European listed equities may fall below 80% under difficult market conditions in which the Investment Manager believes that markets are expensive or when higher volatility is anticipated. This could include (but is not limited to) markets resulting from, or anticipating, extreme events (for example, the 2008 global financial crisis).

The Fund's portfolio will be managed on a concentrated basis, meaning the Fund will hold typically between 20-40 holdings. The Fund will be able to invest without restriction by market cap or sector.

The Fund may also invest up to 20% outside of Europe if the Investment Manager believes that it should be beneficial for the Fund.

**The use of derivatives is permitted by the Fund for efficient portfolio management purposes (including hedging), and borrowing will be permitted under the terms of the Regulations. It is not intended that the use of derivatives in this way will change the risk profile of the Fund. The Fund's use of derivatives is expected to be limited.**

Investors' attention is drawn to the detailed risk warnings in this prospectus.

The Fund will be managed in a manner that maintains eligibility for ISAs.

The Fund's investment portfolio is actively managed. This means that the Investment Manager actively makes decisions about how to invest the scheme property of the Fund instead of simply following a market index.

### ***Investment Strategy***

The strategy's aim is to identify specific situations of potential imbalances between supply and demand for the products of a company in which the Fund may seek to invest, thereby identifying potential for the company to increase in value.

The magnitude or duration of growth for the company's products may be misunderstood and thus incorrectly discounted in equity valuations. Alternatively, the potential for capital withdrawal or industry consolidation may imply that supply will be removed from the company's sector, or divided between a fewer number of players such that future returns on capital can be higher than currently discounted.

The Investment Manager seeks to continuously examine triggers which may accelerate a change in the market valuation for one or many European industries. These include changes in regulation, interest rates, the impact of technological progress and societal shifts in demand for a product or service.

### ***Performance Comparator***

The Fund uses the Morgan Stanley Capital International (MSCI) Europe excluding UK Index as a primary benchmark for performance comparison purposes.

This index has been selected as a comparator for performance because the constituents are representative of the areas in which the Fund itself is likely to invest, and it is therefore an appropriate comparator for the Fund's performance.

The Fund also uses the Investment Association Europe excluding UK Sector as a secondary benchmark for performance comparison purposes.

The Investment Association Europe excluding UK peer group was chosen as a performance comparator because many funds sold in the UK are grouped into sectors by the Investment Association (a trade body that represents UK investment managers). The Investment Association Europe excluding UK Sector provides a

balanced view of the performance of the TM Lansdowne European Special Situations Fund in terms of a wider group of available funds with a similar geographical investment universe.

This performance comparator is used to compare the Fund's rank or quartile as compared to the performance of other funds in the Investment Association Europe excluding UK sector over a variety of time frames.

These benchmarks are used for performance comparison purposes only and they are not target benchmarks and the Company is not constrained by them.

The ACD reserves the right to change the comparator benchmarks 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, in accordance with the rules in COLL.

**Date of launch** 4 June 2015

## **4 RISK FACTORS**

- 1.1 Investors should bear in mind that all investment carries risk and in particular should be aware of the following:
  - 1.1.1 Past performance is not a guide to future performance. The value of Shares is not guaranteed and the income from them may fall as well as rise. You may get back less than you originally invested. What you get back may depend on:
    - (i) investment performance, which is not guaranteed;
    - (ii) how much you have invested and whether you have previously taken any money out;
    - (iii) the effect of an initial charge. If you sell your investment after a short period you may not get back what you originally invested, even if the price of your investment has not fallen.
  - 1.1.2 In certain circumstances, for the purposes of efficient portfolio management, including hedging, (as explained under the heading "**Efficient Portfolio Management**" below) the Funds 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 will alter the risk profile of the Funds;**
  - 1.1.3 The summary of tax treatment in section 26 of this Prospectus is based on current law and practice which may change. The tax treatment and levels of relief from taxation will depend upon individual circumstances. Please note current tax levels and reliefs may change and their availability and value will depend on the investor's individual circumstances;
  - 1.1.4 Investments in emerging markets may be more volatile than investments in more developed markets. Some of these markets may have relatively unstable governments, economies based on only a few industries and securities markets that trade only a

limited number of securities. Many emerging markets do not have well developed regulatory systems and disclosure standards may be less stringent than those of developed markets;

- 1.1.5 A Fund may invest in other currencies. As a result, changes in the rates of exchange between currencies may cause the value of the shares to go up or down. Accordingly, investors may not receive back the amount invested;
- 1.1.6 A Fund may invest in other collective investment schemes and as such a Fund will bear its portion of the expenses of the other collective investment scheme, including management, performance and/or other fees. These fees will be in addition to the management fees and other expenses which a Fund bears directly with its own operations;
- 1.1.7 There is also a valuation risk to a Fund from investing in other collective investment schemes;
- 1.1.8 Where assets are held in custody, there may be a risk of loss resulting from the insolvency, negligence or fraudulent action of the custodian or sub-custodian;
- 1.1.9 Where cash is held with the Depositary or its sub-custodians, there may be a risk of loss resulting from the insolvency, negligence or fraudulent action of the Depositary or relevant sub-custodian.
- 1.1.10 Fixed interest securities (bonds) are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of the capital may fall, and vice versa. Inflation will also decrease the real value of capital. The value of a fixed interest security will fall in the event of a default or reduced credit rating of the issuer. Generally, the higher, the rate of interest, the higher the perceived credit risk of the issuer;
- 1.1.11 Certain investment transactions may result in the payment of SDRT or similar taxes by the Funds, such payment may result in a diminution in value of the shares.
- 1.1.12 Investors are reminded that in certain circumstances their right to redeem shares (including redemption by way of switching) may be suspended (as explained in paragraph 15);
- 1.1.13 Whilst equity investments carry potential for attractive returns over the longer term, the volatility of these returns can also be relatively high;
- 1.1.14 Inflation may affect the real value of Shareholder's savings and investments, which may reduce the buying power of the money a Shareholder has saved and their investments;
- 1.1.15 Where cancellation rights are applicable, if Shareholders choose to exercise their cancellation rights and the value of their investment falls before notice of cancellation is received by the ACD in writing, a full refund of the original investment may not be provided but rather the original amount less the fall in value;
- 1.1.16 A Fund may also invest in "options". There are many different types of options with different characteristics, subject to the following conditions:

- (i) Buying options generally involves less risk than selling options because, if the price of the asset underlying the option moves against the Fund, the Fund can simply allow the option to lapse. The maximum loss is limited to the premium paid for the option, plus any commission or other transaction charges. However, if the Fund buys a "call" option on a futures transaction, and the Fund later exercises that option, the Fund will acquire the future. This will expose the Fund to the risks described at (b) above;
- (ii) Certain London Stock Exchange member firms write a particular type of option under special exchange rules called a "traditional option". These may involve a greater risk than other options. Two-way prices are not usually quoted and there is no secondary exchange market on which to close-out an open position or to effect an equal and opposite transaction to reverse an open position. It may be difficult to assess the value of such an option, or for the seller of the option to manage its exposure to risk;
- (iii) Certain options markets operate on a margined basis under which buyers do not pay the full premium on the option at the time they purchase it. In this situation, the Fund may subsequently be called upon to pay margin on the option up to the level of the full premium. If the Fund fails to do so as required, the position may be closed or liquidated in the same way as a futures position;

- 1.1.17 The Company's investments may be subject to liquidity constraints, which means that the investments may trade infrequently and in small volumes, or that a particular instrument is difficult to buy or sell. Normally liquid investments may also be subject to periods of disruption in difficult market conditions. As a result, changes in the value of investments may be unpredictable and, in certain circumstances, it may be difficult to deal an investment at the latest market price quoted or at a value considered by the ACD to be fair;
- 1.1.18 An average OEIC sub-fund will invest in 80 to 150 different companies. TM Lansdowne European Special Situations Fund, however, typically holds more concentrated portfolios than the average OEIC sub-fund. Whilst increasing the potential reward, the nature of these funds can increase risk. As such, the returns may be more volatile and will be impacted more by fluctuations in the value of underlying stock;
- 1.1.19 Where a Fund invests in derivatives in the pursuit of the Fund's objectives, the net asset value of the Fund may at times be volatile (in the absence of compensating investment techniques). **It is not intended that the use of derivatives for the purposes of investment will cause the net asset value of the relevant Fund to have high volatility however investors should be aware that use of derivatives may cause the risk profile of the Fund to change on occasion.**
- 1.1.20 Funds investing in smaller companies invest in transferable securities which may be less liquid than the securities of larger companies, as a result of inadequate trading volume or restrictions on trading. Securities in smaller companies may possess greater potential for capital appreciation, but also involve risks, such as limited product lines, markets and financial or

managerial resources and trading in such securities may be subject to more abrupt price movements than trading in the securities of larger companies;

- 1.1.21 Where Funds invest in technology stocks, their potential volatility may increase the risk to the value of these investments in which above average price movements can be expected. Technology and technology-related industries may also be subject to greater government regulation than many other industries. Accordingly, changes in government policies and the need for regulatory approvals may have a materially adverse effect on these industries. Additionally, these companies may be subject to risks of developing technologies, competitive pressures and the risk of obsolescence caused by other scientific advances. Many companies in the technology sector are smaller companies and are therefore also subject to the risks attendant on investing in such companies set out above.
- 1.1.22 Efficient portfolio management (or "EPM") is used by the Funds to reduce risk and/or costs in the Funds and to produce additional capital or income in the Funds. The Funds may use derivatives, borrowing, cash holding and stock lending for efficient portfolio management. It is not intended that using derivatives for efficient portfolio management will increase the volatility of the Funds. In adverse situations, however, a Fund's use of derivatives may become ineffective in hedging or EPM and a Fund may suffer significant loss as a result.
- 1.1.23 A Fund's ability to use EPM strategies may be limited by market conditions, regulatory limits and tax considerations. Any income or capital generated by efficient portfolio management techniques will be paid to the Funds net of direct or indirect operational costs.
- 1.1.24 Use of one or more separate counterparties will be made to undertake derivative transactions on behalf of these Funds. The Fund may be required to pledge or transfer collateral paid from within the assets of the relevant Fund to secure such contracts entered into for efficient portfolio management including in relation to derivatives and stock lending. There may be a risk that a counterparty will wholly or partially fail to honour their contractual arrangements under the arrangement with regards the return of collateral and any other payments due to the relevant Fund. The ACD measures the creditworthiness of counterparties as part of the risk management process. The counterparties of these transactions will be highly rated financial institutions specialising in these types of transactions and approved by the Investment Manager.

## 1.2 Risk Management

- 1.2.1 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 scheme's positions and their contribution to the overall risk profile of the scheme.
- 1.2.2 The ACD must regularly notify the following information to the FCA (and at least on an annual basis):

- (a) 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
- (b) the methods for estimating risks in derivative and forward transactions.

1.2.3 The ACD must assess, monitor and periodically review:

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

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

### 1.3 Infectious Diseases

1.3.1 Infectious diseases that pose significant threats to human health may be highly disruptive to global economies and markets. The economic and market disruptions caused by infectious diseases could significantly impact the value of the Scheme Property and the value of distributions paid to investors.

### 1.4 Custody Risk

1.4.1 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 or the relevant Fund. 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 or relevant Fund may not recover all of its Financial Instruments.

## Typical Investor

In accordance with the UCITS regime, this Prospectus sets out below a description of the profile of the typical investor for whom each Fund has been designed. Please note however that this description is not the ACD's assessment of the target market for the Funds for the purposes of the UK's Product Governance regime which may be obtained separately by distributors and other intermediaries from the ACD.

The Funds may be suitable for you if you consider collective investment schemes to be a convenient way of participating in investment markets and wish to seek to achieve defined investment objectives. The Funds may be suitable for you if you can set aside your capital for at least 5 years.

All investors in the Company should understand and appreciate the risks associated with investing capital in shares in the Company, and must be able to accept losses. The ACD recommends that investors seek suitable advice from an authorised independent intermediary before investing in shares. Investors should also note the "Risk Factors" section above.

Investors and potential investors should note that neither the description of the typical investor profile as set out above nor any other information contained in this Prospectus constitutes investment advice and investors and potential investors should consult their own professional advisers concerning the acquisition, holding or disposal of any shares in any of the Funds. Neither the Company, the ACD nor the Investment Manager makes any statement or representation in relation to the suitability, appropriateness or otherwise of any transaction in shares in any of the Funds.

## **5 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 registered and head office of the ACD is at Exchange Building, St John's Street, Chichester, West Sussex, PO19 1UP with company number 3508646. This is the address at which notices or other documents may be served on the Company. The ACD has an issued share capital of £5,673,167 represented by 5,673,167 ordinary share of 100 pence fully paid. The ACD is a wholly-owned by Thesis Holdings Limited a private limited company incorporated in Jersey (number 123560).

The ACD is authorised and regulated by the FCA.

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 is the authorised fund manager to other regulated funds. Details of these schemes, as at the date of this Prospectus, are set out in Schedule 4.

The directors of the ACD are:

|              |                                    |
|--------------|------------------------------------|
| S R Mugford  | Finance Director                   |
| D W Tyerman  | Chief Executive Officer            |
| 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. He holds 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. He holds 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.

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. She holds 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.

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.

### **Terms of Appointment**

The ACD provides its services to the Company under the terms of a service agreement (the "**ACD Agreement**"). 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.

In accordance with the Regulations the ACD has in place a number of policies which set out how it operates and manages the Funds in a number of key areas. The ACD's (and the Investment Manager's) voting policy (which sets out how and when voting rights attached to the Funds' investments are to be exercised), execution policy (which sets out the procedures to be followed when transactions are carried out on behalf of the Funds) and inducement policy (which sets out the types of payments, including fees, commissions and non-monetary benefits, which may be received or made by a third party in respect of the Funds) are available on request from the ACD. Further information on how the ACD's policies are reviewed are also available on request.

Note that investors in the Funds may request from the ACD information about entities where trade orders are transmitted or placed for execution.

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

**General Administration** – the fund valuation and fund accounting functions have been delegated to the Administrator.

**Investment Management** – the management of the investments held by the Funds from time-to-time has been delegated to Lansdowne Partners (UK) LLP as Investment Manager of TM Lansdowne European Special Situations Fund.

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

## **6 THE INVESTMENT MANAGER**

The ACD has appointed Lansdowne Partners (UK) LLP as the investment adviser to the ACD in relation to TM Lansdowne European Special Situations Fund. The Investment Manager is authorised and regulated by the FCA. The principal activity of Lansdowne Partners (UK) LLP is the provision of investment management services. The address for the Investment Manager is set out in the Directory.

Under the terms of the investment management agreement Lansdowne Partners (UK) LLP have the authority of the ACD to make decisions on behalf of the ACD in respect of the investments of TM Lansdowne European Special Situations Fund, subject always to the provisions of the Instrument, the Prospectus, the Regulations, and the investment objectives and policies of the Fund. The Investment Manager is also authorised to deal on behalf of the Fund and has, inter alia, been granted all necessary authorities to give instructions (on behalf of the ACD and the Company) to the Depositary to pay from the resources of such Fund as the Investment Manager directs research charges and costs to either (a) Research Payment Accounts of the Investment Manager; or (b) such third parties as directed by the Investment Manager for the purposes of that third party collecting such Research Charges on behalf of the Investment Manager alongside its transaction fees and commissions for that third party to then pay such Research Charges to the Research Payment Accounts of the Investment Manager (as described in more detail in paragraph 24 of this Prospectus).

