



# PROSPECTUS OF TM Stonehage Fleming Global Equities Fund

This document constitutes the Prospectus of the **TM Stonehage Fleming Global Equities Fund** and is dated and valid as at 6 February 2024. This document replaces any previous prospectuses issued by the Fund.

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

A copy of the Prospectus has been sent to the Financial Conduct Authority and to the Trustee.

## IMPORTANT INFORMATION

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

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

The manager of the Fund, Thesis Unit Trust Management Limited (the "**Manager**"), is responsible for the information contained in this Prospectus. To the best of the Manager'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 Manager accepts responsibility accordingly.

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 The Fund cannot be bound by an out of date prospectus when it has issued a new prospectus and investors should check with the Manager that this is the most recently published Prospectus.

**Potential investors should consider the below Risk Factors. There are specific risks, in relation to the Fund, elsewhere in the Prospectus. Investors should consider before investing in the Fund.**

### RISK FACTORS

An investment in the Fund involves a degree of risk and the risk factors which potential investors should consider before investing include the following:

- Collective investment schemes should be regarded as long term investments.
- The value of the Units in the Fund is based upon the value of the underlying investments.
- The value of those investments and the income from them and consequently the value of the Units and the income from them can go down as well as up and are not guaranteed.
- Past performance is not necessarily a guide to future performance.
- The Fund may invest in currencies other than sterling. As a result, exchange rate changes may cause the value of overseas investments to rise or fall, and the value of the Units to go up or down.
- Investors may not get back the amount originally invested.

**Taxation Risk** - Whilst every effort is made to ensure that the taxation information provided herein is accurate and up to date, some of the information may be rendered inaccurate by changes in applicable laws and regulations. For example, the levels and bases of taxation may change. Any reference to taxation relies upon information currently in force. You should note that the bases and rates of taxation may change at any time. A change to the Fund's tax status or changes to the applicable tax legislation in the markets to which the Fund has exposure could affect the value of a Unitholder's Units.

- **Smaller Companies Risk** – The Fund may invest in smaller companies. A fund which invests in smaller companies may fluctuate in value more than other funds. Smaller companies may offer greater opportunities for capital appreciation than larger companies, but may also involve certain special risks. They are more likely than larger companies to have limited product lines, markets or financial resources, or to depend on a small, inexperienced management group and fewer independent board members. Securities of

smaller companies may, especially during periods where markets are falling, become less liquid and experience short-term price volatility and wide spreads between dealing prices. They may also trade in the OTC market or on a regional exchange, or may otherwise have limited liquidity. Consequently investments in smaller companies may be more vulnerable to adverse developments than those in larger companies and more difficulty may be encountered establishing or closing out securities positions in smaller companies at prevailing market prices. Also, there may be less publicly available information about smaller companies or less market interest in the securities, and it may take longer for the prices of the securities to reflect the full value of the issuers' earning potential or assets.

- **Emerging Market Risk** - The Fund may invest in other funds that have exposure to investments in emerging markets and this may involve a higher than average risk. Companies in emerging markets may not be subject:
  - to accounting, auditing and financial reporting standards, practices and disclosure requirements comparable to those applicable to companies in major markets; or
  - to the same level of government supervision and regulation of stock exchanges as countries with more advanced securities markets.

Accordingly, certain emerging markets may not afford the same level of investor protection as would apply in more developed jurisdictions. Substantial government involvement in, and influence on, the economy may affect the value of securities and the currency in certain emerging markets. The reliability of trading and settlement systems in some emerging markets may not be equal to that available in more developed markets, which may result in delays in realising investments.

- **Liquidity Risk** - Liquidity risk exists when particular investments are difficult to purchase or sell. Investments in illiquid securities may reduce the returns of the Fund because it may not be possible to sell the illiquid securities at an advantageous time or price. Investments in foreign securities, derivatives or securities with substantial market and/or credit risk tend to have the greatest exposure to liquidity risk although any securities, including those which are not ordinarily liquid, can also be subject to liquidity risk as a result of particular economic, political or other events which can impact liquidity in securities markets generally. Illiquid securities may be highly volatile and difficult to value.
- **Risks associated with Tax Reporting** - The Fund is required to comply with extensive reporting and withholding requirements under the International Tax Compliance Regulations 2015 (the "Tax Compliance Regulations") and Unitholders may be requested to provide additional information to the Fund to enable the Fund to satisfy these obligations. The Tax Compliance Regulations give effect to an intergovernmental agreement between the US and the United Kingdom in relation to the Foreign Account Tax Compliance Act which is designed to inform the US department of Treasury of US-owned foreign investment accounts. Failure to comply with these requirements will subject the Fund to US withholding taxes on certain US-sourced income and gains. The US Department of Treasury may issue new requirements on the mechanics and scope of this reporting and withholding regime. There can be no assurance as to the timing or impact of any such guidance on future operations of the Fund. The Tax Compliance Regulations also give effect to reporting obligations under the Organisation for Economic Co-Operation and Development's Common Reporting Standard for the Automatic Exchange of Financial Account Information (the "CRS"). Under the CRS, the Fund is required to identify accounts maintained for account holders who are tax resident in the EU or jurisdictions with which the UK has entered into an agreement to automatically exchange tax information and collect and report such information to HM Revenue and Customs.
- **Derivative Risk** - There is no guarantee that the performance of financial derivative instruments invested in will result in a positive effect for the Fund and its investors. The use of financial derivative instruments may result in losses for investors. There is no guarantee

that the Fund will achieve the objective for which it entered into a transaction in relation to EPM.

- **Counterparty Risk** - Many of the instruments that the Fund expects to hold may be subject to the risk that the other party to a contract will not fulfil its contractual obligations. The Fund may enter into derivatives transactions or place cash in bank deposit accounts, which would expose the Fund to the credit of its counterparties and their ability to satisfy the terms of such contracts. In the event of a bankruptcy or insolvency of a counterparty, the Fund could experience delays in liquidating positions and significant losses, including declines in the value of investments during the period in which the Fund seeks to enforce its rights, inability to realise any gains on its investments during such period and fees and expenses incurred in enforcing its rights.
- **Counterparty Risk in OTC Derivative Transactions** - Where the Fund invests in over-the-counter derivatives, there is increased risk that a counterparty may fail to honour its contract. If a counterparty defaults, the Fund may suffer losses as a result.
- **Warrants Risk** - The Fund may, subject to the Rules, invest in warrants. A warrant is a time-limited right (but not an obligation) to subscribe for shares, debentures, loan stock or government securities and is exercisable against the original issuer of the underlying securities. A relatively small movement in the price of the underlying security results in a disproportionately large movement, unfavourable or favourable, in the price of the warrant. The prices of warrants can therefore be highly volatile.
- **Legal Risk** - where contractual relationships are entered into for the purpose of investment, the Manager endeavours to enter into agreements that are based on the laws of England and Wales but it is recognised that in a global environment this cannot always be achieved.
- **Leverage risk** - this exists when the Fund purchases or sells an instrument or enters into a transaction without investing cash in an amount equal to the full economic exposure of the instrument or transaction and the Fund could lose more than it invested. Leveraged transactions multiply the risk of potential losses when position results are contrary to expected market directions, compared to direct holdings, and may add significant risks because of added payment obligations.
- **Data Protection** - The personal details of each applicant for Units and each Unitholder will be held by the Manager and/or the Administrator as its agent in accordance with Data Protection Laws for the purposes of carrying out the Manager's agreement with each Unitholder. This may include the transfer of such data to other members of the Manager's group and to other businesses providing services to the Manager (including their offices outside the UK) where the transfer is necessary for the provision of services in relation to the Manager's role as operator of the Fund. 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 Manager will take steps to ensure that your privacy rights are respected. Unitholders have the right to access their personal data processed by the Manager together with (in certain circumstances) the right to object to the processing of such data for legitimate reasons. A copy of the Manager's Privacy Notice relating to investors is available in the application form, at 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 Manager must check your identity and the source of the money invested. The Manager 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 Units you are giving the Manager permission to ask for this information in line with Data Protection Laws. If you invest through a financial adviser they must fill an identity verification certificate on your behalf and send it to the Manager with your application.

- **Custody Risk** - The Trustee may delegate the function of safekeeping of Financial Instruments to the Custodian, who may in turn appoint a custody agent. The Trustee or Custodian may hold Financial Instruments in fungible accounts (meaning the assets are interchangeable) or omnibus accounts (resulting in accounts being combined). The use of omnibus accounts gives rise to a potential risk that there could be a shortfall in the Financial Instruments held in such an account should the total of the Financial Instruments be less than the aggregate entitlement of the 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 Fund may not recover all of its Financial Instruments.
- **Infectious Diseases** - Infectious diseases that pose significant threats to human health may be highly disruptive to global economies and markets. The economic and market disruptions caused by infectious diseases could significantly impact the value of the Scheme Property of the Fund and the value of distributions paid to Unitholders.
- The price of Units, and any income from them, can go down as well as up, and Unitholders may get back less than they invested. Exchange rates may also cause the value of underlying overseas investments to go down or up. Bonds with lower credit ratings may have a higher risk of defaulting, which may in turn adversely affect the Fund.

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

## CONTENTS

DEFINITIONS .....	8
DIRECTORY .....	13
1. INTRODUCTION – THE FUND.....	14
2. MANAGER .....	14
3. INVESTMENT MANAGER.....	15
4. TRUSTEE .....	16
5. UK GDPR .....	16
6. CONFLICTS OF INTEREST .....	16
7. CUSTODIAN .....	18
8. ADMINISTRATOR AND REGISTRAR .....	18
9. THE REGISTER .....	18
10. AUDITOR .....	19
11. ACCOUNTS .....	19
12. INVESTMENT OBJECTIVE .....	19
13. MAXIMUM MANAGEMENT FEES .....	20
14. REPORTING KEY INFORMATION TO INVESTORS .....	20
15. RISK MANAGEMENT .....	20
16. INVESTMENT POWERS AND LIMITS .....	21
17. ADDITIONAL INVESTMENT POWERS .....	21
18. GENERAL.....	21
19. STOCK LENDING .....	21
20. BORROWING POWERS.....	21
21. ELIGIBLE MARKETS.....	30
22. CHARACTERISTICS OF UNITS .....	30
23. DEALING IN UNITS .....	31
24. BUYING UNITS .....	31
25. SELLING UNITS .....	31
26. ELECTRONIC COMMUNICATIONS .....	31
27. CONVERSION OF UNITS .....	31
28. RESTRICTIONS, COMPULSORY TRANSFER AND REDEMPTION.....	31
29. PROTECTION OF UNITHOLDER CASH .....	31

30.	VALUATION.....	35
31.	MANAGEMENT CHARGES .....	36
32.	ALLOCATION OF THE MANAGER'S ANNUAL MANAGEMENT CHARGE.....	36
33.	EXPENSES PAYABLE OUT OF THE PROPERTY OF THE FUND .....	36
34.	DETERMINATION AND DISTRIBUTION OF INCOME.....	39
35.	UNITHOLDERS' VOTING RIGHTS.....	40
36.	CLASS MEETINGS .....	40
37.	NOTICES TO UNITHOLDERS .....	41
38.	TERMINATION AND AMALGAMATION.....	41
39.	TAXATION .....	42
40.	PERFORMANCE DATA .....	46
41.	GENERAL INFORMATION.....	46
42.	CONFLICTS OF INTEREST .....	46
43.	COMPLAINTS HANDLING .....	46
44.	FINANCIAL SERVICES COMPENSATION SCHEME ("FSCS") .....	46
45.	INVESTORS' CANCELLATION RIGHTS .....	46
46.	BEST EXECUTION .....	46
47.	VOTING STRATEGY .....	46
48.	NON-ACCOUNTABILITY FOR PROFITS.....	46
	APPENDIX I – ELIGIBLE SECURITIES MARKETS .....	49
	APPENDIX II – ELIGIBLE DERIVATIVES MARKETS .....	50
	APPENDIX III – VALUATION AND PRICING.....	51
	APPENDIX IV – LIST OF OTHER AUTHORISED COLLECTIVE INVESTMENT SCHEMES OPERATED BY THE MANAGER.....	56
	APPENDIX V – UNIT CLASSES AND CHARACTERSTICS .....	58
	APPENDIX VI – LIST OF SUB-CUSTODIANS.....	59
	APPENDIX VII – HISTORICAL PERFORMANCE DATA .....	66

## DEFINITIONS

This document is the Prospectus for the **TM Stonehage Fleming Global Equities Fund** (the "**Fund**"). In this Prospectus the below words and expressions shall have the following meanings:

ACD	Authorised Corporate Director;
ACT	the Financial Services and Markets Act 2000;
ADMINISTRATOR	the person to whom the administrative functions of the Fund are delegated from time to time being, as at the date of this Prospectus, Northern Trust Global Services SE, UK Branch;
AFFECTED UNITS	the circumstances described under section entitled 'Restrictions, Compulsory Transfer and Redemption' of this Prospectus;
ANNUAL ACCOUNTING DATE	2 April;
ANNUAL MANAGEMENT CHARGE	the charges payable to the Manager as set out in Appendix V;
APPROVED BANK	(in relation to a bank account opened for the Fund):  (a) if the account is opened at a branch in the UK:  (i) the Bank of England; or  (ii) the central bank of a member state of the OECD; or  (iii) a bank; or  (iv) a building society; or  (v) a bank which is supervised by the central bank or other banking regulator of a member state of the OECD; or  (b) if the account is opened elsewhere:  (i) a bank in (a); or  (ii) a bank which is regulated in the Isle of Man or the Channel Islands; or  (c) a bank supervised by the South African Reserve Bank; or  (d) a credit institution established in an EEA State and duly authorised by the relevant Home State regulator,



	as such definition may be updated in the FCA Glossary from time to time;
AUDITOR	the auditor to the Fund, being PriceWaterhouseCoopers LLP;
BASE CURRENCY	the currency in which the Units, the accounts and the Unitholder's statement will be expressed (in each case GBP(£));
BUSINESS DAY	any day which is not a Saturday, a Sunday or a public holiday on which banks are ordinarily open for business in the City of London;
COLL	the Collective Investment Schemes Sourcebook issued by the FCA, as amended or replaced from time to time;
CCP	as defined in the FCA Glossary
CTA 2009	the Corporation Tax Act 2009;
CUSTODIAN	the person who provides custodian services to the Fund, being The Northern Trust Company, London Branch, and its successor or successors as custodian;
CUT OFF POINT	12 noon on each Business Day being the point prior to which orders to subscribe, redeem, or convert Units must be received by the Manager in order for them to be actioned at the next valuation point;
DATA PROTECTION LAWS	<p>all applicable laws relating to the processing, privacy and/or use of personal data including the following laws to the extent applicable in the circumstances:</p> <ul style="list-style-type: none"> <li>(a) the UK GDPR;</li> <li>(b) the Data Protection Act 2018;</li> <li>(c) any laws which implement any such laws; 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 (in each case whether or not legally binding);</li> </ul>
DEPOSITARY AGREEMENT	the agreement between the Manager and the Trustee pursuant to which the Trustee is appointed as depositary to the Fund;
EEA	the European Economic Area;