Subject to instances where the agreement may be terminated with immediate effect in the interests of the Shareholders, the investment management agreement may be terminated by either party giving the other no less than 3 months' written notice.

Under the terms of the investment management 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.

The Investment Manager is required to comply with its own execution policy. A copy of the Investment Manager's execution policy is available on request from the ACD or may be available from the Investment Manager's website (listed in the Directory).

## **7 THE DEPOSITARY**

The Depositary of the Company is Northern Trust Investor Services Limited, a private limited company, incorporated on 29 April 2020 with company number 12578024. Its registered office and principal place of business is at 50 Bank Street, Canary Wharf, London E14 5NT.

The Depositary is authorised and regulated by the Financial Conduct Authority with FRN: 927658.

The Depositary's ultimate holding company is Northern Trust Corporation, a company which is incorporated in the State of Delaware, United States of America, with its headquarters at 50 South La Salle Street, Chicago, Illinois.

## ***Duties of the Depositary***

The Depositary is responsible for the safekeeping of all the Scheme Property of the Company and must ensure that the Company is managed in accordance with the Instrument of Incorporation and the provisions of COLL relating to the pricing of, and dealing in, Shares and relating to the income and the investment and borrowing powers of the Funds. The Depositary is also responsible for monitoring the cash flows of the Funds and must ensure that certain processes carried out by the ACD are performed in accordance with the FCA Handbook, this Prospectus and the Instrument of Incorporation.

## ***Terms of appointment***

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

The Depositary Agreement is terminable on receipt of six months' written notice given by either party. The Depositary may not retire voluntarily except on the appointment of a new depositary.

Subject to the OEIC Regulations and the FCA Rules, the Depositary has full power under the Depositary Agreement to delegate (and authorise its delegate to sub-delegate) any part of its duties as Depositary. As a general rule, where the Depositary delegates any of its custody functions to a delegate, the Depositary will remain liable for any losses suffered as a result of an act or omission of the delegate as if such loss had arisen as a result of an act or omission of the Depositary. The use of clearing or settlement systems or order routing systems, does not constitute a delegation by the Depositary of its functions. As at the date of this Prospectus, the Depositary has delegated custody services to The Northern Trust Company, London Branch (the "Custodian"). The Custodian's contact details are set out in Schedule 6.

The Custodian has sub-delegated custody services to sub-custodians in certain markets in which the Company may invest. A list of sub-custodians is given in Schedule 3. Investors should note that the list of sub-custodians in the Prospectus is updated only at each Prospectus review. An updated list of sub-custodians is maintained by the ACD and is available upon request.

The Depositary Agreement contains provisions indemnifying the Depositary and limiting the liability of the Depositary in certain circumstances.

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

The Depositary and the Custodian are entitled to receive remuneration out of the Scheme Property of the Company as explained in the section headed "The Fees, Charges and Expenses of the Depositary".

## ***GDPR***

Northern Trust's EMEA Data Privacy Notice sets out how the Depositary will process Shareholders' personal information as a data controller where these details are provided to it in connection with Shareholders' investment in the Company.

Northern Trust's EMEA Data Privacy Notice may be updated from time to time and readers should confirm that they hold the latest version which can be accessed at [www.northerntrust.com/united-kingdom/privacy/emea-privacy-notice](http://www.northerntrust.com/united-kingdom/privacy/emea-privacy-notice).

Any Shareholder who provides the ACD and its agents with personal information about another individual (such as a joint investor), must show Northern Trust's EMEA Data Privacy Notice to those individuals.

### ***Conflicts of Interest***

#### **(a) General**

The Depositary may act as the depositary of other investment funds and as trustee or custodian of other collective investment schemes.

It is possible that the Depositary and/or its delegates and sub-delegates may in the course of its or their business be involved in other financial and professional activities which may on occasion have potential conflicts of interest with the Company or a particular Fund and/or other funds managed by the ACD or other funds for which the Depositary acts as the depositary, trustee or custodian.

There may also be conflicts arising between the Depositary and the Company, the Shareholders or the ACD. In addition, the Depositary also has a regulatory duty when providing the Services to act solely in the interests of Shareholders and the Company (including its Funds). In order to comply with this requirement, the Depositary may in some instances be required to take actions in the interests of Shareholders and the Company (including its Funds) where such action may not be in the interests of the ACD.

#### **(b) Affiliates**

From time to time conflicts may arise from the appointment by the Depositary of any of its delegates. For example, the Custodian may also perform certain investment operations and functions and derivatives collateral management functions delegated to it by an Investment Manager, if applicable.

The Depositary, and any other delegate, is required to manage any such conflict having regard to the FCA Rules and its duties under the Depositary Agreement.

The Depositary will ensure that any such delegates or sub-delegates who are its affiliates are appointed on terms which are not materially less favourable to the Company than if the conflict or potential conflict had not existed. The Custodian and any other delegate are required to manage any such conflict having regard to the FCA Handbook and its duties to the Depositary and the ACD.

#### **(c) Conflicting commercial interests**

The Depositary (and any of its affiliates) may effect, and make a profit from, transactions in which the Depositary (or its affiliates, or another client of the Depositary or its affiliates) has (directly or indirectly) a material interest or a relationship of any description and which involves or may involve a potential conflict with the Depositary's duty to the Company.

This includes circumstances in which the Depositary or any of its affiliates or connected persons: acts as market maker in the investments of the Company; provides broking services to the Company and/or to other funds or companies; acts as financial adviser, banker, derivatives counterparty or otherwise provides services to the issuer of the investments of the Company; acts in the same transaction as agent for more than one client; has a material interest in the issue of the investments of the Company; or earns profits from or has a financial or business interest in any of these activities.

#### **(d) Management of Conflicts**

The Depositary has a conflict of interest policy in place to identify, manage and monitor on an on-going basis any actual or potential conflict of interest. The Depositary has functionally and hierarchically separated the performance of its depositary tasks from its other potentially conflicting tasks. The system of internal controls, the different reporting lines, the allocation of tasks and the management reporting allow potential conflicts of interest and the Depositary issues to be properly identified, managed and monitored.

### ***Updated information***

Up to date information regarding (i) the Depositary's name, (ii) the description of its duties and any conflicts of interest that may arise between the Company, the Shareholders or the ACD and the Depositary, and (iii) the description of any safekeeping functions delegated by the Depositary, the description of any conflicts of interest that may arise from such delegation, and the list showing the identity of each delegate and sub-delegate, will be made available to Shareholders on request at the head office of the ACD at Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP.

### ***Depositary's liability***

In carrying out its duties the Depositary shall act honestly, fairly, professionally, independently and solely in the interests of the Company, the Funds and their Shareholders.

In the event of a loss of a Financial Instrument held in custody, determined in accordance with the UK UCITS Regulations, and in particular Article 18 of the Level 2 Regulations, the Depositary shall return Financial Instruments of identical type or the corresponding amount to the relevant Fund without undue delay.

The Depositary shall not be liable if it can prove that the loss of a Financial Instrument held in custody has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary pursuant to the UK UCITS Regulations.

In case of a loss of Financial Instruments held in custody, the Shareholders may invoke the liability of the Depositary directly or indirectly through the relevant Fund provided that this does not lead to a duplication of redress or to unequal treatment of the Shareholders.

The Depositary will be liable to the Company for all other losses suffered by the Funds as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the UK UCITS Regulations.

The Depositary shall not be liable for consequential or indirect or special damages or losses, arising out of or in connection with the performance or non-performance by the Depositary of its duties and obligations.

## **8 AUDITOR**

The Auditor of the Company is Deloitte LLP, whose address is set out in the Directory in Schedule 6.

## **9 SHARES IN THE COMPANY**

The Company's Instrument permits income and accumulation shares to be issued by the Company under such designation as the ACD may decide and as set out in this Prospectus. The following classes of share are currently available in the respective Funds:

### **TM Lansdowne European Special Situations Fund**

- Class I GBP Shares (Income or Accumulation);
- Class I EUR Shares (Accumulation);
- Class S GBP Shares (Accumulation);
- Class S GBP Shares (Income)

Further classes of Shares may be established from time to time by the ACD in accordance with the Company's Instrument and the applicable Regulations. On the introduction of a new Share class, a revised Prospectus will be prepared setting out the details of the new Share class.

Each Share is deemed to represent one undivided unit of entitlement in the property of the respective Fund. Holders of accumulation Shares are not entitled to be paid the income attributable to such Shares, but that income is automatically transferred to (and retained as part of) the capital assets of the Company at the end of the relevant distribution period and is reflected in the price of an accumulation Share.

Any income arising in respect of an income share attributable to a Fund shall be determined and distributed as summarised on page 25 under the heading **"Distribution and Accumulation"**.

Any accumulation, distribution or other allocation of income is made gross without any tax being deducted or accounted for by the Company, unless otherwise required by law. Further details concerning taxation may be found in paragraph 26.

Where both income and accumulation shares are in existence in relation to a Fund, the income of the 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.

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.

The Company is permitted to issue currency share classes.

## **10 REGISTER**

The Register will be maintained by the Registrar (SS&C Financial Services Europe Limited), and may be inspected at SS&C House, St Nicholas Lane, Basildon, Essex SS15 5FS during normal business hours by any Shareholder or any Shareholder's duly authorised agent.

No certificates will be issued in respect of a holding of shares and 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 Registrar 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.

## **11 VALUATIONS**

Valuations of property of the Funds for the purposes of the calculation of Share prices will be carried out in accordance with the rules for single priced funds in

COLL. Each share linked to a Fund represents a proportional share of the overall property attributable to that 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 that 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 the Funds is 12 noon on each Dealing Day.

The ACD may carry out additional valuations if it considers it desirable to do so and may use the price obtained at such additional valuation points as the price for the relevant day. 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 value of the Scheme Property attributable to the Company or the Funds (as the case may be) shall be the value of their assets less the value of their liabilities determined in accordance with the following provisions (which are set out in full in the Instrument):

- 1 All the Scheme Property (including receivables) is to be included, subject to the following provisions.
- 2 Scheme 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 initial 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 derivatives will be valued at their quoted price if a single price for buying and selling the exchange-traded derivative is quoted, or if a separate buying and selling price is quoted, at the average of the two prices;
  - (c) Over-the-counter derivative contracts will be valued in accordance with the method of valuation as shall have been agreed between the ACD and the Depositary.
  - (d) Any other investment will be valued at their quoted price (if a single buying and selling price is quoted) or if separate buying and selling prices are quoted, at the average of the two prices, or if, in the opinion of the ACD, the price 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 fair value, at a value which, in the opinion of the ACD, is fair and reasonable;

- (e) Property other than that described above will be valued at what the ACD considers 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 the 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 (including 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, SDRT and any foreign taxes or duties will 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 will be deducted.
  - 10 The principal amount of any outstanding borrowings whenever payable and any accrued but unpaid interest on borrowings will be deducted.
  - 11 An estimated amount for accrued claims for tax of whatever nature which may be recoverable; any other credits or amounts due to be paid into the Scheme Property, and a sum representing any interest or any income accrued due or deemed to have accrued but not received, will be added
  - 12 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.

Where Shares in more than one Fund are available, each Fund will have credited to them the proceeds of all shares attributed to the relevant Fund, 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 each Fund will be charged to it.

Where Shares in more than one Fund are available, 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.

### ***Fair value pricing***

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.

## **12 PRICES OF SHARES**

The Company deals on a forward pricing basis. A forward price is the price calculated at the next valuation of the Scheme Property after the purchase, redemption, conversion or switch of Shares is agreed. As noted above, Shares in the Company are "single priced". This means that subject to the dilution adjustment referred to below and any preliminary charge (as set out in paragraph 22 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 respective 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); and
- dividing the result by the number of shares of the relevant class in issue immediately before the valuation concerned;

### ***Publication of Prices***

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

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

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

The prices of Shares may also be obtained by calling 0345 113 6965 during normal business hours. As the ACD deals on a forward pricing basis, the price that appears in these sources will not necessarily be the same as the one at which investors can currently deal. The ACD may also, at its sole discretion, decide to publish certain Share prices on third party websites or in publications but the ACD does not accept responsibility for the accuracy of the prices published in, or for the non-publication of prices by, these sources for reasons beyond the control of the ACD.

## 13 DILUTION ADJUSTMENT

### ***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 which is not reflected in the issue or redemption price paid by or to the Shareholder, made up of dealing costs and any spread between the bid and offer prices of the investments concerned. These costs could have an adverse effect on the value of a Fund, known as "**dilution**".

### ***Dilution Adjustment***

In order to mitigate the effect of dilution, the Regulations allow the ACD to adjust the sale and purchase price of Shares in the Funds to take into account the possible effects of dilution. This practise is known as making a "**dilution adjustment**" or operating swinging single pricing. The power to make a dilution adjustment may only be exercised for the purpose of reducing dilution in the Funds.

The price of each class of Share in each Fund will be calculated separately but any dilution adjustment will in percentage terms affect the price of Shares of each class identically.

The ACD reserves the right to make a dilution adjustment every day. The dilution adjustment is calculated using the estimated dealing costs of a Fund's underlying investments and taking into consideration any dealing spreads, commission and transfer taxes. The need to make a dilution adjustment will depend on the difference between the value of Shares being acquired and the value of Shares being redeemed as a proportion of the total value of that Fund. The measurement period will typically be a single day but, where a trend develops so that for a number of days in a row there is a surplus of acquisitions or redemptions on each and every day, the aggregate effect of such acquisitions or redemptions as a proportion of the total relevant Fund value will be considered.

Where a Fund is experiencing net acquisitions of its Shares the dilution adjustment would increase the price of Shares above their mid-market value. Where a Fund is experiencing net redemptions the dilution adjustment would decrease the price of Shares to below their mid-market value. The ACD reserves the right to impose a dilution adjustment where the relevant Fund is experiencing a large net subscription position or a large net redemption position relative to its size. For these purposes a large net subscription or redemption position will typically be larger than a specific percentage of the net asset value of the relevant Fund, as set out below:

| Name of Fund                                  | Percentage of the net asset value |
|-----------------------------------------------|-----------------------------------|
| TM Lansdowne European Special Situations Fund | 3%                                |

It is the ACD's policy to reserve the right to impose a dilution adjustment on purchases, sales and switches of Shares of whatever size and whenever made. In the event that a dilution adjustment is made it will be applied to all transactions in a Fund during the relevant measurement period and all transactions during the relevant measurement period will be dealt on the same price inclusive of the dilution adjustment. A dilution adjustment may be made in relation to each Fund in any case where the ACD is of the opinion that the interests of shareholders require the imposition of a dilution adjustment.

The ACD's decision on whether or not to make this adjustment, and at what level this adjustment might be made in a particular case or generally, will not prevent it from making a different decision on future similar transactions.

On the occasions when a dilution adjustment is not applied if a Fund is experiencing net acquisitions of Shares or net redemptions there may be an adverse impact on the assets of that Fund attributable to each underlying Share, although the ACD does not consider this to be likely to be material in relation to the potential future growth in value of a Share. As dilution is directly related to the inflows and outflows of monies from a Fund it is not possible to accurately predict whether dilution is likely to occur at any future point in time.

The dilution adjustment will be applied to the mid-price for the Shares resulting in a figure calculated up to six decimal places. The final digit in this figure will then be rounded either up or down in accordance with standard mathematical principles resulting in the final price for the Shares.