EEA STATE	a member state of the European Union and any other state which is within the EEA;
ELIGIBLE INSTITUTION	one of the eligible institutions as defined in the FCA Glossary;
EMIR	has the meaning set out in the FCA Glossary;
EPM	Efficient portfolio management, which refers to techniques and instruments which relate to transferable securities and approved money-market instruments and which fulfil the following criteria: <ul style="list-style-type: none"> <li>(a) they are economically appropriate in that they are realised in a cost effective way;</li> <li>(b) they are entered into for one or more of the following specific aims: <ul style="list-style-type: none"> <li>(i) reduction of risk;</li> <li>(ii) reduction of cost;</li> <li>(iii) generation of additional capital or income for the Fund with a risk level which is consistent with the risk profile of the Fund and the risk diversification rules laid down in COLL.</li> </ul> </li> </ul>
EU	the European Union;
EUWA	as defined in the FCA Glossary;
FCA	the Financial Conduct Authority or any successor body. The office address for the Financial Conduct Authority is set out in the directory of this Prospectus;
FCA GLOSSARY	the glossary giving the meanings of the defined expressions used in the FCA Handbook as amended from time to time;
FCA HANDBOOK	the FCA's Handbook of rules and guidance, including COLL, as amended from time to time;
FCA RULES	the rules contained in COLL but, for the avoidance of doubt, not including guidance or evidential requirements contained in COLL;
FINANCIAL INSTRUMENTS	as defined in the FCA Glossary;
FUND	TM Stonehage Fleming Global Equities Fund;
HOME STATE	as defined in the FCA Glossary;
INCOME UNIT	a Unit which distributes its income;
INTERIM ACCOUNTING DATE	2 October;
INTERNATIONAL COMPLIANCE REGULATIONS TAX	the International Tax Compliance Regulations 2015 (SI 2015/878), as amended or re-enacted from time to time;

INVESTMENT MANAGER	Stonehage Fleming Investment Management Limited ;
MANAGER	Thesis Unit Trust Management Limited;
NAV	net asset value;
NEW UNITS	the Units acquired by a Unitholder as a result of a conversion of Units, as described under paragraph 27 of this Prospectus;
NON-UCITS SCHEME	RETAIL an authorised fund which is not a UK UCITS, a qualified investor scheme or a long-term asset fund;
OCF	ongoing charges figure;
OECD	the Organisation for Economic Co-operation and Development;
OLD UNITS	the Units disposed of by a Unitholder as part of a conversion of Units, as described under paragraph 27 of this Prospectus;
OTC	over the counter;
PRN	the product reference number assigned by the FCA to identify each authorised fund;
REGISTER	the register of Unitholders of the Fund;
REGISTRAR	the person who maintains the register, being Northern Trust Global Services SE, UK Branch and its successor or successors as registrar;
RELEVANT CIRCUMSTANCES	the circumstances described under section entitled 'Restrictions, Compulsory Transfer and Redemption' of this Prospectus;
RULES	the rules as set forth by the FCA in its Handbook of Rules and guidance;
SCHEME PROPERTY	as defined in the FCA Glossary;
SDRT	stamp duty reserve tax;
TRUST DEED	the deed constituting the Fund and made between the Manager and the Trustee as may be amended, restated or supplemental from time to time by agreement between the Manager and the Trustee;
TRUSTEE	the Trustee to the Fund, being Northern Trust Investor Services Limited;
UCITS DIRECTIVE	the European Parliament and Council Directive of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (No 2009/65/EC), as amended;
UK OR UNITED KINGDOM	the United Kingdom of Great Britain and Northern Ireland;

UK GDPR	Regulation 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (General Data Protection Regulation) as it forms part of the law of England and Wales, Scotland and Northern Ireland by virtue of section 3 of the EUWA, and any statutory instruments that the UK government makes to amend deficiencies in retained European Union law by virtue of section 8 of the EUWA (as may be amended from time to time) following the UK's withdrawal from the European Union;
UK UCITS	as defined in the FCA Glossary;
UNIT(S)	a unit in a fund (or a fraction);
UNITED STATES OR US	the United States of America, its territories and possessions, any state of the United States, and the District of Columbia;
UNITHOLDER(S)	a holder of a Unit in a Fund;
US PERSON	<p>a person who is in either of the following two categories:</p> <ul style="list-style-type: none"> <li>(a) a person included in the definition of "U.S. person" under Rule 902 of Regulation S under the 1933 Act; or</li> <li>(b) a person excluded from the definition of a "Non-United States person" as used in Commodity Futures Trading Commission ("<b>CFTC</b>") Rule 4.7.</li> </ul> <p>For the avoidance of doubt, a person is excluded from this definition of US Person only if they are outside both the definition of "U.S. person" in Rule 902 and the definition of "Non-United States person" under CFTC Rule 4.7; and</p>
VAT	value added tax.

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

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

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

Unless otherwise defined in the "Definitions" above or elsewhere in this Prospectus, words or expressions defined in, or for the purposes of, the 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.

## DIRECTORY

Manager	<b>Thesis Unit Trust Management Limited</b> Exchange Building St John's Street Chichester, West Sussex, PO19 1UP
Trustee	<b>Northern Trust Investor Services Limited</b> 50 Bank Street London E14 5NT
Dealing Office	<b>Thesis Unit Trust Management Limited</b> Sunderland SR43 4AZ
Custodian	<b>The Northern Trust Company, London Branch</b> 50 Bank Street, London E14 5NT
Administrator Registrar	and <b>Northern Trust Global Services SE, UK Branch</b> 50 Bank Street, London E14 5NT
Auditor	<b>PriceWaterhouseCoopers LLP</b> Southwark Towers 1 Embankment Place, London Bridge Street London WC2N 6RH
Investment Manager	<b>Stonehage Fleming Investment Management Limited</b> 6 St James's Square London SW1Y 4JU
FCA	12 Endeavour Square London E20 1JN

## 1. INTRODUCTION – THE FUND

The TM Stonehage Fleming Global Equities Fund is an authorised unit trust scheme established under the Act and is a UK UCITS. The Fund is established in the UK and will be marketed to the public in the UK. It is not intended that the Fund will be marketed outside the UK. The Fund was authorised by the Financial Services Authority (the predecessor to the Financial Conduct Authority and the Prudential Regulation Authority) on 24 August 1992.

The Fund FCA product reference number (PRN) is 153833.

Unitholders are not liable for the debts of the Fund.

The base currency of the Fund is sterling. The circumstances in which the Fund may be wound up set out at paragraph 42 (Termination).

The Fund's investment objectives, policy for achieving these objectives, and limitations on this investment policy are set out at paragraph 12 (Investment Objective) and paragraph 16 (Investment Powers).

Historical performance data of the Fund is set out in Appendix VII.

### A. Investor Profile

The Fund is marketable to all retail investors. The Fund aims to provide capital growth predominantly through investment in a selection of the Investment Manager's and other fund managers' equity collective investment schemes. It may be suitable for investors who are seeking long-term growth potential by investing predominantly in equities, although the Fund can also invest in other asset classes as well.

Investors should regard their investment as long-term. Before investing, investors should read this Prospectus and the Fund's Key Investor Information Document, which is available from the Manager's website <https://www.tutman.co.uk/>.

## 2. MANAGER

The Manager 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 address of the Manager is Exchange Building, St John's Street, Chichester, West Sussex, PO19 1UP.

The Manager has issued and paid up share capital of £5,673,167.

The Manager is regulated by the FCA, whose registered office is set out in the Directory.

### A. Directors of the Manager

The directors of the Manager are:

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

C J Willson  
N C Palios

Independent Non-Executive Director  
Non-Executive Chair

D W Tyerman and S R Mugford also hold directorships of other companies within the Thesis group and perform senior management roles within these companies, particularly Thesis Asset Management Limited, which acts as an investment manager for some authorised funds operated by the Manager.

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

The Manager is the authorised fund manager to other regulated collective investment schemes. Details of these schemes, as at the date of this Prospectus, are listed in Appendix IV.

The Manager is responsible for the overall investment management and administration of the Fund.

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

- a) the Manager has delegated its day-to-day responsibility for investment management to the Investment Manager; and
- b) the Manager has delegated certain administrative functions to Northern Trust Global Services SE, UK Branch, including registrar, fund accounting, valuation, calculation and transfer agency services.

## **B. Manager's Remuneration Policy**

The Manager 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. The policy does not encourage risk-taking that is inconsistent with the risk profile of the Manager or the Fund. The Remuneration Policy does not impair compliance with the Manager's duty to act in the best interests of the Fund. 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 or 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 Manager.

Details of conflicts of interest are set out at paragraph 51.

## **3. INVESTMENT MANAGER**

The Manager is responsible for the overall investment management and administration of the Fund. The Manager has delegated its day-to-day responsibility for investment management to Stonehage Fleming Investment Management Limited appointed as investment manager (the "**Investment Manager**").

The appointment of the Investment Manager has been made under an agreement between the Manager and the Investment Manager (the "**Investment Management Agreement**"). The Investment Manager has full discretionary powers over the investment of the part of the property of the Fund entrusted to it subject to the overall responsibility and right of veto of the Manager. The Investment Management Agreement may be terminated immediately by the Manager if it is in the interests of investors.

The Investment Management Agreement contains provisions to the following effect:

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

The Investment Manager's main duties are to give its best advice about the management, purchase, sale or retention of investments for the Fund and to keep the Fund's investments under constant review. The Investment Manager has responsibility for the selection of investments for the Fund and is permitted to make investment decisions on a day-to-day basis. The Investment Manager must give such advice and make such investment decisions as are consistent with the investment objective of the Fund, the terms of the Trust Deed and the Rules.

The Investment Manager is paid by the Manager from the Annual Management Charge for the Fund set out in Appendix V.

#### 4. TRUSTEE

The Trustee of the Fund is Northern Trust Investor Services Limited, a private limited company, incorporated on 29 April 2020 with company number 12578024. Its registered office and head office is at the address set out in the Directory.

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

The Trustee'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.

The Trustee is responsible for the safekeeping of all the Scheme Property of the Fund and must ensure that the Fund is managed in accordance with the Trust Deed and the provisions of COLL relating to the pricing of, and dealing in, Units and relating to the income and the investment and borrowing powers of the Fund. The Trustee is also responsible for monitoring the cash flows of the Fund, and must ensure that certain processes carried out by the Manager are performed in accordance with the Rules, this Prospectus and the Trust Deed.

##### A. Terms of Appointment

The appointment of the Trustee has been made under an agreement (as amended and novated from time to time) between the Fund, the Manager and the Trustee (the **"Depositary Agreement"**).

The Depositary Agreement is terminable on receipt of six months' written notice given by either party. In the event that the Trustee indicates that it wishes to retire as trustee of the Fund, the Fund shall use its best endeavours promptly to appoint a duly qualified replacement for the Trustee. If no such person has been appointed to replace the Trustee by the expiry of 3 months from the end of the period of notice, the Manager will co-operate with the Trustee in giving notice to the FCA of a proposal to wind up the affairs of the Fund.



## B. Delegation

Subject to the Rules, the Trustee has full power under the Depositary Agreement to delegate (and authorise its delegate to sub-delegate) any part of its duties as Trustee. As a general rule, where the Trustee delegates any of its custody functions to a delegate, the Trustee 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 Trustee. The use of clearing or settlement systems or order routing systems, does not constitute a delegation by the Trustee of its functions. As at the date of this Prospectus, it has delegated custody services to The Northern Trust Company, London Branch (the "**Custodian**").

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

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

Up to date information regarding (i) the Trustee's name, (ii) the description of its duties and any conflicts of interest that may arise between the Trustee and the Fund, the Unitholders or the Manager, and (iii) the description of any safekeeping functions delegated by the Trustee, 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 Unitholders on request.

The Trustee is entitled to receive remuneration out of the Scheme Property of the Fund as explained under the heading "Expenses Payable out of the Property of the Fund" below.

## 5. UK GDPR

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

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 Unitholder who provides the Manager, 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.

## 6. CONFLICTS OF INTEREST

The Trustee may act as the depositary of other open-ended investment companies and as trustee or custodian of other collective investment schemes. The Trustee has delegated custody services to The Northern Trust Company, London Branch ("**Custodian**"). The Northern Trust Company has sub-delegated custody services to sub-custodians in certain markets in which the Fund may invest.

It is possible that the Trustee 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 Fund and/or other funds managed by the Manager or other funds for which the Trustee acts as the depositary, trustee or custodian.

There may also be conflicts arising between the Trustee and the Fund, the Unitholders or the Manager. In addition, the Trustee also has a regulatory duty when providing the services to

act solely in the interests of Unitholders and the Fund. In order to comply with this requirement, the Trustee may in some instances be required to take actions in the interests of Unitholders and the Fund where such action may not be in the interests of the Manager.

From time to time conflicts may arise from the appointment by the Trustee 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 the Investment Manager, if applicable.

The Trustee 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 Trustee 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 Fund 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 Rules and its duties to the Fund and to the Manager.

The Trustee (and any of its affiliates) may effect, and make a profit from, transactions in which the Trustee (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 Trustee's duty to the Fund.

This includes circumstances in which the Trustee or any of its affiliates or connected persons: acts as market maker in the investments of the Fund; provides broking services to the Fund 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 Fund; acts in the same transaction as agent for more than one client; has a material interest in the issue of the investments of the Fund; or earns profits from or has a financial or business interest in any of these activities.

The Trustee 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 Trustee 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 Trustee issues to be properly identified, managed and monitored.

## 7. CUSTODIAN

The custodian of the Fund's assets is The Northern Trust Company, London Branch, whose address is set out in the Directory. See paragraph 4 about sub-delegated custody services.

## 8. ADMINISTRATOR AND REGISTRAR

The Registrar for the Fund is Northern Trust Global Services SE, UK Branch.

Northern Trust Global Services SE, UK Branch handles the fund accounting and fund administration functions for the Fund. The address for Northern Trust Global Services SE, UK Branch is set out in the Directory of this Prospectus.

## 9. THE REGISTER

The Registrar maintains the Register, which is kept and can be inspected at 50 Bank Street, London E14 5NT.

## 10. AUDITOR

The auditor for the Fund is PricewaterhouseCoopers LLP, whose registered office is at the address set out in the Directory.

## 11. ACCOUNTS

Annual accounts for the Fund will be prepared as at the Annual Accounting Date and will be audited by the Auditor. Interim accounts will be prepared as at the Interim Accounting Date but will not be audited.