The dilution adjustment for any one Fund may vary over time because the dilution adjustment for each Fund will be calculated by reference to the costs of dealing in the underlying investments of that Fund, including any dealing spreads, and these can vary with market conditions. Based on historical data, a typical dilution adjustment may range from 0% to 1.5% when buying or selling Shares and will likely be applied to approximately 1 transaction per annum in TM Lansdowne European Special Situations Fund.

The number of days on which a dilution Adjustment has been applied to TM Lansdowne European Special Situations Fund between 1 October 2023 and 30 September 2024 is nil.

## **14 STAMP DUTY RESERVE TAX (SDRT)**

There is no longer any Stamp Duty Reserve Tax (**SDRT**) charge levied on the surrender of Shares in the Company, except in the case of an in-specie redemption which is not settled pro-rata to the assets held by the Company. In that event, the redeeming Shareholder will be liable to SDRT at the rate of 0.5% of the value of the Shares surrendered. See paragraph 26 for further details.

In the event of a change to the UK law on stamp duty or SDRT, the ACD reserves the right to make a charge to the Shareholders or to the Scheme. A notification to Shareholders will be made in the event of such a change.

## **15 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 one of the Funds may be made by any eligible person. 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 the ACD at Thesis Unit Trust Management Limited – Lansdowne Partners (UK) LLP, PO Box 12248, Chelmsford CM99 2EG (with respect to TM Lansdowne European Special Situations Fund) or by telephoning the ACD on 0345 113 6965 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. 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 in the case where cancellation rights are applied - 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 ACD does not currently accept applications for shares on the authority of electronic communications (e.g. e-mail) from Applicants. However, the ACD may decide to accept such electronic communications in the future and will update this Prospectus with the conditions that must be satisfied to effect an electronic communication accordingly.

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 second 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.

### ***Anti-Money Laundering Procedures***

The Company is subject to the UK's anti-money laundering regulations and the ACD may in its absolute discretion require verification of identity from any person applying for shares (the "**Applicant**") including, without limitation, 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.

Until satisfactory proof of identity is provided, the ACD reserves the right to refuse to issue shares, pay the proceeds of a redemption of shares, or pay income on shares to investors. In the case of a purchase of shares where the Applicant is not willing or is unable to provide the information request within a reasonable period, the ACD also reserves the right to sell the shares purchased and return the proceeds to the account from which the subscription was made. These proceeds may be less than the original investment. The ACD will not be liable for any share price movements occurring during delays while money laundering checks are carried out.

The ACD will, where possible, verify identity using information from credit reference agencies. Where this is not possible, or where the ACD decides (at its discretion) that it is appropriate, further documentation will be requested.

### ***Market Timing***

The ACD may refuse to accept a new investment if, in the opinion of the ACD, it has reasonable grounds for refusing to accept an investment. In particular, the ACD may exercise this discretion if it reasonably believes the Shareholder has been or intends to engage in market timing activities.

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

Investments may be made into the respective Fund via nominee or similar omnibus accounts. For the purposes of monitoring and detecting potential market timing activity, the ACD's responsibilities will be restricted to the registered legal holder of shares rather than any underlying beneficial holder. The ACD will co-operate in helping to deter any potential market timing activities that the registered legal holder has detected in its monitoring of its underlying beneficial holders.

### ***In Specie Application***

The ACD may by special arrangement and 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 respective Fund and subject to the investment restrictions of that Fund.

### ***Minimum Subscription***

The minimum investment requirements in respect of the current share classes are as follows:

| <b>Fund</b>                                          | <b>Share class</b>   | <b>Minimum initial investment requirement</b> | <b>Minimum subsequent investment requirement</b> |
|------------------------------------------------------|----------------------|-----------------------------------------------|--------------------------------------------------|
| <b>TM Lansdowne European Special Situations Fund</b> | Class I Shares (GBP) | £100                                          | £100                                             |
|                                                      | Class I Shares (EUR) | €100                                          | €100                                             |
|                                                      | Class S Shares (GBP) | £60,000,000                                   | £100                                             |

However, the ACD may, by special arrangement and at its discretion, either agree on an individual basis a lower amount in relation to the minimum transaction sizes, or waive such requirements.

### ***Regular Savings Plan***

A Regular Savings Plan is available for investors in class I GBP Shares. The minimum monthly contribution is £100 per month in any single Fund. A direct debit will need to be arranged in accordance with the ACD's procedures to permit contributions to the regular savings plan to be made. Monthly contributions may be increased, decreased (subject to maintaining the minimum level of contribution) or stopped at any time by notifying in writing such party as the ACD may direct. If, however, payments are not made into the regular savings plan for more than three months and the Shareholder holds less than the minimum holding, then the ACD reserves the right to redeem that Shareholder's entire holding. Contract notes will not be issued to Shareholders investing through a regular savings plan.

### ***Redemption***

Shares in the Company may be redeemed on any Dealing Day. Dealings are on a forward price basis as explained in the paragraph headed "**Issue**" above. Redemption instructions may be given on any Dealing Day by delivery to the ACD of written instructions for redemption by letter to Thesis Unit Trust Management Limited – Lansdowne Partners (UK) LLP, PO Box 12248, Chelmsford CM99 2EG (with respect to TM Lansdowne European Special Situations Fund) on any Business Day. The ACD may also, at its sole discretion, accept instructions by facsimile on 0870 700 2305 or telephone on 0345 113 6965 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 and facsimile must be confirmed in writing to the ACD prior to redemption proceeds being remitted. Redemption instructions are irrevocable.

The ACD does not currently accept redemption instructions on the authority of electronic communications received from Shareholders.

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 second 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, regulatory or European Union obligation (such as the UK's anti-money laundering regulations).

### ***In Specie Redemption***

Where a Shareholder requests redemption of a number of shares, the ACD at its discretion may, by serving a notice of election on the Shareholder before the proceeds would otherwise become payable, 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 before the proceeds would otherwise become payable 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 Minimum Holding***

In respect of each class of share in the Funds, if the redemption request is in respect of only some of the shares held, the minimum value of shares which may be the subject of one act of redemption and the minimum holding requirements are as follows:

| <b>Fund</b>                                          | <b>Share class</b>   | <b>Minimum redemption</b> | <b>Minimum holding</b> |
|------------------------------------------------------|----------------------|---------------------------|------------------------|
| <b>TM Lansdowne European Special Situations Fund</b> | Class I Shares (GBP) | n/a                       | £1                     |
|                                                      | Class I Shares (EUR) | n/a                       | €1                     |
|                                                      | Class S Shares (GBP) | n/a                       | £1                     |

The ACD may at its sole discretion accept holdings lower than the minimum amounts.

For the purpose of calculate the minimum holding value, 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 adjustment. 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.

### ***Mandatory Conversions***

The ACD may also, in its sole discretion, convert some or all of the Shares held by any Shareholder from one class to another class, provided that the terms of the original Shares are substantially similar to the New Shares and, in any event, the conversion does not materially prejudice any such Shareholder. The ACD will provide the Shareholder with 60 days' prior written notice of any such conversion. Please note that, under current tax law, a conversion of Shares between different

classes in the same fund will not be deemed to be a realisation for the purposes of capital gains taxation.

### ***Restrictions on Redemption***

Subject to COLL and the Company's Instrument, the ACD may defer redemptions on a particular Dealing Day to the next Dealing Day where the total value of requested redemptions exceeds 10 per cent of the respective Fund's value. The ACD will ensure the consistent treatment of all Shareholders who have sought to redeem shares on any Dealing Day on which redemptions have been deferred. The ACD will pro rate all such redemption requests to the stated level (i.e. 10 per cent of the Fund's value) and will defer the remainder to the next Dealing Day (subject to sufficient liquidity being raised).

The ACD will ensure that all redemption requests relating to an earlier Dealing Day are completed before those relating to a later Dealing Day are considered.

### ***Recording of telephone calls and electronic communications***

Telephone calls and electronic communications will be recorded. The ACD will keep a copy of telephone calls and electronic communications. A copy of the record is available from the ACD on request. The records will be kept for up to five years and where requested by the FCA, for up to seven years.

## **16 CLIENT MONEY**

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

- (a) the ACD receives the money from a client in relation to the ACD's obligation to issue shares in the Company in accordance with COLL; or
- (b) the money is held in the course of redeeming shares, where the proceeds are paid to the client within the timeframe specified in COLL.

Where money is received in either of the circumstances set out in paragraph (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.

## **17 SWITCHING AND CONVERSIONS**

### ***Conversions between share classes***

Subject to any restrictions on the eligibility of investors for a particular share class, a Shareholder may opt to convert shares in one class of a Fund for shares in a different class in the same Fund subject to the investment minima as set out in this Prospectus.

Conversions will be effected by the ACD recording the change of share class on the Register.

Conversions will be effected at the next valuation point. The number of shares to be issued in the new class will be calculated relative to the price of shares being converted from. The ACD will notify Shareholders once the conversion has been effected.

In certain circumstances the ACD may seek to implement mandatory conversions.

There is no fee on a conversion between classes of the same Fund.

Conversions of Shares from one class in a Fund for Shares of another class in the same Fund (where no other consideration is given or received) will generally not be treated as a disposal for capital gains tax purposes provided the property subject to the scheme and the rights of participants to share in the capital and income in relation to that property are the same immediately before and after the event (ignoring any changes as a result of a variation in management charges). Other conversions of Shares, including from or to a class of Share that is hedged, may be treated as a disposal for capital gains tax purposes. Shareholders who are in any doubt as to their tax treatment in respect of any conversion of Shares should seek their own professional advice.

### ***Switches between funds***

Where shares in more than one Fund are available, Shareholders may (subject to the qualifications below) exchange shares in one Fund for shares in a different Fund.

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 or share class within a Fund where it 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 may be subject to a charge (See "**Switching Charge**" below).

It should be noted that an exchange of shares in a Fund for shares in any other Fund is treated as a redemption and sale and will, for persons subject to UK taxation, be a realisation for the purposes of capital gains taxation.

In no circumstances will a Shareholder who exchanges shares in one Fund for shares in any other Fund (or who converts between classes of shares) be given a right by law to withdraw from or cancel the transaction.

### ***Application***

A Shareholder wishing to switch or convert shares should apply in the same way as for a redemption (see above). A switch will be effected at prices based on the valuation made on the next Business Day following acceptance of the request.

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

## **18 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 any of the Funds ("dealing") where due to exceptional circumstances it is in the interests of all Shareholders in the 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.

## 19 MANDATORY REDEMPTION 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);
- (c) are held in any manner by virtue of which the Shareholder(s) in question is not qualified to hold such shares or if the ACD reasonably believes this to be the case;
- (d) are owned by a Shareholder who is registered in a jurisdiction (where the respective Fund is not registered or recognised by the relevant competent authority) whereby communication with that Shareholder by the ACD, on behalf of that Fund, might constitute a breach of the regulations in that jurisdiction (unless specific action is taken by the ACD to prevent such communications constituting a breach),

or if the ACD is not satisfied that any Shares may not give rise to a situation discussed in (a) to (d) above, it may give notice to the holder of such shares requiring them to transfer the Shares 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 he or she and any person on whose behalf he or she holds the shares are qualified and entitled to hold and own them, he or she will be deemed on the expiry of a thirty-day period to have requested their redemption.

## 20 DISTRIBUTION AND ACCUMULATION

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

**The annual accounting reference date will be 30 September.**

Allocations and distributions of income will be made on or before 30 November and on or before the 31 May each year. The first distribution of income was paid on 31 May 2016 for the TM Lansdowne European Special Situations Fund.

| Fund                                          | Report Type | Reporting Period End | Ex-dividend Date | Pay Date / Accumulation Date | Long Report Issue Date |
|-----------------------------------------------|-------------|----------------------|------------------|------------------------------|------------------------|
| TM Lansdowne European Special Situations Fund | Final       | 30 September         | 1 October        | 30 November                  | 31 January             |
|                                               | Interim     | 31 March             | 1 April          | 31 May                       | 31 May                 |

For accumulation shares, income is transferred to the capital account of the respective 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 A Shares and less than £200 in respect of I Shares and S Shares, income, if any will revert to the Fund.

If applicable, tax vouchers will be sent to Shareholders in the Funds at each income distribution date. A direct credit or warrant for the amount of the distribution will, where applicable, be sent to the bank account 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 Funds 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 respective Fund to the distribution account.

The income available for distribution or accumulation in relation to each Fund is determined in accordance with the Regulations. Broadly it comprises all sums deemed by the Company, after consultation with the Auditor, 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 Auditor 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 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 auditor) 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 21 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 auditor).

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.

## **21 INCOME EQUALISATION**

The price of a share of a particular class in a Fund is based on the value of that class's entitlement in that Fund including the income of the 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 (except where shares have been purchased during the initial offer period for the Company or one of its Funds) part of the amount, namely the equalisation payment, is 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. In the case of accumulation shares, the equalisation amount may only be eligible for taper relief/indexation allowance from the date of allocation (as distinct from the date of acquisition of the original shares).

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 Fund concerned issued during the period.

## **22 THE AUTHORISED CORPORATE DIRECTOR'S CHARGES**

### ***General Administration Charge***

The General Administration Charge ("GAC") reimburses the ACD for its services as authorised corporate director as well as the following costs, charges, fees and expenses which it pays on behalf of the Funds:

- the fees and expenses payable in respect of fund administration (including fund accounting costs) and to their respective delegates, unless otherwise specified in this Prospectus;
- fees and expenses in respect of establishing and maintaining the Register (and any sub-register(s)) and charges made by the Administrator, the Transfer Agent, the Registrar, their respective delegates or any other entity relating to dealings in Shares and related functions;
- any costs incurred in producing, distributing and dispatching income and other payments to Shareholders;
- any costs in respect of the preparation and calculation of the net asset value and prices of Shares in the Funds and the publication and circulation thereof

- (including the costs of electronic data/information sources) and the costs of obtaining fund ratings and benchmark costs;
- fees of the FCA under the Financial Services and Markets Act 2000 and the corresponding fees of any regulatory authority in a country or territory outside the country in which Shares are or may lawfully be marketed;
  - the fees, charges, expenses and disbursements of the auditors and any tax, legal and other professional service provider or adviser of the Company including (for the avoidance of doubt) any legal costs arising from any Shareholder action;
  - any costs incurred in respect of any meeting of holders (including meetings convened on a requisition by holders and not including the ACD or an associate of the ACD);
  - any costs incurred in producing and despatching dividend or other payments of the Company;
  - any costs incurred in modifying the Instrument of Incorporation, the ACD Agreement, the Prospectus, the Key Investor Information Document or any other pre-contractual disclosure required by law or regulation or any other relevant document required under the Regulations;
  - costs incurred in taking out and maintaining any insurance policy in relation to the Company and/or its Directors (including the ACD) and the Depositary;
  - any costs incurred in company secretarial duties, including the cost of minute books and other documentation required to be maintained by the Company;
  - any costs incurred in the preparation, translation, production (including printing) and distribution of annual, half yearly or other reports or information provided for Shareholders, accounts, statements, contract notes and other like documentation, any prospectuses and any key investor information documents (apart from the costs of distributing any key investor information document or any other pre-contractual disclosure required by law or regulation) or any other pre-contractual disclosure document required by law or regulation (either in respect of the Company or a Fund)), any instrument of incorporation and any costs incurred as a result of periodic updates of or changes to any prospectus or instrument of incorporation and any other administrative expenses;
  - any amount payable by the Company under any indemnity provisions contained in the Instrument of Incorporation or any agreement with any functionary of the Company;
  - any payments otherwise due by virtue of the COLL Sourcebook;
  - all costs incurred in connection with communicating with investors;
  - all fees and expenses incurred in relation to the addition and initial organisation of any new Funds, the listing of Shares on any stock exchange, any offer of Shares (including the preparation, translation, printing and distribution of any Prospectus (apart from the costs and expenses of distributing any key investor information document) and listing documents) and the creation, conversion and cancellation of Shares in a new or existing Fund;
  - certain liabilities on amalgamation or reconstruction arising after transfer of property to the Company in consideration for the issue of Shares as more fully detailed in the FCA Rules;
  - the fees and expenses of any paying agents, information agents or other entities which are required to be appointed by the Company by any regulatory authority;

- royalties, licensing fees and other like payments in relation to the use of intellectual property; and
- any VAT that is payable on these charges where appropriate.