Long reports will be published within four months of the Annual Accounting Date and two months of the Interim Accounting Date. Long reports may be inspected at and obtained from the Manager at the address set out in the Directory.

## 12. INVESTMENT OBJECTIVE

The objective of the Fund is to achieve capital growth, net of fees, over a 5 year rolling period.

### INVESTMENT POLICY

The Fund's core exposure (in excess of 80%) will be to global equities gained predominantly (80% or more) through investment in collective investment vehicles. These may be managed or operated by the Manager or the Investment Manager (or an associate of the Manager or the Investment Manager). Exposure to global equities may also be attained via direct investment.

The Fund may also invest (directly or indirectly) in bonds, government and public securities, warrants, money market instruments, deposits and cash or near cash investments.

At times, where it is considered appropriate, for example in exceptional market conditions (such as high volatility) or pending investment, the property of the Fund may not be fully invested but may be held in cash or near cash. Prudent levels of liquidity will be maintained in order to reduce risk and preserve capital.

**The Fund may use derivatives for Efficient Portfolio Management (EPM) (including hedging). The use of derivatives is expected to be limited and is not intended to increase the risk profile of the Fund.**

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

### A. Performance Comparator

The Fund uses the ARC Equity Risk PCI peer group for performance comparison purposes only. The benchmark is not a target benchmark and the fund is not constrained by it.

The ARC Equity Risk PCI peer group is a risk based index that is designed to provide an accurate reflection of the actual returns an investor can expect for a given risk appetite. For the ARC Equity Risk PCI peer group the relative risk to equity markets is 80-120%. This peer group has been selected as a comparator for performance because this risk is closely aligned with the Fund's equity exposure as defined in the Investment Policy.

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

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

### **Changes to Investment Strategy or Policy**

The Manager will inform investors of any material changes to investment strategy or policy in accordance with the Rules.

#### **13. MAXIMUM MANAGEMENT FEES**

The maximum management fees are as follows:

##### **A. Manager's Annual Management Charge**

The Annual Management Charge is expressed as a percentage of the Fund's net asset value (NAV). The current level of Annual Management Charge payable by the Fund is set out in Appendix V.

It is calculated and accrued on a daily, weekly or other frequency using the average NAV of the Fund and is paid by the Fund on a set frequency, usually monthly, in arrears. The maximum level of Annual Management Charge that the Manager may charge to the Fund is 2%. The Manager will also not invest the Fund in other funds subject to a baseline management fee of more than 2%.

##### **B. Other Charges**

Information on the ongoing charges figure (OCF) is set out at paragraph (Expenses Payable out of The Property of The Fund). The OCF expresses the costs of running the Fund as a single figure. It does not include the costs of buying or selling investments.

##### **C. Investment Manager's Performance Fee**

The Investment Manager does not charge a performance fee to the Fund but the Investment Manager may invest the Fund in other funds that do have a performance fee. Where the Investment Manager invests the Fund into other funds that have a performance fee, there may be no limit (cap) on the performance fee.

##### **D. Investment Manager's Fee**

See paragraph 36A for information on the Investment Manager's fee.

##### **E. Administration fees and charges of the Fund**

These fees are set out at paragraph 37 (Expenses Payable out of The Property of The Fund).

##### **F. Trustee's fee**

These fees are set out at paragraph 23 (Expenses Payable out of The Property of The Fund).

#### **14. REPORTING KEY INFORMATION TO INVESTORS**

The Manager is required to inform investors how and when they intend to report key information to them. The Manager intends to provide the information set out below on at least an annual basis via the Fund's annual report or in some cases via the Manager's website – <https://www.tutman.co.uk/>.

#### **15. RISK MANAGEMENT**

The Manager uses a risk management process (including a risk management policy) enabling it to monitor and measure at any time the risk of the Fund's positions and their contribution to the overall risk profile of the Fund.

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

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

The Manager must assess, monitor and periodically review:

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

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

## 16. INVESTMENT POWERS AND LIMITS

The investment objective and policy of the Fund is subject to the limits on investment and borrowing under COLL 5 which is summarised below.

Investment in collective investment schemes:

The Fund may invest in units of other collective investment schemes ("**second schemes**") provided that the second scheme satisfies all of the following conditions:

(a) the second scheme must:

- (i) be a UK UCITS or satisfy the conditions necessary for it to enjoy the rights conferred by the UCITS Directive as implemented in the EEA;
- (ii) 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);
- (iii) be authorised as a Non-UCITS retail scheme (provided the requirements of COLL 5.2.13AR(1), (3) and (4) are met);
- (iv) be authorised in an EEA State (provided the requirements of COLL 5.2.13AR are met); or
- (v) be authorised by the competent authority of an OECD member country (other than an EEA State) which has:
  - a. signed the IOSCO Multilateral Memorandum of Understanding; and
  - b. approved the scheme's management company, rules and depositary/custody arrangements (provided the requirements of COLL 5.2.13AR are met);

- (b) the second scheme must comply, where relevant, with COLL 5.2.15R and COLL 5.2.16R;
- (c) the second scheme must have terms which prohibit more than 10% in value of the Scheme Property consisting of units in collective investment schemes; and
- (d) where the second scheme is an umbrella, the provisions in (b) and (c) and COLL 5.2. apply to each sub-fund as if it were a separate scheme,

provided that no more than 30% of the value of the Fund may invest in second schemes within (a)(ii) to (v) above.

The Fund may invest in and dispose of, and the Scheme Property of the Fund may include units of a fund managed or operated by the Manager or an associate of the Manager. No charge will be made for the issue or redemption of those units.

Up to 100% in value of the property of the Fund may be invested in units in second schemes, although not more than 20% in value of the property of the Fund is to consist of the units of any one collective investment scheme.

The requirements of COLL 5.2.13AR are that:

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

## 17. ADDITIONAL INVESTMENT POWERS

As indicated above, the Fund will invest primarily in other collective investment schemes. Nevertheless, the Rules give the Fund the ability to invest in other Financial Instruments, as set out below.

The Fund may invest in transferable securities (including warrants), approved money-market instruments, units in collective investment schemes, derivatives and forward transactions and deposits.

#### TRANSFERABLE SECURITIES

Transferable securities held within the Fund must be:

- (a) admitted to or dealt in on an eligible market within COLL 5.2.10R(1)(a); or
- (b) dealt in on an eligible market within COLL 5.2.10R(1)(b); or
- (c) admitted to or dealt in on an eligible market within COLL 5.2.10 R(2); or
- (d) recently issued transferable securities, provided that the terms of issue include an undertaking that application will be made to be admitted to an eligible market, and such admission is secured within a year of issue.

Up to 10% of the Scheme Property may be invested in transferable securities other than the ones referred to above. This does not include units of collective investment undertakings.

The investment policy of the Fund may mean that at times it is appropriate not to be fully invested but to hold cash or near cash. This may occur in furtherance of the Fund's objectives, or when the Manager reasonably regards it as necessary to enable Units to be redeemed, or for the efficient management of the Fund, or for a purpose which may reasonably be regarded as ancillary to the investment objectives of the Fund.

Up to 5% in value of the Scheme Property may consist of transferable securities and approved money-market instruments issued by any single body. However, up to 10% in value of the Scheme Property may be invested in those securities and instruments (or certificates representing those securities) issued by a single body if the value of all such holdings combined does not exceed 40% of the value of the Scheme Property. Up to 20% in value of the Scheme Property of the Fund can consist of transferable securities and approved money-market instruments issued by the same group.

#### GOVERNMENT AND PUBLIC SECURITIES

Where no more than 35% of the Scheme Property may be invested in government and public securities ("**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.

Notwithstanding the foregoing and except where the investment policy of the Fund is inconsistent with this, there is no limit on the amount of the Scheme Property which may be invested in such securities issued by any one body. **Up to 100% of the Scheme Property may be invested in government and public securities issued by or on behalf of or guaranteed by a single named issuer which may be one of the following: the government of the United Kingdom and Northern Ireland, the governments of Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain and Sweden and the governments of Australia, Canada, Japan, New Zealand, Switzerland and the United States of America.**

**If, however, more than 35% in value of the Scheme Property is invested in**

**government and public securities issued by any one body:**

- (a) the Manager must before any such investment is made consult with the Trustee and as a result considers that the issuer of such securities is one which is appropriate in accordance with the investment objective of Fund;**
- (b) no more than 30% in value of the Scheme Property may consist of such securities of any one issue;**
- (c) the Scheme Property must include such securities issued by that or another issuer, of at least six different issues; and**
- (d) the disclosures in COLL 4.2.5R(3)(i) have been made.**

#### WARRANTS AND PARTLY PAID SECURITIES

Up to 5% in value of the Scheme Property may consist of warrants, provided that warrants may only be held if it is reasonably foreseeable that the exercise of the rights conferred by the warrants will not contravene the Rules.

Securities on which any sum is unpaid may be held provided that it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by the Fund at any time when the payment is required without contravening the rules in COLL 5.

#### APPROVED MONEY-MARKET INSTRUMENTS

Up to 100% in value of the Scheme Property can consist of approved money-market instruments, provided the approved money-market instrument is:

- (a) admitted to or dealt in on an eligible market within COLL 5.2.10R(1)(a); or
- (b) dealt in on an eligible market within COLL 5.2.10R(1)(b); or
- (c) admitted to or dealt in on an eligible market within COLL 5.2.10 R(2); or
- (d) for an approved money-market instrument not admitted to or dealt in on an eligible market, within COLL 5.2.10AR(1).

Notwithstanding the above, up to 10% of the Scheme Property may be invested in money-market instruments which do not meet the criteria above.

The Fund may invest in an approved money-market instrument if:

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



## DEPOSITS

Up to 20% in value of the Scheme Property can consist of deposits with a single body. The Fund may only invest in deposits 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.

## DERIVATIVES AND FORWARD TRANSACTIONS

There is no upper limit on the use of transactions in derivatives or forward transactions for the Fund but they must satisfy the following conditions:

1. A transaction in a derivative must:
  - a. be in an approved derivative; or
  - b. be one which complies with COLL 5.2.23R.
2. The underlying of a transaction in a derivative must consist of any one or more of the following to which the Fund is dedicated:
  - a. transferable securities permitted under COLL 5.2.8 R(3)(a) to (c) and COLL 5.2.8R(3)(e);
  - b. approved money-market instruments permitted under COLL 5.2.8R(3)(a) to COLL 5.2.8R(3)(d);
  - c. deposits permitted under COLL 5.2.26R;
  - d. derivatives permitted under COLL 5.2.20R;
  - e. collective investment scheme units permitted under COLL 5.2.13R;
  - f. financial indices which satisfy the criteria set out in COLL 5.2.20AR;
  - g. interest rates;
  - h. foreign exchange rates; and
  - i. currencies.
3. A transaction in an approved derivative must be effected on or under the rules of an eligible derivatives market;
4. A transaction in an approved derivative must not cause the Fund to diverge from its investment objective as stated in the most recently published version of this Prospectus;
5. A transaction in an approved 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.
6. Any forward transaction must be made with an Eligible institution or an Approved Bank.

7. A derivative includes an instrument which fulfils the following criteria:
- a. it allows the transfer of credit risk of the underlying independently from the other risks associated with that underlying;
  - b. it does not result in the delivery or transfer of assets other than referred to in COLL 5.2.6AR including cash;
  - c. in the case of an OTC derivative, it complies with the requirements in COLL 5.2.23R;
  - d. its risks are adequately captured by the risk management process of the Manager, and by its internal control mechanisms in the case of risks of asymmetry of information between the Manager 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; and
8. The Fund may not undertake transactions in derivatives on commodities.

#### OTC TRANSACTIONS IN DERIVATIVES:

A transaction in an OTC derivative must be:

1. with an approved counterparty; a counterparty to a transaction in derivatives is approved only if the counterparty is:
  - a) an Eligible Institution or 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; or
  - 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; and
2. on approved terms; the terms of the transaction in derivatives are approved only if the Manager:
  - a. carries out at least daily, a reliable and verifiable valuation of the 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 fair value;
3. capable of reliable valuation; a transaction in derivatives is capable of reliable valuation only if the Manager 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 basis of an up-to-date market value which the Manager and Trustee have agreed is reliable; and
  - b. where the value referred to in a. is not available, on the basis of a pricing model which the Manager and Trustee have agreed uses an adequate recognised methodology; and
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 Manager is able to check it; or
  - b. a department within the Manager which is independent from the department in charge of managing the Scheme Property and which is adequately equipped for such a purpose.

The jurisdictions that fall within 1.e) above are Australia, France, Germany, Hong Kong, Italy, Japan, the Netherlands, Singapore, Spain, Switzerland, and the United States of America.

**Use of derivatives must be supported by a risk management process maintained by the Manager which should take account of the investment objective and policy of the Fund and the Rules.** The types of derivative transactions that can be entered into by the Fund are those that are permitted under EPM. The risk management process that is in place to monitor such transactions is therefore based on EPM which is designed to reduce risk and/or reduce cost and/or generate additional income or capital.

The Manager invests in derivatives for EPM purposes as a strategy to reduce risk (hedging, for example, by purchasing put options), to implement a strategy which is driven by cost budgets and liquidity considerations (to take a directional view, for example, by investing in futures) and where the use of derivatives is the only way to implement a strategy (to raise additional income, for example, through a dividend swap or by the writing of call options).

A transaction in derivatives or forward transaction is to be entered into only if the maximum exposure, in terms of the principal or notional principal created by the transaction to which the scheme is or may be committed by another person is covered under (i):

- i. Exposure is covered if adequate cover from within the property of the Fund is available to meet its total exposure, taking into account the value of the underlying assets, any reasonably foreseeable market movement, counterparty risk, and the time available to liquidate any positions.
- ii. Cash not yet received into the property of the Fund, but due to be received within one month, is available as cover for the purposes of (i).
- iii. Property the subject of a stock lending transaction is only available for cover if the Manager has taken reasonable care to determine that it is obtainable (by return or re-acquisition) in time to meet the obligation for which cover is required.
- iv. The exposure relating to derivatives held in the Fund may not exceed the net value of its property.

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

Counterparty risk exposures will be aggregated across both financial derivative instruments and EPM techniques.

In applying the above limits 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 or money-market instruments issued by; or
- b. deposits made with; or
- c. exposures from OTC derivatives transactions made with;  
a single body.

The following types of risks are relevant in relation to EPM of the Fund:

- **Market risk** – which is the risk of losses due to adverse market movements in the price of the assets held by the Fund or rates or changes in the anticipated or calculated volatility of these movements (volatility risk).
- **Interest rate risk** – the risk that changes to an interest rate will have an adverse impact on the market value of a portfolio.
- **Foreign exchange (FX) risk** – the risk that an asset held in the Fund in a currency other than the Base Currency of the Fund may be affected by changes in the exchange rate between the two currencies.
- **Counterparty-risk** - the risk of the inability of any counterparty to perform its obligations. If a counterparty defaults, the Fund may suffer losses as a result.