The current GAC for each class of each Fund is as follows:

| <b>Fund</b>                                          | <b>Share Class</b>                                       | <b>GAC rate</b> |
|------------------------------------------------------|----------------------------------------------------------|-----------------|
| <b>TM Lansdowne European Special Situations Fund</b> | Class I and class S Shares<br>(all available currencies) | 0.065%          |

The GAC rate applied each month is at the discretion of the ACD up to and without exceeding the maximum rates in the table above. There may be times when a lower rate is applied.

The GAC is calculated and accrued on a daily basis by reference to the Net Asset Value of the Fund on the previous Dealing Day and the amount due for each month is payable in respect of each calendar month as soon as practicable after the month end as a percentage of the Scheme Property per share class per annum.

VAT at the prevailing may be payable on these charges.

The rate of the GAC will be reviewed by the ACD periodically and at least once a year and, if necessary, adjusted to ensure that it continues to reflect the fund costs which the ACD incurs.

Unless specifically referred to in this section, all other fees and expenses are levied directly to the Funds.

Where the GAC exceeds the value of the expenses listed above, the excess fee will be retained by the ACD and allocated at the ACD's discretion. Where the GAC is lower than the value of the expenses listed above, the excess fees will be paid by the ACD.

### ***Preliminary charge***

The ACD may impose a charge payable by the Shareholder on the issue of shares (the "**preliminary charge**"). The current preliminary charges are as follows:

| <b>Fund</b>          | <b>Share Class</b>              | <b>Current preliminary charge</b> |
|----------------------|---------------------------------|-----------------------------------|
| <b>All Sub-funds</b> | Class I Shares (all currencies) | 0.00%                             |
|                      | Class S Shares (GBP)            | 0.00%                             |
|                      | Class Z Shares (all currencies) | 5.00%                             |

If at any time the ACD decides to increase a preliminary charge on the issue of shares, the ACD is required to give not less than 60 days' prior notice in writing to all affected Shareholders.

In the event that a preliminary charge is charged, it is payable to the ACD. The preliminary charge is exclusive of VAT which shall, if applicable, be payable in addition.

### **Switching Charge**

The ACD does not currently impose a charge on conversions or switches, however a dilution adjustment may be made where a switch is from one Fund to another (see pages 15 and 16 for the ACD's policy on Dilution Adjustment).

### **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 the respective Fund, by way of remuneration for the services of the Investment Manager. The periodic charge is payable to the ACD monthly in arrears. The periodic charge will be calculated separately in respect of the 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 current periodic charges are as follows:

| <b>Fund</b>                                          | <b>Share Class</b>   | <b>Current periodic charge</b> |
|------------------------------------------------------|----------------------|--------------------------------|
| <b>TM Lansdowne European Special Situations Fund</b> | Class I Shares (GBP) | 0.75%                          |
|                                                      | Class I Shares (EUR) | 0.75%                          |
|                                                      | Class S Shares (GPB) | 0.60%                          |

The current allocation of the Periodic Charge for each share class is as follows:

| <b>Fund</b>                                          | <b>Share Class</b>                    | <b>Periodic Charge fund account allocation</b> |
|------------------------------------------------------|---------------------------------------|------------------------------------------------|
| <b>TM Lansdowne European Special Situations Fund</b> | Class I Accumulation (all currencies) | Income**                                       |
|                                                      | Class I Income (GBP)                  | Capital*                                       |
|                                                      | Class S Accumulation (GBP)            | Income**                                       |
|                                                      | Class S Income (GBP)                  | Capital*                                       |

**\* Expense payments treated as a capital expense may result in capital erosion or constrain capital growth.**

**\*\* Except those charges and expenses relating directly to the purchase and sale of investments. Where fees are treated as a capital expense, this may result in capital erosion or constrain capital growth.**

The first accrual will be in respect of the day on which the first valuations of the Fund in question 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 periodic 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.

The periodic charge is exclusive of VAT which shall, if applicable, be payable in addition.

### ***Redemption charge***

The ACD may make a charge on the redemption of Shares in each class.

The ACD may only introduce a new redemption charge in accordance with the Regulations.

In relation to the imposition of a redemption charge as set out above, where Shares of the class in question in the relevant Fund have been purchased at different times by a redeeming Shareholder, the Shares to be redeemed shall be deemed to be the Shares purchased first in time by that Shareholder.

In the event of a change to the rate or method of calculation of a redemption charge, details of the previous rate or method of calculation will be available from the ACD.

## **23 THE FEES, CHARGES AND EXPENSES OF THE DEPOSITARY**

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

The Depositary's fee for the Company is currently calculated on a sliding scale as follows:

|                   |                                                                                                 |
|-------------------|-------------------------------------------------------------------------------------------------|
| 0.015% per annum  | on the value of the Scheme Property of the Company up to £250,000,000;                          |
| 0.0125% per annum | on the value of the Scheme Property of the Company above £250,000,000 up to £500,000,000;       |
| 0.01% per annum   | on the value of the Scheme Property of the Company above £500,000,000 up to £1,000,000,000; and |
| 0.0075% per annum | on the value of the Scheme Property of the Company over £1,000,000,000.                         |

The Depositary's annual fee is subject to a minimum fee of £7,500 per Fund per annum and VAT at the standard rate and is added to these fees.

The Depositary's remuneration shall be paid out of Scheme Property. It shall accrue monthly and the first such interval shall commence on the first Valuation Point and shall terminate at the end of the last day in the same month. Each subsequent accrual interval shall commence immediately after the end of the preceding such interval and shall terminate at the end of the last day of the month following that in which the preceding accrual interval terminated.

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

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

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

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

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

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

Assets will be dependent on the individual market and the safe keeping fees applicable for that market and will range between the following:

- Safekeeping fees currently range from 0.0075% per annum to 0.6% per annum. These fees are based on mid-market asset values at the end of a calendar month;
- Transaction charges currently range from £2.50 to £200 per transaction; and
- Cash payment charges will range from £5 to £25 per payment.

The annual fee is subject to a minimum fee of £7,500 per Fund per annum and VAT at the standard rate and is added to these fees.

Global custody is provided by The Northern Trust Company. The custody fees and transaction charges are currently payable out of the Scheme Property.

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

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

in 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 Rules.

## **24 RESEARCH CHARGES AND RESEARCH PAYMENT ACCOUNTS**

**The following paragraphs apply to the TM Lansdowne European Special Situations Fund.**

### *Introduction*

To assist the ACD and the Investment Manager in the pursuit of the investment strategies and objectives of the Fund, the ACD has agreed with the Investment Managers that the Fund will pay to the Investment Manager charges ("Research Charges") for its purchase and use of certain types of investment research (referred to here as "Research"). The Research Charges paid by the Fund will be determined by the Investment Manager in accordance with the Investment Manager's research policy and the FCA Rules.

The Research Charges will fund a research payment account (referred to here as a "RPA") which is a bank account that has been established by the Investment Manager in its name under FCA rules. The purpose of the RPA is to pay for Research received in connection with the portfolio management services the Investment Manager provides to the ACD (on behalf of the Company as its agent) for the benefit of the Fund. Such research may, subject to the FCA Rules, include research reports on companies, industries and securities and/or economic and financial information and analysis.

### *The Investment Manager's use of Research*

In accordance with the FCA Rules applicable to it, the Investment Manager regularly assesses the quality of the Research purchased based on robust quality criteria, and its ability to contribute to better investment decisions for the benefit of the Fund. The quality criteria used by the Investment Manager includes analysis around whether the Research materials it receives provides:

- new insights that assist the Investment Manager when making decisions about the client portfolio;
- specialist sector and market knowledge;
- whatever form the output takes, represent original thought and objectivity in the critical and careful consideration and assessment of new and existing facts;
- are based on intellectual rigour, and do not state what is common place;
- present the Investment Manager with meaningful conclusions; including a summary, statement of opinion, or reasoned deduction(s) or inference, based on critical analysis and/or the expert manipulation/interpretation of data.

### *How Research benefits the Funds*

The ACD has determined in conjunction with the Investment Manager that the purchase and use of Research (as described above) benefits the Fund by enhancing the quality of the investment decisions which the Investment Manager is able to take on behalf of the Fund.

### *Setting the Research Budget and estimated Research Charges*

The Investment Manager sets, on an annual basis, a budget (the "Research Budget") for the Fund in respect of the purchase of Research during each calendar year (an "RPA Period"). The Research Budget must be agreed and approved by the ACD. The Research Budget for each RPA Period also includes each Fund's specific estimated Research Charge. The ACD will regularly assess the budget in accordance with the FCA Handbook.

Up-to-date information on the Research Budget and the Fund's specific estimated Research Charge in respect of the current RPA Period may be obtained by contacting the ACD on 0345 113 6965.

#### *Collection of Research Charges*

The Investment Manager employs the "accounting method" of funding and operating the RPA. A portion of the Research Charge will become due and payable in advance on the first business day of each calendar month and on such other dates as the Investment Manager may determine. The Company on behalf of the Fund has authorised the Investment Manager to instruct payment of the Research Charge (or portion thereof) from the Fund's account to the RPA.

When entering into relationships with research providers, the Investment Manager's policy is generally to set measurable ex ante criteria as to how it will value the types, level and quality of service. The Investment Manager intends that this will form a framework with each service provider on the level of payment expected for the anticipated provision of services. At the end of the RPA Period, based on actual services received, the Investment Manager may adjust the payment made to the research provider in a proportionate and predictable manner, based on those criteria.

If at the end of an RPA Period there are any surplus amounts in the RPA, an Investment Manager may elect to either (a) pay such surplus amount back to the relevant Funds; or (b) carry over such surplus against the following year's Research Charges. When making such election the Investment Manager and the ACD shall act in the best interests of the relevant Funds and its Shareholders.

The total Research Charges for any RPA Period may not exceed the applicable RPA Budget. Any increase to either the Research Budget or the estimated Research Charges will only be introduced in accordance with applicable FCA Rules.

#### *Allocation of costs amongst Funds*

The Investment Manager has informed the ACD that, where it operates RPAs with its clients (which includes the ACD for and on behalf of the Company and the Funds), it will always seek to allocate research costs fairly to its various clients' portfolios.

The Investment Manager is entitled to set a single Research Budget and operate a RPA for more than one client at a time. However, the Investment Manager has informed the ACD that it will not set a Research Budget for a group of client portfolios or accounts that do not share sufficiently similar investment objectives and research needs. For example, if portfolios have material differences in the types of Financial Instruments and/or geographic regions or market sectors they can invest or are invested in, such that their research needs and the potential costs of acquiring those inputs are different, they will not be subject to the same Research Budget or, therefore, RPA. The Investment Manager has informed the ACD that the Fund shares sufficiently similar objectives and research needs to benefit from the same Research Budget and RPA.

The Investment Manager's general approach to allocating costs will ordinarily be based on the relevancy of the expected service of each research provider to the

Fund's investment strategy and where Research is equally relevant to multiple Funds and clients, the costs will be apportioned based on the total assets under management of each of them.

In its capacity as ACD of the Company, Thesis Unit Trust Management Limited conducts appropriate oversight of each Investment Manager's operation of the RPA and its compliance with the Regulations (including COBS 2.3B).

#### *Further information on Research Charges and the RPA*

Information on the total costs each Fund has incurred in respect of Research for the most recent accounting period will be set out in the applicable annual long report of the Company.

A summary of the following information will also be available from the ACD from January 2019 to investors on request in respect of the most recent RPA Period:

- the research providers paid by the Investment Manager from the RPA;
- the total amount each research provider was paid;
- the benefits and services received by the Investment Manager; and
- how the total amount spent from the RPA compares to the budget set by the Investment Manager, noting any rebate or carry-over if residual monies are held in the account.

## **25 OTHER PAYMENTS OF THE COMPANY**

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

- (a) transaction costs, including (without limitation) the fees and/or expenses incurred in acquiring, registering and disposing of investments, such as (for example) broker's commissions, 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 as appropriate;
- (b) the fees and costs incurred in connection with the purchase of investment research used in the management of the assets of the Funds (subject at all times with the ACD's and the Investment Manager's compliance with applicable FCA requirements). (Please refer to paragraph 24 above of this Prospectus for further details);
- (c) subject at all times to the ACD's and, as applicable, the Investment Manager's compliance with applicable FCA requirements, where either the ACD or the Investment Manager has delegated the function of portfolio management to an entity not governed by the rules on inducements and research under the EU's Markets in Financial Instruments Directive, broker commissions, fees, expenses and remuneration which, in addition to the fees, expenses and commissions payable to the broker in relation to the relevant transaction may, in addition, include the costs of other services provided to the ACD, the Investment Manager or other third party for the benefit of one or all of the Funds.
- (d) interest on borrowings permitted under the Instrument and this Prospectus and other charges incurred in reporting, entering into,

varying, carrying into effect with or without variation, maintaining and terminating the borrowing arrangements;

- (e) taxation and other duties payable in respect of the property of the Company and the Funds, the Instrument or the issue of shares;
- (f) any costs incurred in relation to a unitisation, amalgamation or reconstruction 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 sum due by virtue of any provision of the Regulations, such as cancellation proceeds and reasonable stock lending expenses;
- (h) any costs or fees arising in connection with pursuing or defending litigation on behalf of the Company or any Fund;
- (i) the 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;
- (j) 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;
- (k) value added tax in respect of any of the costs, expenses, fees and charges payable by the Company; and
- (l) any other charges/expenses that may be taken out of the Company's property in accordance with the Regulations.

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.

Expenses not directly attributable to a particular Fund will be allocated proportionately between all Funds.

### ***Costs relating to EPM***

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.

### ***Charges to Capital***

The expenses of individual Funds, including the ACD's periodic charge, may be charged to the capital account of the relevant Fund, subject to any restrictions

contained in the Instrument, this Prospectus and the Regulations. Where such payments are to be made from the capital account of a Fund, this policy may result in capital erosion or constrain the capital growth of a Fund. Where charges are to be levied against capital, further details will be found under the "**Periodic charge**" in paragraph 22 of this Prospectus.

## **26 TAXATION**

**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.**

### **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.

A 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".

#### **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.

#### **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.

#### **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.

## ***Taxation of Shareholders***

### **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**

##### UK resident individuals

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

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

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

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

##### UK corporate Shareholders

If, at any point in an accounting period of a UK corporate Shareholder, a Fund fails to satisfy the "qualifying 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.