The following techniques are included in the EPM of the Fund:

- **Hedging** – where the Manager may manage market and FX risk related to assets held in the Fund by using derivatives to reduce any perceived loss. In relation to FX hedging this includes the use of cross currency hedging techniques.
- **Cash flow management** – where the Manager may manage market risk following cash flows into the Fund by using derivatives to gain an exposure to an individual asset or obtain the desired exposure to an index. Thereafter the Manager may retain the position whilst it remains appropriate to manage subsequent inflows and outflows of cash efficiently.
- **Asset allocation** – where the Manager may manage market risk by using derivatives to achieve a desired exposure to an index, basket of assets, or between different markets. The derivatives positions will be closed out where the Manager has achieved the desired exposure by the buying or selling of the underlying stock, but there is no fixed time limit within which this closing out will take place.
- Buying and selling protection – where the Manager may:
  - Sell protection, i.e. gain long equity exposure, for example, through index options where the objectives of the Fund can be achieved at lower risk and/or cost than transacting in the underlying assets; and
  - Buy protection, i.e. gain short equity exposure, for example, through index options for hedging purposes.

- Overwriting/Yield enhancement - where the Manager will look to generate additional income in the Fund by writing options on assets held, provided this is consistent with the Fund's investment objective. Such techniques are in addition to, and separate from, any income derived from permitted stock lending activities.

The aim of any derivative or forward used for EPM purposes is not to materially alter the risk profile of the Fund, rather their use is to assist the Manager in meeting the investment objectives.

**There is no guarantee that the performance of financial derivative instruments entered into for EPM will result in a positive effect for the Fund and its investors. The use of financial derivative instruments may result in losses for investors.**

**There is no guarantee that the Fund will achieve the objective for which it entered into a transaction in relation to EPM.**

#### REPLICATING AN INDEX

The Fund may invest up to 20% in value of the Scheme Property in shares and debentures which are issued by the same body where its investment policy is to replicate the composition of an index whose composition is sufficiently diversified, which is an appropriate benchmark for the market to which it refers and which is published in an appropriate manner.

The limit in the preceding paragraph can be raised for the Fund up to 35% in value of the Scheme Property, but only in respect of one body and where justified by exceptional market conditions.

At present, the Fund does not aim to replicate an index.

#### CONCENTRATION

The Fund must not hold more than:

- 10% of the transferable securities (other than debt securities) issued by a body corporate which do not carry rights to vote on any matter at a general meeting of that body; or
- 10% of the debt securities issued by any single body; or
- 10% of the approved money-market instruments issued by any single body; or
- 25% of the units in a collective investment scheme.

The Manager must not acquire, or cause to be acquired for the Fund, transferable securities issued by a body corporate and carrying rights to vote (whether or not on substantially all matters) at a general meeting of the body corporate if:

- (a) immediately before the acquisition, the aggregate of any such securities held for the Fund, taken together with any such securities already held for other authorised unit trusts or authorised contractual schemes of which it is also the authorised fund manager, gives the Manager power significantly to influence the conduct of business of that body corporate; or
- (b) the acquisition gives Manager that power.

For the purposes of (a) and (b) above, the Manager 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 for all the authorised unit trusts or authorised contractual schemes of which

it is the authorised fund manager, 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).

## 18. GENERAL

Underwriting and sub-underwriting contracts and placings may also, subject to certain conditions set out in the Rules, be entered into for the account of the Fund.

It is not intended that the Fund will have an interest in immovable property or tangible movable property.

## 19. STOCK LENDING

The Fund has power to engage in stock lending in the manner permitted by, and subject to the requirements of, the Rules. There is no limitation on the value of the property of the Fund that may be the subject of permitted stock lending transactions. However, currently the Fund does not engage in stock lending and the Manager does not anticipate that the Fund will engage in stock lending in the future.

## 20. BORROWING POWERS

The Fund may, subject to the Rules, borrow money from an Eligible Institution or an Approved Bank on the terms that the borrowing is to be repayable out of the Scheme Property.

Borrowing must be on a temporary basis and must not be persistent and in any event must not exceed three months without the prior consent of the Trustee, which may be given only on such conditions as appear appropriate to the Trustee to ensure that the borrowing does not cease to be on a temporary basis.

The Manager must ensure that the borrowing does not, on any business day, exceed 10% of the value of the property of the Fund.

These borrowing restrictions do not apply to "back to back" borrowing to be cover for transactions in derivatives and forward transactions.

Derivatives and forward transactions may be used for the Fund for the purposes of hedging or EPM purposes.

Investors may obtain on request information relating to the quantitative limits applying in the risk management of the Fund, the risk management methods which are used in relation to the Fund and any recent developments in the risk and yields of the main categories of investments held in the Fund.

## 21. ELIGIBLE MARKETS

In order to qualify as an approved security, the market upon which a security is traded must meet certain criteria as laid down in COLL.

A list of eligible securities markets and eligible derivatives markets on which the Fund may deal appears in Appendices I and II at the end of this Prospectus.

## 22. CHARACTERISTICS OF UNITS

Units in the Fund are Income Units priced in pounds sterling which is the base currency of the Fund. All Units are registered units.

As at the date of this Prospectus, the classes of Unit available, and the terms attaching to them, are as set out in Appendix V. Further classes of Unit may be issued in accordance with the Trust Deed. References to "Units" are to all classes of Units, unless specific classes of unit are specified.

Each Unit class will be charged with the liabilities, expenses, costs and charges of the Fund attributable to that Unit class.

Each holder of a Unit is entitled to participate in the property of the Fund and any income arising from it. A Unitholder's right, as represented by their Units, is a beneficial interest under a trust.

When more than one Unit class is available, Unitholders are entitled (subject to certain restrictions) to convert all or part of their Units in one class for Units of a different class. Details of this facility and the restrictions are set out below under the heading "Conversion of Units".

Certificates are not issued to Unitholders. The Register is the sole evidence of title. Details of Register entries are available from the Registrar on request.

Unitholders are not liable for the debts of the Fund. Units in the Fund are not listed or dealt on any investment exchange.

## 23. DEALING IN UNITS

Units may normally be bought, sold, and converted on any UK working day between 9:00am and 5:00pm. The assets of the Fund are valued at 10:30pm daily and deals will be executed at a forward price (that is, the next price calculated after receipt of instructions).

The Manager may, with prior agreement of the Trustee, or if the Trustee so requires, suspend the issue and redemption of Units temporarily with the position being formally reviewed every 28 days if the Manager, or the Trustee, is of the opinion that there are exceptional circumstances giving reason to do so having regard to the interests of the Unitholders. The suspension will only be permitted to continue for as long as it is justified having regard to the interests of the Unitholders. The Manager and the Trustee must formally review the suspension at least every 28 days and inform the FCA of the result of this review with a view to ending the suspension as soon as practicable after the exceptional circumstances have ceased.

The Manager must notify the FCA of a suspension of dealings immediately, following this up with written notification including the reasons for the suspension as soon as possible. The Manager also will notify all Unitholders of the suspension in writing as soon as practicable and will publish details to keep Unitholders appropriately informed about the suspension, including its likely duration.

Re-calculation of the Unit price for the purpose of sales and purchases will commence on the next relevant valuation point following the ending of the suspension.