##### UK resident individuals

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

##### UK corporate Shareholders

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

### **Chargeable gains**

##### UK resident individuals

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

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

##### UK corporate Shareholders

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

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

## **Income equalisation – tax implications**

The price of a Share of a particular Class is based on the value of that Class'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.

## **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.

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

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

## **International tax compliance**

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

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

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

## **Shareholders should note that:**

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

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

## **27 REPORTS AND ACCOUNTS**

The annual accounting period of the Company ends on 30<sup>th</sup> September.

The Company's annual report incorporating audited financial statements (the "**long report**") will be published and distributed within four months after the end of the Annual Accounting Period and the Interim Reports within two months of the end of the Interim Accounting Period. Copies of these long reports may be inspected at, and copies obtained free of charge from the ACD at its operating address.

## **28 MEETINGS AND VOTING RIGHTS**

For the purposes of this paragraph 28:

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

The provisions below, unless the context otherwise requires, apply to 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.

### **Requisitions of meetings**

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

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

- a) state the objective of the meeting, ;
- b) be dated, ;
- c) be signed by Shareholders who, at that date, are registered as the Shareholders of Shares representing not less than one-tenth in value of all of the Shares then in issue; and

- d) be deposited at the head office of the Company or with the Depositary.

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

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

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

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

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

### **Notice of a meeting of Shareholders**

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

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

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

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

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

Where the meeting is a hybrid meeting or a virtual meeting, the ACD shall take reasonable care to ensure that the necessary supporting technology to enable Shareholders to attend and vote is in place at the start of the meeting and operates adequately throughout its proceedings, so that Shareholders who attend or vote remotely are not unfairly disadvantaged.

## **Quorum**

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

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

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

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

## **Voting**

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

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

On a poll, votes may be given either personally or by proxy or in another manner permitted by the Instrument of Incorporation. The voting rights for each Share must be the proportion of the voting rights attached to all of the Shares in issue that the price of the Shares bear 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).

### **Serving documents on shareholders**

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

- a) delivered to the Shareholder's address as appearing in the Register

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:

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

d) is reasonable in the context.

### **Changes to the Company**

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

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

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

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

- (a) affects a Shareholder's ability to exercise their rights in relation to their investment;
- (b) would reasonably be expected to cause the Shareholder to reconsider their participation in the Company;
- (c) results in any increased payments out of Scheme Property to the ACD, or an associate of the ACD; or
- (d) materially increases other types of payment out of the Scheme Property.

The notice period must be a reasonable length and must not be less than 60 days. The ACD must inform Shareholders in an appropriate manner and timescale of any notifiable changes that are reasonably likely to affect, or have affected, the operation of the Company. This is a change or event, other than a fundamental or significant change, which a Shareholder must be made aware of unless the ACD concludes the change is insignificant. The appropriate manner and timescale of notification will depend on the nature of the change or event. An appropriate manner of notification could include the information being included in the next report of the Company.

## **29 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.

### 30 WINDING UP OF THE COMPANY AND TERMINATION OF FUNDS

The Company may be wound up under chapter 7.3 of COLL or as an unregistered company under Part V of the Insolvency Act 1986. Winding up of the Company or termination of the Funds under COLL is only permitted with the approval of the FCA and if a statement has been lodged with the FCA by the ACD confirming that the Company or the Funds will be able to meet all their liabilities within twelve months of the date of the statement (a "**solvency statement**").

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

- if an extraordinary resolution of Shareholders of either the Company or the relevant Fund (as appropriate) to that effect is passed; or
- on the date stated in any agreement by the FCA in response to a request from the ACD for the winding up of the Company or a request for the termination of the Fund(s); or
- on the effective date of a duly approved scheme of arrangement which is to result in the Company ceasing to hold any Scheme Property, or
- on the effective date of a duly approved scheme of arrangement which is to result in a Fund ceasing to hold any Scheme Property.

On the occurrence of any of the above COLL 6.2 (Dealing), COLL 6.3 (Valuation and Pricing) and COLL 5 (Investment and Borrowing Powers) will cease to apply to the Company or the relevant Fund.

The ACD may request that a Fund be terminated 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 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 that 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 relevant 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 the Fund in question 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 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.

## 31 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 ACD or the Depositary (as applicable) will not be liable for the actions of the persons so appointed provided certain provisions of COLL apply.

### ***Conflicts of Interest***

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

The Depositary, the ACD, the Investment Manager or any investment adviser 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.

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

The Depositary may, from time to time, act as trustee, depositary or custodian of other collective investment schemes.

The Investment Manager may manage other accounts/portfolios with similar investment objectives to the Funds.

### ***No liability to Account***

Subject to applicable laws and regulation, the Depositary, the ACD, or any investment adviser or any associate of any of them will not be liable to account to the Company or any other person, including the holders of shares or any of them, for any profit or benefit made or derived from or in connection with:

- (a) their acting as agent for the Company in the sale or purchase of property to or from a Fund; or
- (b) their part in any transaction or the supply of services permitted by the COLL; or
- (c) their dealing in property equivalent to any owned by (or dealt in for the account of) the Company.

Subject to the Regulations, neither the ACD, Depositary, Administrator, Registrar, Investment Manager or any other person involved with the establishment and/or operation of the Company are liable to account to each other or to the Shareholders or former Shareholders of the Company for any profits or benefits they may make or receive which are made, derived from or in connection with:

- (a) dealings in the shares of the Company;
- (b) any transaction in the underlying property of the Company; or
- (c) the supply of services to the Company.

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

### ***Liability and Indemnity***

With the exception mentioned below:

- The ACD, the Depositary and the Auditor are each entitled under the Instrument to be indemnified against any liability incurred by them in defending any proceedings in relation to the Company in which judgement or relief is given in their favour; 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 Auditor 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.

## **32 GENERAL**

### ***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, South Quay Plaza, 183 Marsh Wall, London E14 9SR. More details about the Financial Ombudsman Service and a copy of the ACD's complaints procedure are available from the ACD.

### ***Cancellation rights***

When the investment is a lump sum investment (or the first payment, being larger than the second payment, in a regular payment savings plan) an applicant who is entitled to cancel and does so will not get a full refund of the money paid by them 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 he 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 14<sup>th</sup> day after the date of receipt of the notice of the right to cancel.

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.

***Provisions to facilitate any future election for tax-elected fund status***

The Funds may not have a UK property business or an overseas property business (as defined for regulation 69Z46 of the Authorised Investment Funds (Tax) Regulations 2006).

No Fund may enter into or be a party to any form of debt, the interest on which is dependent on the results of that Fund (or all or part of its business) or the value of its assets, or where the interest exceeds a reasonable commercial return on the consideration lent, or where the capital to be repaid exceeds the amount lent or is not reasonably comparable with amounts generally repayable on listed securities (as provided in regulation 69Z47 of the Authorised Investment Funds (Tax) Regulations 2006).

***Notices, remittances and service of other documents***

The address for service on the Company of notices or other documents required or authorised to be served on it is C/O Thesis Unit Trust Management Limited, Exchange Building, St John's Street, Chichester, West Sussex, PO19 1UP.

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

***Notices served on Shareholders***

All notices or documents required to be served on Shareholders shall be served if:

- a) delivered to the Shareholders' address as evidenced on the Register; or
- b) delivered by using electronic medium (if applicable) in accordance with COLL.

Any notice or document served by post is deemed to have been served on the second Business Day following the day on which it is posted. Any document left at a registered address, or delivered other than by post, is deemed to have been served on that day.

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

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

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

***Financial Services Compensation Scheme***

The Financial Services Compensation 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](http://www.fscs.org.uk) or by writing to the Financial Services Compensation Scheme, P.O Box 300, Mitcheldean, GL17 1DY.

### ***Documents and information available***

Copies of the following documents are available for all purchasers of shares on request, free of charge from the ACD at Exchange Building, St John's Street, Chichester, West Sussex, PO19 1UP:

- latest version of the Prospectus;
- latest version of the KIID;
- latest version of the Instrument which constitutes the Company and the Funds;
- latest annual and half-yearly long reports applying to the Funds;
- the ACD Agreement; and
- supplementary information relating to the quantitative limits which apply to the risk management of the Company and the Funds, the methods used for the purposes of such risk management and any recent developments which relate to 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.

Any Shareholder may also obtain on request from the ACD supplementary information relating to the quantitative limits applying to the risk management of the Company, the methods used in relation to such risk management and any recent developments of the risk and yields of the main categories of investment.

### **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.

### **Governing law**

The Company, the Instrument, this Prospectus and any matters arising out of or in connection with a Shareholder's investment in shares in the Company and the establishment, management and administration of the Company shall be governed by and construed in accordance with the laws of England and Wales. The rights of the Shareholders and the construction and effect of the provisions of the Instrument and this Prospectus shall be subject to the exclusive jurisdiction of the courts of England and Wales.

## **Remuneration**

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

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

These documents are available in English.

## **Non-accountability for profits**

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

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

## **Schedule 1**

### **Investment and Borrowing Powers**

The Company and the Funds 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 Instrument, this Prospectus and the Fund's investment objectives and policy.

#### **1. Prudent Spread of Risk**

- 1.1 Taking account of the investment objectives and policies of the Funds as stated in this Prospectus, the Scheme Property must aim to provide a prudent spread of risk. The limits in this Prospectus and in COLL 5.2 relating to spread of investments do not apply until the expiry of a period of six months after the date of which the authorisation order, in respect of a Fund, takes effect or on which the initial offer commenced, if later, provided that the above is complied with during such period.

#### **2. Transferable Securities**

- 2.1 A transferable security is an investment which is a share, a debenture, an alternative debenture, a government and public security, a warrant, or a certificate representing certain securities (as such terms are defined in the FCA Glossary).
- 2.2 An investment is not a transferable security if the title to it cannot be transferred, or can be transferred only with the consent of a third party.
- 2.3 In applying paragraph 2.2 to an investment which is issued by a body corporate, and which is a share or a debenture (as such terms are defined in the FCA Glossary), the need for any consent on the part of the body corporate or any members or debenture holders of it may be ignored.
- 2.4 An investment is not a transferable security unless the liability of the holder of it to contribute to the debts of the issuer is limited to any amount for the time being unpaid by the holder of it in respect of the investment.

#### **3. Investment in transferable securities**

- 3.1 A Fund may invest in a transferable security only to the extent that the transferable security fulfils the following criteria:
- 3.1.1 the potential loss which the Fund may incur with respect to holding the transferable security is limited to the amount paid for it;
  - 3.1.2 its liquidity does not compromise the ability of the ACD to comply with its obligation to redeem shares at the request of any qualifying Shareholder (see COLL 6.2.16R(3));
  - 3.1.3 reliable valuation is available for it as follows:
    - (a) 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;
    - (b) 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;

3.1.4 appropriate information is available for it as follows:

- (a) 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;
- (b) 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;

3.1.5 it is negotiable; and

3.1.6 its risks are adequately captured by the risk management process of the ACD.

3.2 Unless there is information available to the ACD that would lead to a different determination, a transferable security which is admitted to or dealt in on an eligible market shall be presumed:

3.2.1 not to compromise the ability of the ACD to comply with its obligation to redeem shares at the request of any qualifying Shareholder; and

3.2.2 to be negotiable.

#### **4. Closed end funds constituting transferable securities**

4.1 A unit in a closed end fund shall be taken to be a transferable security for the purposes of investment by a Fund, provided it fulfils the criteria for transferable securities set out in paragraph 3 (Investment in transferable securities), and either:

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

- (a) it is subject to corporate governance mechanisms applied to companies; and
- (b) 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

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

- (a) it is subject to corporate governance mechanisms equivalent to those applied to companies; and
- (b) it is managed by a person who is subject to national regulation for the purpose of investor protection.

## **5. Transferable securities linked to other assets**

- 5.1 A Fund may invest in any other investment which shall be taken to be a transferable security for the purposes of investment by a Fund provided the investment:
- 5.1.1 fulfils the criteria for transferable securities set out in COLL 5.2.7AR; and
  - 5.1.2 is backed by or linked to the performance of other assets, which may differ from those in which a Fund can invest.
- 5.2 Where an investment in 8.1 contains an embedded derivative component (see COLL 5.2.19R(3A)), the requirements of COLL 5 with respect to derivatives and forwards will apply to that component.

## **6. Approved Money-Market Instruments**

- 6.1 An approved money-market instrument is a money-market instrument which is normally dealt in on the money-market, is liquid and has a value which can be accurately determined at any time.
- 6.2 A money-market instrument shall be regarded as normally dealt in on the money-market if it:
- 6.2.1 has a maturity at issuance of up to and including 397 days;
  - 6.2.2 has a residual maturity of up to and including 397 days;
  - 6.2.3 undergoes regular yield adjustments in line with money-market conditions at least every 397 days; or
  - 6.2.4 has a risk profile, including credit and interest rate risks, corresponding to that of an instrument which has a maturity as set out in 6.2.1 or 6.2.2 or is subject to yield adjustments as set out in 6.2.3.
- 6.3 A money-market instrument shall be regarded as liquid if it can be sold at limited cost in an adequately short time frame, taking into account the obligation of the ACD to redeem shares at the request of any qualifying Shareholder (see COLL 6.2.16R(3)).
- 6.4 A money-market instrument shall be regarded as having a value which can be accurately determined at any time if accurate and reliable valuations systems, which fulfil the following criteria, are available:
- 6.4.1 enabling the ACD to calculate a Net Asset Value in accordance with the value at which the instrument held in the portfolio could be exchanged between knowledgeable willing parties in an arm's length transaction; and
  - 6.4.2 based either on market data or on valuation models including systems based on amortised costs.
- 6.5 A money-market instrument that is normally dealt in on the money-market and is admitted to or dealt in on an eligible market shall be presumed to be liquid and have a value which can be accurately determined at any time unless there is information available to the ACD that would lead to a different determination.

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

- 7.1 Transferable securities and approved money-market instruments held within a Fund must be:
- 7.1.1 admitted to or dealt on an eligible market within COLL 5.2.10 R (1)(a); or
  - 7.1.2 dealt on an eligible market within COLL 5.2.10R(1)(b); or
  - 7.1.3 admitted to or dealt in on an eligible market within COLL 5.2.10R(2); or
  - 7.1.4 for an approved money-market instrument not admitted to or dealt in on an eligible market, within COLL 5.2.10AR(1); or
  - 7.1.5 recently issued transferable securities provided that:
    - (a) the terms of issue include an undertaking that application will be made to be admitted to an eligible market; and
    - (b) such admission is secured within a year of issue.
- 7.2 However, a Fund may invest no more than 10% of the Scheme Property in transferable securities and approved money-market instruments other than those referred to in paragraph 7.1

## **8. Eligible markets regime: requirements**

- 8.1 A market is eligible for the purposes of the rules in COLL if it is:
- 8.1.1 a regulated market (as defined in the FCA Glossary);
  - 8.1.2 a market in the United Kingdom or an EEA State which is regulated, operates regularly and is open to the public; or
  - 8.1.3 any market within paragraph 8.2.
- 8.2 A market not falling within paragraph 8.1 is eligible for the purposes of COLL 5 if:
- 8.2.1 the ACD, after consultation with and notification to the Depositary, decides that market is appropriate for investment of, or dealing in, the Scheme Property;
  - 8.2.2 the market is included in a list in this Prospectus; and
  - 8.2.3 the Depositary has taken reasonable care to determine that:
    - (a) adequate custody arrangements can be provided for the investment dealt in on that market; and
    - (b) all reasonable steps have been taken by the ACD in deciding whether that market is eligible.
- 8.3 In paragraph 8.2.1, a market must not be considered appropriate unless it is regulated, operates regularly, is recognised as a market or exchange or as a self-regulatory organisation by an overseas regulator, is open to the public and is adequately liquid and has adequate arrangements for

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

- 8.4 The eligible markets in which the Funds may invest are set out in Schedule 2.

## **9. Money-market instruments with a regulated issuer**

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

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

9.1.2 the instrument is issued or guaranteed in accordance with paragraph 10 (Issuers and guarantors of money-market instruments).

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

9.2.1 the instrument is an approved money-market instrument;

9.2.2 appropriate information is available for the instrument (including information which allows an appropriate assessment of the credit risks related to investment in it), in accordance with paragraph 11 (Appropriate information for money-market instruments); and

9.2.3 the instrument is freely transferable.

## **10. Issuers and guarantors of money-market instruments**

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

10.1.1 issued or guaranteed by any one of the following:

(a) 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;

(b) a regional or local authority of the United Kingdom or an EEA State;

(c) the Bank of England, the European Central Bank or a central bank of an EEA State;

(d) the European Union or the European Investment Bank;

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

(f) a public international body to which the United Kingdom or one or more EEA States belong; or

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

10.1.3 issued or guaranteed by an establishment which is:

- (a) subject to prudential supervision in accordance with criteria defined by UK or EU law; or
  - (b) 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.
- 10.2 An establishment shall be considered to satisfy the requirement in paragraph 10.1.3(b) if it is subject to and complies with prudential rules, and fulfils one or more of the following criteria:
  - 10.2.1 it is located in the European Economic Area;
  - 10.2.2 it is located in an OECD country belonging to the Group of Ten;
  - 10.2.3 it has at least investment grade rating;
  - 10.2.4 on the basis of an in-depth analysis of the issuer, it can be demonstrated that the prudential rules applicable to that issuer are at least as stringent as those laid down by UK or EU law.

## **11. Appropriate information for money-market instruments**

- 11.1 In the case of an approved money-market instrument within paragraph 10.1.2 or issued by a body of the type referred to in COLL 5.2.10E(G); or which is issued by an authority within paragraph 10.1.1(b) or a public international body within paragraph 10.1.1(f) but is not guaranteed by a central authority within paragraph 10.1.1(a), the following information must be available:
  - 11.1.1 information on both the issue or the issuance programme, and the legal and financial situation of the issuer prior to the issue of the instrument, verified by appropriately qualified third parties not subject to instructions from the issuer;
  - 11.1.2 updates of that information on a regular basis and whenever a significant event occurs; and
  - 11.1.3 available and reliable statistics on the issue or the issuance programme.
- 11.2 In the case of an approved money-market instrument issued or guaranteed by an establishment within paragraph 10.1.3, the following information must be available:
  - 11.2.1 information on the issue or the issuance programme or on the legal and financial situation of the issuer prior to the issue of the instrument;
  - 11.2.2 updates of that information on a regular basis and whenever a significant event occurs; and
  - 11.2.3 available and reliable statistics on the issue or the issuance programme, or other data enabling an appropriate assessment of the credit risks related to investment in those instruments.
- 11.3 In the case of an approved money-market instrument:
  - 11.3.1 within paragraphs 10.1.1(a), 10.1.1(d) or 10.1.1(e); or

- 11.3.2 which is issued by an authority within paragraph 10.1.1(b) or a public international body within paragraph 10.1.1(f) and is guaranteed by a central authority within paragraph 10.1.1(a);

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

## **12. Spread: general**

- 12.1 This paragraph 12 (Spread: general) does not apply in respect of transferable securities or an approved money-market instrument to which paragraph 14 (Spread: Government and public securities) applies.
- 12.2 The specific limits are set out as follows:
- 12.2.1 For the purposes of this requirement companies included in the same group for the purposes of consolidated accounts as defined in accordance with s.399 of the Companies Act 2006, Directive 2013/34/EU, or in the same group in accordance with international accounting standards are regarded as a single body.
  - 12.2.2 Not more than 20% in value of the Scheme Property is to consist of deposits with a single body.
  - 12.2.3 Not more than 5% in value of the Scheme Property is to consist of transferable securities or approved money-market instruments issued by any single body.
  - 12.2.4 The limit of 5% in paragraph 12.2.3 is raised to 10% in respect of up to 40% in value of the Scheme Property. Covered bonds need not to be taken into account for the purpose of applying the limit of 40%.
  - 12.2.5 The limit of 5% in paragraph 12.2.3 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.
  - 12.2.6 In applying paragraphs 12.2.3 and 12.2.4 certificates representing certain securities are to be treated as equivalent to the underlying security.
  - 12.2.7 The exposure to any one counterparty in an OTC derivative transaction must not exceed 5% in value of the Scheme Property. This limit is raised to 10% where the counterparty is an Approved Bank.
  - 12.2.8 Not more than 20% in value of the Scheme Property is to consist of transferable securities and approved money-market instruments issued by the same group (as referred to in paragraph 12.2.1).
  - 12.2.9 Not more than 20% in value of a Fund is to consist of the units of any one collective investment scheme.
  - 12.2.10 In applying the limits in paragraphs 12.2.2, 12.2.3, 12.2.4, 12.2.6 and 12.2.7 and subject to paragraph 12.2.5, not more than 20% in value of the Scheme Property is to consist of any combination of two or more of the following:

- (a) transferable securities (including covered bonds) or approved money-market instruments issued by a single body; or
- (b) deposits made with a single body; or
- (c) exposures from OTC derivatives transactions made with a single body.

### **13. Counterparty Risk and Issuer Concentration**

- 13.1 The ACD must ensure that counterparty risk arising from an OTC derivative transaction is subject to the limits set out in paragraphs 12.2.6 and 12.2.10 above.
- 13.2 When calculating the exposure of the Company to a counterparty in accordance with the limits set out in paragraph 12.2.6, the ACD must use the positive mark-to-market value of the OTC derivative contract with that counterparty.
- 13.3 The ACD may net the OTC derivative positions of the Company with the same counterparty provided:
  - 13.3.1 it is able legally to enforce netting arrangements with the counterparty on behalf of the Company; and
  - 13.3.2 the netting arrangements in paragraph 13.3.1 above do not apply to any other exposures the Company may have with that same counterparty.
- 13.4 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.
- 13.5 The ACD must take collateral into account in calculating exposure to counterparty risk in accordance with the limits set out in paragraph 12.2.6 when it passes collateral to the counterparty to an OTC derivative transaction on behalf of the Company.
- 13.6 Collateral passed in accordance with paragraph 13.5 may be taken into account on a net basis only if the ACD is able legally to enforce netting arrangements with this counterparty on behalf of the Company.
- 13.7 The ACD must calculate the issuer concentration limits referred to in the paragraphs above on the basis of the underlying exposure created through the use of OTC derivatives in accordance with the commitment approach.
- 13.8 In relation to exposures arising from OTC derivative transactions, as referred to in paragraph 12.2.10, the ACD must include in the calculation any counterparty risk relating to the OTC derivative transactions.

### **14. Spread: Government and public securities**

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

- 14.1.3 a non-EEA State; or
- 14.1.4 a public international body to which the UK or one or more EEA States belong.
- 14.2 Where no more than 35% in value of the Scheme Property is invested in such securities issued by any one body, there is no limit on the amount which may be invested in such securities or in any one issue.
- 14.3 **A Fund may invest more than 35% in value of the Scheme Property in such securities issued by any one body provided that:**
  - 14.3.1 **the ACD has before any such investment is made consulted with the Depositary and as a result considers that the issuer of such securities is one which is appropriate in accordance with the investment objectives of the Fund;**
  - 14.3.2 **no more than 30% in value of the Scheme Property consists of such securities of any one issue;**
  - 14.3.3 **the Scheme Property includes such securities issued by that or another issuer, of at least six different issues; and**
  - 14.3.4 **the disclosures in COLL 3.2.6R(8) and COLL 4.2.5R(3)(i) have been made.**
- 14.4 In relation to such securities:
  - 14.4.1 issue, issued and issuer include guarantee, guaranteed and guarantor; and
  - 14.4.2 an issue differs from another if there is a difference as to repayment date, rate of interest, guarantor or other material terms of the issue.
- 14.5 Notwithstanding paragraph 12 (Spread: general) above, and subject to paragraphs 12.2.1 and 12.2.2, in applying the 20% limit in 12.2.2 with respect to a single body, such securities issued by that body shall be taken into account.
- 14.6 The ACD has consulted with the Depositary and considers that the issuers named above are ones which are appropriate in accordance with the investment objectives of the Funds.

## **15. Investment in Collective Investment Schemes**

- 15.1 Up to 10% of the Scheme Property of the Funds may consist of shares/units in collective investment schemes.
- 15.2 Not more than 10% in value of the property of the Funds may consist of units or shares in any one collective investment scheme.
- 15.3 The TM Lansdowne European Special Situations Fund is not a feeder UCITS (as defined in Article 58(1) of the UCITS Directive), and is not permitted to hold units in feeder UCITS.
- 15.4 The Funds must not invest in units or shares of a collective investment scheme (the "Second Scheme") unless the Second Scheme satisfies the following conditions and provided that not more than 10% of the value of the Scheme Property attributed to each Fund is invested in Second Schemes within categories (b) to (e) below:

15.4.1 the Second Scheme must

- (a) be a UCITS or a scheme which satisfies the conditions necessary for it to enjoy the rights conferred by the UCITS directive as implemented in the EEA; or
- (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:
  - (1) signed the IOSCO Multilateral Memorandum of Understanding; and
  - (2) approved the scheme's management company, rules and depositary/custody arrangements(provided the requirements of COLL 5.2.13AR are met);

15.5 The requirements referred to in 15.4 are that:

15.5.1 the second scheme is an undertaking:

- (a) with the sole object of collective investment in transferable securities or in other liquid financial assets, as referred to in COLL, of capital raised from the public and which operate on the principle of risk-spreading; and
- (b) with units which are, at the request of holders, repurchased or redeemed, directly or indirectly, out of those undertakings' assets (action taken by a scheme to ensure that the price of its units on an investment exchange does not significantly vary from their net asset value shall be regarded as equivalent to such repurchase or redemption);

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

15.5.3 the level of protection for unitholders in the second scheme is equivalent to that provided for unitholders in a 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; and

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

- 15.6 The Second Scheme must comply, where relevant, with COLL 5.2.15 R (Investment in associated collective investment schemes) and COLL 5.2.16 R (Investment in other group schemes).
- 15.7 The Second Scheme must have terms which prohibit more than 10% in value of the Scheme Property consisting of units in collective investment schemes.
- 15.8 Where the Second Scheme is an umbrella, the provisions in 15.3 and 15.6 above and COLL 5.2.11R (Spread: general) apply to each sub-fund of the umbrella as if it were a separate scheme.
- 15.9 Where a substantial proportion of a Fund's assets are invested in other collective investment schemes, the maximum level of management fees that may be charged to the Fund, and to the other collective investment schemes in which it invests, should not exceed 3% per annum (plus VAT, if applicable).
- 15.10 Investment may be made: (i) in another collective investment scheme managed by the ACD or an Associate of the ACD; and/or (ii) in another Fund of the Company; subject to the rules contained in the FCA Handbook.
- 15.11 Where a Fund makes an investment in, or disposal of, units or shares of a second scheme detailed in paragraph 15.10, and there is a charge in respect of such investment or disposal, the ACD must pay the Fund the amount referred to in either paragraph 15.12 or paragraph 15.13 within four Business Days following the date of the agreement to invest or dispose.
- 15.12 When an investment is made, the amount referred to in paragraph 15.11 is either:
- 15.12.1 any amount by which the consideration paid by the Company for the units or shares in the second scheme exceeds the price that would have been paid for the benefit of the second scheme had the units or shares been newly issued or sold by it; or
  - 15.12.2 if such price cannot be ascertained by the ACD, the maximum amount of any charge permitted to be made by the seller of units or shares in the second scheme.
- 15.13 When a disposal is made, the amount referred to in paragraph 15.11 is any charge made for the account of the authorised fund manager or operator of the second scheme or an Associate of any of them in respect of the disposal.
- 15.14 In paragraphs 15.12 and 15.13 above:
- 15.14.1 any addition to or deduction from the consideration paid on the acquisition or disposal of units in the second scheme, which is applied for the benefit of the second scheme and is, or is like, a dilution levy made in accordance with COLL 6.3.8R, is to be treated as part of the price of the units and not as part of any charge; and
  - 15.14.2 any switching charge made in respect of an exchange of units in one sub-fund or separate part of the second scheme for units in another sub-fund or separate part of that scheme is to be included as part of the consideration paid for the units.

## **16. Investment in nil and partly paid securities**

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

## **17. Derivatives**

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

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

17.3 Any use of derivative instruments would be in accordance with COLL5.3.11G.

17.4 A transaction in derivatives or a forward transaction cannot be effected for the Funds unless:

17.4.1 it is a permitted derivatives or forward transaction (as set out in paragraph 18, **Permitted transactions (derivatives and forwards)**); and

17.4.2 it is covered as required by the Regulations at COLL 5.3.3AR.

17.5 The exposure to the underlying assets must not exceed the limits in paragraph 6 (Approved Money-Market Instruments) and paragraph 8 (Eligible markets regime: requirements) except as provided in paragraph 17.9.

17.6 Where a transferable security or approved money-market instrument embeds a derivative this must be taken into account for the purposes of complying with these investment restrictions.

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

17.7.1 by virtue of that component some or all of the cash flows that otherwise would be required by the transferable security or approved money-market instrument which functions as host contract can be modified according to a specified interest rate, Financial Instrument price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, and therefore vary in a way similar to a standalone derivative;

17.7.2 the economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract; and

17.7.3 it has a significant impact on the risk profile and pricing of the transferable security or approved money-market instrument.

17.8 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.

- 17.9 If a Fund invests in an index-based derivative provided the relevant index falls within the Regulations at COLL 5.2.20AR the underlying constituents of the index do not have to be taken into account for the purposes of paragraph 6 (Approved Money-Market Instruments) and paragraph 8 (Eligible markets regime: requirements) above, provided the ACD takes account of the requirements in COLL 5.2.3 for a prudent spread of risk.

## **18. Permitted transactions (derivatives and forwards)**

- 18.1 A transaction in a derivative must:

18.1.1 be in an approved derivative; or

18.1.2 be an OTC derivative which complies with paragraph 19 (**OTC transactions in derivatives**) and:

- 18.2 In addition:

18.2.1 the underlying must consist of any or all of the following to which the scheme is dedicated:

- (a) transferable securities permitted under paragraphs 7.1.1 to 7.1.3 or 7.1.5;
- (b) money-market instruments permitted under paragraphs 7.1.4 - 7.1.1;
- (c) deposits permitted under paragraph 22 (Investment in deposits);
- (d) derivatives permitted under this paragraph;
- (e) collective investment scheme units permitted under paragraph 15 (Investment in Collective Investment Schemes);
- (f) financial indices which satisfy the criteria set out in paragraph 20 (**Financial indices underlying derivatives**);
- (g) interest rates;
- (h) foreign exchange rates and
- (i) currencies.

- 18.3 A transaction in an approved derivative must be effected on or under the rules of an eligible derivatives market.

- 18.4 A derivatives transaction must not cause the Funds to diverge from its investment objectives as stated in the Instrument and the most recently published Prospectus and 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, collective investment scheme units or derivatives.

- 18.5 Any forward transaction must be with an Eligible Institution or an Approved Bank.
- 18.6 A derivative includes an instrument which fulfils the following criteria:
- 18.6.1 it allows the transfer of the credit risk of the underlying independently from the other risks associated with that underlying;
  - 18.6.2 it does not result in the delivery or the transfer of assets other than those referred to in COLL 5.2.6A R (UCITS schemes: permitted types of Scheme Property) including cash;
  - 18.6.3 in the case of an OTC derivative, it complies with the requirements in COLL 5.2.23 R (OTC transactions in derivatives);
  - 18.6.4 its risks are adequately captured by the risk management process of the ACD, 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.
- 18.7 A Fund may not undertake transactions in derivatives of commodities.
- 18.8 A transaction in a derivative must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more transferable securities, approved money-market instruments, units in collective investment schemes, or derivatives provided that a sale is not to be considered as uncovered if the conditions in COLL 5.2.22R(1), as read in accordance with the guidance at COLL 5.2.22AG, are satisfied.

## **19. OTC transactions in derivatives**

- 19.1 OTC transactions in derivatives in under paragraph 18.1.2 must be:
- 19.1.1 with an approved counterparty; a counterparty to a transaction in derivatives is approved only if the counterparty is:
    - (a) an Eligible Institution or an Approved Bank; or
    - (b) a person whose permission, (including any requirements or limitations) as published in the Financial Services Register permits it to enter into the transaction as principal off-exchange;
    - (c) a CCP that is authorised in that capacity for the purposes of EMIR;
    - (d) a CCP that is recognised in that capacity in accordance with the process set out in article 25 of EMIR; or
    - (e) 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.

- 19.1.2 on approved terms, the terms of the transaction in derivatives are approved only if 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 transaction at any time at its fair value;
- 19.1.3 capable of reliable valuation; a transaction in derivatives is capable of reliable valuation only if the ACD having taken reasonable care determines that, throughout the life of the derivative (if the transaction is entered into), it will be able to value the investment concerned with reasonable accuracy:
  - (a) on the basis of an up to date market value which the ACD and the Depositary have agreed is reliable; or
  - (b) if the value referred to in sub-paragraph (a) is not available, on the basis of a pricing model which the ACD and the Depositary have agreed uses an adequate recognised methodology; and
- 19.1.4 subject to verifiable valuation; a transaction in derivatives is subject to verifiable valuation only if, throughout the life of the derivative (if the transaction is entered into) verification of the valuation is carried out by:
  - (a) 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
  - (b) 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.
- 19.2 The non-EEA jurisdictions that fall within 19.1.1(e) are Australia, Hong Kong, Japan, Singapore, Switzerland, and the United States of America.
- 19.3 For the purposes paragraph 19.1.2 **fair value** is the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction.
- 19.4 The Depositary must take reasonable care to ensure that the ACD has systems and controls that are adequate to ensure compliance with paragraph 18.1
- 19.5 For the purposes of paragraph 19.1 the ACD must:
  - 19.5.1 establish, implement, and maintain arrangements and procedures which ensure appropriate, transparent and fair valuation of the exposure of the Funds to OTC derivatives; and
  - 19.5.2 ensure that the fair value of OTC derivatives is subject to adequate, accurate and independent assessment.

- 19.6 Where the arrangements and procedures referred to in paragraph 19.5.1 involve the performance of certain activities of third parties, the ACD must comply with the requirements of SYSC 8.1.13R and COLL 6.6AR(5) to (6).
- 19.7 The arrangements and procedures referred to in paragraph 19.5.1 must be adequate and proportionate to the nature and complexity of the OTC derivative concerned and adequately documented.

## **20. Financial indices underlying derivatives**

- 20.1 The financial indices referred to in paragraph 18.2.1(f) are those where the index is sufficiently diversified, the index represents an adequate benchmark for the market to which it refers, and the index is published in an appropriate manner.
- 20.2 A financial index is sufficiently diversified if:
- 20.2.1 it is composed in such a way that price movements or trading activities regarding one component do not unduly influence the performance of the whole index;
  - 20.2.2 where it is composed of assets in which the Fund is permitted to invest, its composition is at least diversified in accordance with the requirements with respect to spread and concentration set out in this Schedule; and
  - 20.2.3 where it is composed of assets in which the Fund cannot invest, it is diversified in a way which is equivalent to the diversification achieved by the requirements with respect to spread and concentration set out in this Schedule.
- 20.3 A financial index represents an adequate benchmark for the market to which it refers if:
- 20.3.1 it measures the performance of a representative group of underlyings in a relevant and appropriate way;
  - 20.3.2 it is revised or rebalanced periodically to ensure that it continues to reflect the markets to which it refers, following criteria which are publicly available; and
  - 20.3.3 the underlyings are sufficiently liquid, allowing users to replicate it if necessary.
- 20.4 A financial index is published in an appropriate manner if:
- 20.4.1 its publication process relies on sound procedures to collect prices, and calculate and subsequently publish the index value, including pricing procedures for components where a market price is not available; and
  - 20.4.2 material information on matters such as index calculation, rebalancing methodologies, index changes or any operational difficulties in providing timely or accurate information is provided on a wide and timely basis.
- 20.5 Where the composition of underlyings of a transaction in a derivative does not satisfy the requirements for a financial index, the underlyings for that transaction shall where they satisfy the requirements with respect to other underlyings pursuant to paragraph 18.2.1 be regarded as a combination of those underlyings.

## **20.6 Transactions for the purchase of property**

A derivatives or forward transaction which would or could lead to delivery of property to the Depositary may be entered into only if such property can be held by the relevant Fund, and the ACD reasonably believes that delivery of the property pursuant to the transaction will not lead to a breach of the COLL Sourcebook.

## **21. Requirement to cover sales**

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

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

21.1.2 the property and rights at paragraph 21.1.1 are owned by the Fund at the time of the agreement.

## **22. Investment in deposits**

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

## **23. Significant influence**

23.1 The Company must not acquire transferable securities issued by a body corporate and carrying rights to vote (whether or not on substantially all matters) at a general meeting of that body corporate if:

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

23.1.2 the acquisition gives the Company that power.

23.2 For the purposes of paragraph 23.1, the Company is to be taken to have power significantly to influence the conduct of business of a body corporate if it can, because of the transferable securities held by it, exercise or control the exercise of 20% or more of the voting rights in that body corporate (disregarding for this purpose any temporary suspension of voting rights in respect of the transferable securities of that body corporate).

## **24. Significant influence**

*(Please note that this section applies at the level of the Company.)*

24.1 The Company must not acquire transferable securities issued by a body corporate and carrying rights to vote (whether or not on substantially all matters) at a general meeting of that body corporate if:

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

24.1.2 the acquisition gives the Company that power.

24.2 For the purpose of paragraph 24.1 the Company is to be taken to have power significantly to influence the conduct of business of a body corporate if it can, because of the transferable securities held by it, exercise or control the exercise of 20% or more of the voting rights in that body corporate (disregarding for this purpose any temporary suspension of voting rights in respect of the transferable securities of that body corporate).

## **25. Concentration limits**

*(Please note that this section applies at the level of the Company.)*

25.1 The Company:

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

- (a) do not carry a right to vote on any matter at a general meeting of the body corporate that issued them; and
- (b) represent more than 10% of those securities issued by that body corporate;

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

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

25.1.4 must not acquire more than 10% of the approved money-market instruments issued by any single body.

25.2 However, the Company need not comply with the limits in paragraphs 25.1.2, 25.1.3 and 25.1.4 above if, at the time of the acquisition, the net amount in issue of the relevant investment cannot be calculated.

## **26. UCITS schemes that are umbrellas**

26.1 In relation to the Company, which is an umbrella, the provisions in COLL 5.2 to COLL 5.5 apply to each Fund as they would for an authorised fund, except the following rules which apply at the level of the umbrella only:

26.1.1 COLL 5.2.27 R (Significant influence for OEICs)

26.1.2 COLL 5.2.29 R (Concentration).

26.2 A Fund may invest in or dispose of units in a second Fund only if the following conditions are satisfied:

26.2.1 the second Fund does not hold units in any other Fund of the same umbrella;

26.2.2 the conditions in COLL 5.2.15 R (Investment in associated collective investment schemes) and COLL 5.2.16 R (Investment in other group schemes) are complied with (for the purposes of this rule, COLL 5.2.15 R and COLL 5.2.16 R are to be read as modified by COLL 5.2.15 R (2)); and

- 26.2.3 the investing or disposing Fund must not be a feeder UCITS to the second Fund.

## **27. Schemes replicating an index**

- 27.1 Notwithstanding paragraph 12 (Spread: general) a Fund may invest up to 20% in value of the Scheme Property in shares and debentures which are issued by the same body where the stated investment policy is to replicate the composition of a relevant index as defined below.
- 27.2 Replication of the composition of a relevant index shall be understood to be a reference to replication of the composition of the underlying assets of that index, including the use of techniques and instruments permitted for the purpose of efficient portfolio management.
- 27.3 The 20% limit in paragraph 27.1 can be raised for a particular Fund up to 35% in value of the Scheme Property, but only in respect of one body and where justified by exceptional market conditions.
- 27.4 In the case of a fund replicating an index the Scheme Property need not consist of the exact composition and weighting of the underlying in the relevant index where deviation from this is expedient for reasons of poor liquidity or excessive cost to the scheme in trading in an underlying investment.
- 27.5 The indices referred to above are those which satisfy the following criteria:
- 27.5.1 the composition is sufficiently diversified;
  - 27.5.2 the index represents an adequate benchmark for the market to which it refers; and
  - 27.5.3 the index is published in an appropriate manner.
- 27.6 The composition of an index is sufficiently diversified if its components adhere to the spread and concentration requirements in this section.
- 27.7 An index represents an adequate benchmark if its provider uses a recognised methodology which generally does not result in the exclusion of a major issuer of the market to which it refers.
- 27.8 An index is published in an appropriate manner if:
- 27.8.1 it is accessible to the public;
  - 27.8.2 the index provider is independent from the index-replicating Fund; this does not preclude index providers and the Fund from forming part of the same group, provided that effective arrangements for the management of conflicts of interest are in place.

## **28. Derivatives exposure**

- 28.1 A Fund may invest in derivatives and forward transactions as long as the exposure to which the Fund is committed by that transaction itself is suitably covered from within its Scheme Property. Exposure will include any initial outlay in respect of that transaction.
- 28.2 Cover ensures that a Fund is not exposed to the risk of loss of property, including money, to an extent greater than the net value of the Scheme Property. Therefore, a Fund must hold Scheme Property sufficient in value

or amount to match the exposure arising from a derivative obligation to which the Fund is committed. Paragraph 29 (Cover for transactions in derivatives and forward transactions) sets out detailed requirements for cover of a Fund.

- 28.3 Cover used in respect of one transaction in derivatives or forward transaction must not be used for cover in respect of another transaction in derivatives or a forward transaction.

## **29. Cover for transactions in derivatives and forward transactions**

- 29.1 The ACD must ensure that a Fund's global exposure relating to derivatives and forwards transactions held for that Fund may not exceed the net value of the Scheme Property.
- 29.2 The ACD must calculate the Fund's global exposure on at least a daily basis, in accordance with the methods described in COLL 5.3.7R to COLL 5.3.10R. For the purposes of this paragraph, exposure must be calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

## **30. Cover and borrowing**

- 30.1 Cash obtained from borrowing, and borrowing which the ACD reasonably regards an Eligible Institution or an Approved Bank to be committed to provide, is not available for cover under COLL 5.3.3A except where, for the purposes of this paragraph, the Company:

- 30.1.1 borrows an amount of currency from an Eligible Institution or an Approved Bank; and
- 30.1.2 keeps an amount in another currency, at least equal to such borrowing for the time on deposit with the lender (or their agent or nominee),

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

## **31. Cash and near cash**

- 31.1 Cash and near cash must not be retained in the Scheme Property except to the extent that, this may reasonably be regarded as necessary in order to enable:
- 31.1.1 the pursuit of the Fund's investment objectives; or
  - 31.1.2 redemption of Shares; or
  - 31.1.3 efficient management of the Fund in accordance with its investment objectives; or
  - 31.1.4 other purposes which may reasonably be regarded as ancillary to the investment objectives of the Fund.
- 31.2 During the period of the initial offer the Scheme Property may consist of cash and near cash without limitation.

## **32. General power to borrow**

- 32.1 The Fund may, in accordance with this paragraph (General power to borrow), borrow money for the use of the Fund on terms that the borrowing is to be repayable out of the Scheme Property. This power to borrow is subject to the obligation of the Fund to comply with any restriction in the instrument constituting the Fund.
- 32.2 The Fund may borrow under paragraph 32.1 only from an Eligible Institution or an Approved Bank.
- 32.3 The ACD must ensure that any borrowing is on a temporary basis and that borrowings are not persistent, and for this purpose the ACD must have regard in particular to:
- 32.3.1 the duration of any period of borrowing; and
  - 32.3.2 the number of occasions on which it has resorted to borrowing in any period.
- 32.4 The ACD must ensure that no period of borrowing exceeds three months, without the consent of the Depositary.
- 32.5 These borrowing restrictions do not apply to "back to back" borrowing as outlined in paragraph 30 (Cover and borrowing).
- 32.6 The Fund must not issue any debenture unless it acknowledges or creates a borrowing that complies with paragraph 32.1 to 32.5.

## **33. Borrowing limits**

- 33.1 The ACD must ensure that the Fund's borrowing does not, on any Business Day, exceed 10% of the value of the Scheme Property of the Fund.
- 33.2 These borrowing limits do not apply to "back to back" borrowing as outlined in paragraph 30 (Cover and borrowing).
- 33.3 In this paragraph 33 (Borrowing limits), "borrowing" includes, as well as borrowing in a conventional manner, any other arrangement (including a combination of derivatives) designed to achieve a temporary injection of money into the Scheme Property in the expectation that the sum will be repaid.

## **34. Restrictions on lending of money**

- 34.1 None of the money in the Scheme Property of a Fund may be lent and, for the purposes of this prohibition, money is lent by the Fund if it is paid to a person (the **payee**) on the basis that it should be repaid, whether or not by the payee.
- 34.2 Acquiring a debenture is not lending for the purposes of paragraph 34.1; nor is the placing of money on deposit or in a current account.
- 34.3 Paragraph 34.1 does not prevent the Fund from providing an officer of the Fund with funds to meet expenditure to be incurred by them for the purposes of the Fund (or for the purposes of enabling them properly to perform their duties as an officer of the Fund) or from doing anything to enable an officer to avoid incurring such expenditure.

### **35. Restrictions on lending of property other than money**

- 35.1 The Scheme Property of the Fund other than money must not be lent by way of deposit or otherwise.
- 35.2 Transactions permitted by paragraph 38 (Stock lending) are not lending for the purposes of paragraph 35.1.
- 35.3 The Scheme Property of the Fund must not be mortgaged.
- 35.4 Where transactions in derivatives or forward transactions are used for the account of a Fund, this paragraph does not prevent the Company (or the Depositary at the request of the Company) from
  - 35.4.1 lending, depositing, pledging or charging Scheme Property for margin requirements; or
  - 35.4.2 transferring Scheme Property under the terms of an agreement in relation to margin requirements, provided that the ACD reasonably considers that both the agreement and the margin arrangements made under it (including in relation to the level of margin) provide appropriate protection to Shareholders.

### **36. General power to accept or underwrite placings**

- 36.1 Any power in Chapter 5 of the COLL Sourcebook to invest in transferable securities may be used for the purpose of entering into transactions to which this section applies, subject to compliance with any restriction in the Instrument of Incorporation.
- 36.2 This section applies, subject to paragraph 36.3, to any agreement or understanding which:
  - 36.2.1 is an underwriting or sub-underwriting agreement; or
  - 36.2.2 contemplates that securities will or may be issued or subscribed for or acquired for the account of the Fund.
- 36.3 Paragraph 36.2 does not apply to:
  - 36.3.1 an option; or
  - 36.3.2 a purchase of a transferable security which confers a right to:
    - (a) to subscribe for or acquire a transferable security; or
    - (b) to convert one transferable security into another.
  - 36.3.3 The exposure of the Fund to agreements and understandings within paragraph 36.2 must, on any Business Day:
    - (a) be covered in accordance with the requirements of rule 5.3.3R of the COLL Sourcebook; and
    - (b) be such that, if all possible obligations arising under them had immediately to be met in full, there would be no breach of any limit in Chapter 5 of the COLL Sourcebook.

### **37. Guarantees and indemnities**

- 37.1 The Company, or the Depositary for the account of the Company, must not provide any guarantee or indemnity in respect of the obligation of any person.
- 37.2 None of the Scheme Property may be used to discharge any obligation arising under a guarantee or indemnity with respect to the obligation of any person.
- 37.3 However, paragraphs 37.1 and 37.2 do not apply in respect of any Fund to:
- 37.3.1 any indemnity or guarantee given for margin requirements where the derivatives or forward transactions are being used in accordance with the FCA Rules;
  - 37.3.2 an indemnity falling within the provisions of regulation 62(3) (Exemptions from liability to be void) of the OEIC Regulations;
  - 37.3.3 an indemnity (other than any provision in it which is void under regulation 62 of the OEIC Regulations) given to the Depositary against any liability incurred by it as a consequence of the safekeeping of any of the Scheme Property by it or by anyone retained by it to assist it to perform its function of the safekeeping of the Scheme Property; and
  - 37.3.4 an indemnity given to a person winding up a scheme if the indemnity is given for the purposes of arrangements by which the whole or part of the property of that scheme becomes the first property of the Fund and the holders of units in that scheme become the first Shareholders in the Fund.

### **38. Stock lending**

- 38.1 The Company may only enter into a stock lending arrangement or repo contract in accordance with the rules in COLL 5.4 if the arrangement or contract is:
- 38.1.1 for the account of and for the benefit of the relevant Fund; and
  - 38.1.2 in the interests of its Shareholders.
- 38.2 Such an arrangement or contract is not in the interests of shareholders unless it reasonably appears to the ACD to be appropriate with a view to generating additional income for the Fund with an acceptable degree of risk.
- 38.3 The Company, or the Depositary at the request of the ACD, may enter into a repo contract or a stock lending arrangement of the kind described in section 263B of the Taxation of Chargeable Gains Act 1992 (without extension by section 263C), but only if:
- 38.3.1 all the terms of the agreement under which securities are to be reacquired by the Depositary for the account of the Company are in a form which is acceptable to the Depositary and are in accordance with good market practice;
  - 38.3.2 the counterparty is:
    - (a) an authorised person; or

- (b) a person authorised by a Home State regulator; or
- (c) a person registered as a broker-dealer with the Securities and Exchange Commission of the United States of America; or
- (d) a bank, or a branch of a bank, supervised and authorised to deal in investments as principal, with respect to OTC derivatives by at least one of the following federal banking supervisory authorities of the United States of America: the Office of the Comptroller of the Currency; the Federal Deposit Insurance Corporation; the Board of Governors of the Federal Reserve System; and the Office of Thrift Supervision; and

38.3.3 high quality and liquid collateral is obtained to secure the obligation of the counterparty under the terms referred to in paragraph 38.3.1 and the collateral is:

- (a) acceptable to the Depositary;
- (b) adequate (within the meaning of COLL 5.4.6R; and
- (c) sufficiently immediate.

38.4 The counterparty for the purpose of paragraph 38.3 is the person who is obliged under the agreement referred to in paragraph 38.3.1 to transfer to the Depositary the securities transferred by the Depositary under the stock lending arrangement or securities of the same kind.

38.5 Paragraph 38.3.3 does not apply to a stock lending transaction made through Euroclear Bank S.A./N.V.'s Securities Lending and Borrowing Programme.

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

## 39. **Immovable property**

39.1 It is not intended that the Company or the Funds should have any interest in immovable or movable property.

## **Schedule 2**

### **Eligible Markets**

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

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

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

| <b>Country</b>             | <b>Market</b>                                                                                                                                                                  |
|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Switzerland                | The SIX Swiss Exchange                                                                                                                                                         |
| USA                        | The New York Stock Exchange<br>NASDAQ<br>OTC Markets regulated by the NASD/NASDAQ<br>NYSE Arca.                                                                                |
| Europe (ex UK and Ireland) | Any securities market in the Member States on which transferable securities admitted to official listing are dealt in or traded and, for the avoidance of any doubt, EURONEXT. |

The alternative investment market (AIM) of the International Stock Exchange of the UK and the Republic of Ireland Limited is also an eligible securities market for the purpose of the Fund.

### **Eligible Derivatives Markets**

American Stock Exchange, Australian Securities Exchange (ASX), Chicago Board Options Exchange, CME Group Inc., EUREX, Euronext Amsterdam, Euronext Paris, Copenhagen Stock Exchange, Helsinki Exchanges, Hong Kong Exchanges, The Irish

Stock Exchange, JSE Securities Exchange, Kansas City Board of Trade, Korea Stock Exchange, Euronext London International Financial Futures and Options Exchange, MEFF Renta Fija, MEFF Renta Variable, Montreal Stock Exchange, New York Futures Exchange, New York Mercantile Exchange, New York Stock Exchange, New Zealand Futures and Options Exchange, NYSE Arca, OMLX, Stockholm Borsen, Osaka Securities Exchange, Philadelphia Board of Trade, Singapore Exchange, South Africa Futures Exchange (SAFEX), Tokyo Stock Exchange, Montreal Exchange and Toronto Stock Exchange.

### **Schedule 3**

#### **Sub-Custodians**

As appropriate in line with the Eligible Markets

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

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

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

| <b>Jurisdiction</b>                  | <b>Sub-custodian</b>                                           | <b>Sub-custodian Delegate</b>               |
|--------------------------------------|----------------------------------------------------------------|---------------------------------------------|
| <b>United Arab Emirates (NASDAQ)</b> | The Hongkong and Shanghai Banking Corporation Limited          | HSBC Bank Middle East Limited (DIFC) Branch |
| <b>United Kingdom</b>                | Euroclear UK and Ireland Limited (Northern Trust self-custody) |                                             |
| <b>United States</b>                 | The Northern Trust Company                                     |                                             |
| <b>Uruguay</b>                       | Banco Itau Uruguay S.A.                                        |                                             |
| <b>Vietnam</b>                       | The Hongkong and Shanghai Banking Corporation Limited          | HSBC Bank (Vietnam) Ltd                     |
| <b>West Africa (UEMOA)</b>           | Standard Chartered Bank (Mauritius) Limited                    | Standard Chartered Bank Cote d'Ivoire SA    |
| <b>Zambia</b>                        | Standard Chartered Bank Zambia PLC                             |                                             |
| <b>Zimbabwe</b>                      | The Standard Bank of South Africa Limited                      | Stanbic Bank Zimbabwe Limited               |

## **Schedule 4**

Other Regulated Collective Investment Schemes under management

| <b><u>Authorised Contractual Schemes</u></b> | <b><u>Authorised Open-Ended Investment Companies</u></b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b><u>Authorised Unit Trusts</u></b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| TM Brunel Pension Partnership ACS            | Abaco Fund ICVC<br>Arch House Fund<br>Ariel Fund<br>Bryth ICVC<br>Canterbury Investment Fund<br>CP Investment Funds<br>Destiny Fund ICVC<br>Harroway Capital ICVC<br>Hawarwatza Fund<br>Liberio Portfolio Fund<br>Lime Grove Fund<br>Meadowgate Funds<br>Mellifera OEIC<br>Moulsoe Fund<br>Scarp Fund<br>Seymour Fund<br>Skiwi Fund<br>The Ambrose Fund<br>The Astral Fund<br>The Capital Link Growth Fund<br>The Contact Fund<br>The Diversification Fund ICVC<br>The Dunnottar Fund<br>The Hector Fund<br>The Juniper Fund<br>The Lockerley Fund<br>The Mazener Fund<br>The MCMLXIII Fund<br>The Motim Fund<br>The Northern Funds<br>The Oenoke Fund<br>The Ord Fund ICVC<br>The Overstone Fund<br>The Penare Fund<br>The Redhill Fund<br>The Saint Martins Fund<br>The Staderas Fund<br>The Stratford Fund<br>The TBL Fund<br>The TM Lancewood Fund<br>The TM Mitcham Fund<br>The Torridon Growth Fund<br>The Vinings Fund<br>The Wharton Fund<br>Thesis JDS Fund<br>TM Acer Fund | BPM Trust<br>Eden Investment Fund<br>Elfynn International Trust<br>Glenhuntley Portfolio Trust<br>Hawthorn Portfolio Trust<br>KES Diversified Trust<br>KES Ivy Fund<br>KES Growth Fund<br>KES Income and Growth Fund<br>KES Strategic Investment Fund<br>Latour Growth Fund<br>Lavaud Fund<br>Malachite Return Fund<br>Mossylea Fund<br>Pippin Return Fund<br>The Argo Fund<br>The Blandfield Fund<br>The Castor Fund<br>The Delta Growth Fund<br>The Deribee Funds<br>The Eldon Fund<br>The Endeavour II Fund<br>The Hall Fund<br>The HoundStar Fund<br>The Iceberg Trust<br>The Maiden Fund<br>The Millau Fund<br>The Norfolk Trust<br>The Notts Trust<br>The Palfrey Fund<br>The TM Stockwell Fund<br>The White Hill Fund<br>Thesis Headway Fund<br>Thesis Lion Growth Fund<br>Thesis PM A Fund<br>Thesis PM B Fund<br>Thesis Thameside Managed Fund<br>TM Chainpoint Fund<br>TM Gravis UK Listed Property (Feeder) Fund<br>TM Growth Fund<br>TM Hearthstone UK Residential Feeder Fund<br>TM Managed Fund |

|                          |                            |
|--------------------------|----------------------------|
| TM Admiral Fund          | TM Masonic Charitable      |
| TM Arbuthnot Latham      | Foundation Investment      |
| Funds                    | Fund                       |
| TM Balanced Growth       | TM Merlin Fund             |
| Fund                     | TM New Court Fund          |
| TM Brickwood Funds       | TM New Court Growth        |
| TM Brown Advisory Funds  | Fund                       |
| TM Brunsdon OEIC         | TM New Court Return        |
| TM Castlefield Funds     | Assets Fund                |
| TM Castlefield Portfolio | TM New Institutional       |
| Funds                    | World Fund                 |
| TM Cerno Investment      | TM Preservation Fund       |
| Funds                    | TM Private Portfolio Trust |
| TM Cresswell Fund        | TM Stonehage Fleming       |
| TM First Arrow           | Global Equities Fund       |
| Investment Funds         | TM Stonehage Fleming       |
| TM Gravis Funds ICVC     | Global Equities Umbrella   |
| TM Gravis Real Assets    | Fund                       |
| ICVC                     |                            |
| TM Hearthstone ICVC      |                            |
| TM James Hambro          |                            |
| Umbrella Fund            |                            |
| TM Lime Fund             |                            |
| TM Natixis Investment    |                            |
| Funds U.K. ICVC          |                            |
| TM Navera Investment     |                            |
| ICVC                     |                            |
| TM Oak Fund              |                            |
| TM Oberon Funds ICVC     |                            |
| TM Optimal Funds         |                            |
| TM P1 Investment Funds   |                            |
| TM Quilter Cheviot       |                            |
| Portfolio                |                            |
| 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         |                            |
| Trowbridge Investment    |                            |
| Funds                    |                            |
| Vastata Fund             |                            |

## **Schedule 5**

### **Historical Performance**

Below is the Funds' historical performance. The performance information is over a five year period for total annual return up to 31 December in each year listed.

Where data is not available the table is marked 'N/A'

| <b>Name of Share Class</b>              | <b>2019 (%)</b> | <b>2020 (%)</b> | <b>2021 (%)</b> | <b>2022 (%)</b> | <b>2023 (%)</b> |
|-----------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| TM Lansdowne European Special Sit I EUR | 27.36           | -1.96           | 20.13           | -15.76          | 11.07           |
| TM Lansdowne European Special Sit I GBP | 21.00           | 3.99            | 12.39           | -10.48          | 11.46           |

*Source of performance data: Morningstar*

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.

**These performance figures are presented as a matter of record and should be regarded as such.**

**Performance is determined by many factors including the general direction and volatility of markets and may not be repeatable.**

**The prices of shares, and the income from them, can go down as well as up as a result of changes in the value of the underlying securities and currency movements. An investor may not get back the amount originally invested.**

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

## **Schedule 6**

### **Directory**

|                                                  |                                                                                                                       |
|--------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|
| <b>Authorised Corporate Director</b>             | Thesis Unit Trust Management Limited*<br>Exchange Building, St John's Street, Chichester,<br>West Sussex, PO19 1UP    |
| <b>Depository</b>                                | Northern Trust Investor Services Limited<br>50 Bank Street, London E14 5NT                                            |
| <b>Registered and Head Office of the Company</b> | c/o Thesis Unit Trust Management Limited<br>Exchange Building, St John's Street, Chichester,<br>West Sussex, PO19 1UP |
| <b>Investment Manager</b>                        | Lansdowne Partners (UK) LLP*<br>65 Curzon Street, London, England, W1J 8PE                                            |
| <b>Registrar</b>                                 | SS&C Financial Services Europe Limited<br>SS&C House, St Nicholas Lane, Basildon, Essex<br>SS15 5FS                   |
| <b>Administrator (Fund Accountant)</b>           | Northern Trust Global Services SE, UK Branch<br>50 Bank Street, London E14 5NT                                        |
| <b>Transfer Agent</b>                            | SS&C Financial Services Europe Limited<br>SS&C House, St Nicholas Lane, Basildon, Essex<br>SS15 5FS                   |
| <b>Auditor</b>                                   | Deloitte LLP<br>Saltire Court, 20 Castle Terrace, Edinburgh EH1<br>2DB                                                |
| <b>Dealing Office</b>                            | Thesis Unit Trust Management Limited –<br><br>Lansdowne Partners (UK) LLP<br>PO Box 12248, Chelmsford CM99 2EG        |
| <b>The Financial Conduct Authority (FCA)</b>     | 12 Endeavour Square, London E20 1JN                                                                                   |

\* authorised and regulated by the  
Financial Conduct Authority