## 24. BUYING UNITS

The minimum initial investment for each class of Units in the Fund and the minimum value of subsequent purchases in the Fund is set out in Appendix V. There is no maximum investment. Units may be bought through intermediaries or direct from the Manager. Units in the Fund can be bought by sending an application form to Thesis Unit Trust Management Limited at the dealing office of the Administrator or by obtaining an application form by telephoning 0333 300 0375. Investors may make subsequent purchases of Units by phoning 0333 300 0375. The Manager reserves the right to have cleared funds before investing.

A subscription request must be received by the Manager before the Cut Off Point. Subscription requests received after the Cut Off Point will be held over until the next Business Day.

The Manager currently elects to deal on a forward pricing basis at the offer price calculated at the next valuation point after receipt of instructions.

When investors sell Units back to the Manager this will be redeemed on a forward pricing basis at the bid price calculated at the next valuation point following receipt of instructions.

A contract note confirming the purchase will be despatched by the Registrar within 24 hours of the deal being executed.

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

#### In Specie Purchases

If a Unitholder requests, the Manager may, at its discretion and subject to the approval of the Investment Manager and the Trustee, arrange acceptance of assets other than cash in settlement of a purchase of Units in the Fund. In particular the Manager and Trustee will only do so where satisfied that the acceptance of the assets concerned would not be likely to result in any material prejudice to the interests of Unitholders. The Manager will not issue Units in exchange for assets the holding of which would be inconsistent with the investment objective of the Fund.

### 25. SELLING UNITS

The minimum value of any holding of Units in the Fund and the minimum value of Units in the Fund which may be sold is set out in Appendix V.

The Manager will buy back Units from Unitholders free of commission, at not less than the bid price applicable at the time instructions are received, as calculated in accordance with the Rules. Units may also be sold back through an authorised intermediary who may charge commission.

Instructions for the sale of Units may be given in writing or by telephoning the Manager's dealing department on 0333 300 0375. An instruction for the sale of Units must be received by the Manager before the Cut Off Point. Instructions received after the Cut Off Point will be held over until the next Business Day. A contract note will be issued to confirm the transaction and will be despatched within 24 hours of the deal being executed. Payment is made within four working days of the Manager receiving properly completed documentation.

Sale proceeds will be payable only to one or more of the registered Unitholders. The Manager reserves the right, at all times, to require a form of renunciation to be completed. If this is necessary it will be issued with the contract note. The Manager also reserves the right to send sale proceeds by cheque to the registered address.

#### In Specie Redemptions

If so requested, the Manager may arrange for cancellation of Units to be effected by the transfer of Fund property to the Unitholder. This option may be exercised by the Manager in any instance in which a Unitholder may request the sale of a number of Units that represent 5% or more of the Fund's value.



## 26. ELECTRONIC COMMUNICATIONS

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

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

## 27. CONVERSION OF UNITS

Subject to any restrictions on the eligibility of investors in relation to a particular Unit class, a Unitholder may at any time convert all or some of their Units ("**Original Units**") for Units in a different class ("**New Units**").

A conversion is an exchange of Units in one class for Units of another class in the same Fund.

Conversions will be effected by the Manager recording the change of class on the Register at the next valuation Point following receipt of instructions by the Manager.

The number of New Units issued to a Unitholder following a conversion will be determined by reference to the price of the Original Units relative to the price of the New Units at the relevant valuation point.

If a Unitholder wishes to convert Units they should contact the Manager for further information. Instructions may be given by telephone but Unitholders are required to provide written instructions to the Manager (which, in the case of joint Unitholders, must be signed by all the joint Unitholders) before the conversion is effected.

There is no charge payable on a conversion.

If a partial conversion would result in the Unitholder holding a number of Original Units or New Units of a value which is less than the minimum holding in the class concerned, the Manager may, if it thinks fit, exchange the whole of the Unitholder's holding of Original Units to New Units (and make a charge for this) or refuse to effect any conversion of the Original Units.

Save as otherwise specifically set out, the general provisions on procedures relating to redemption will apply equally to a conversion. Written instructions must be received by the Manager before the valuation point on a dealing day to be dealt with at the prices at the valuation point on that dealing day or at such other valuation point as the Manager at the request of the Unitholder giving the relevant instruction may agree. Requests to convert received after a valuation point will be held over until the next day which is a dealing day.

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

Conversions will not generally be treated as a disposal for capital gains tax purposes and no stamp duty reserve tax will be payable on the conversion.

A Unitholder who converts between classes of Units will not be given a right by law to withdraw from or cancel the transaction.

## 28. RESTRICTIONS, COMPULSORY TRANSFER AND REDEMPTION

The Manager may from time to time impose such restrictions as it thinks necessary for the purpose of ensuring that no Units in the Fund are acquired or held by any person in Relevant Circumstances which 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 which would (or would if other Units were acquired or held in like circumstances) result in the Fund 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). In this connection, the Manager may, inter alia, reject at its discretion any application for the purchase, sale or transfer of Units.

If it comes to the notice of the Manager that any Affected Units have been acquired or are being held, beneficially or otherwise, in any Relevant Circumstances or if it reasonably believes this to be the case, the Manager may give notice to the holder(s) of the Affected Units requiring (at the discretion of the Manager) either:

- the converting of the Affected Units to any other class which the Unitholder is still eligible to hold;
- the transfer of such Affected Units to a person who is qualified or entitled to own them; or
- that a request in writing be given for the redemption or cancellation of such Affected Units in accordance with the Rules.

If any person upon whom such a notice is served does not within thirty days after the date of such notice convert their Affected Units to a class which they are still eligible to hold, transfer their Affected Units to a person qualified to own them, or give such a request or establish to the satisfaction of the Manager (whose judgement is final and binding) that they (and, if any, the beneficial owner) are qualified and entitled to own the Affected Units, they shall be deemed upon the expiration of that thirty day period to have given a request in writing for the converting, redemption or cancellation (at the discretion of the Manager) of all the Affected Units in accordance with the Rules.

A person who becomes aware that they are holding or owns Affected Units in any Relevant Circumstances, shall forthwith, unless they have already received a notice as aforesaid, either convert all their Affected Units into a class they are still eligible to own, transfer all their Affected Units to a person qualified to own them, or give a request in writing for the redemption or cancellation of all their Affected Units in accordance with the Rules.

The Manager may also, in its sole discretion, convert some or all of the Units held by any Unitholder from one class to another class, provided that the terms of the original Units are substantially similar to the New Units and, in any event, the conversion does not materially prejudice any such Unitholder. The Manager will provide the Unitholder with 60 days' prior written notice of any such conversion. Please note that, under current tax law, a conversion of Units between different classes in the same fund will not be deemed to be a realisation for the purposes of capital gains taxation.

## 29. PROTECTION OF UNITHOLDER CASH

When an investor subscribes for Units in the Fund, there is a window of time between the Manager receiving the subscription money from the investor and transferring it to the Trustee to be used to settle the creation of Units.

If the Manager transfers the subscription money to the Trustee by the close of business on the business day following receipt (the "**Window**"), the Manager is permitted to rely on an exemption (the "**Exemption**") in COLL which means the Manager is not required to ensure that money is segregated from its own money and protected in a ring-fenced bank account. If the Manager transfers the subscription money to the Trustee outside of the Window then it is required to segregate the money from its own and protect it in a ring-fenced bank account.

During the Window the investor may not yet own the Units and they may also not have their cash either. This represents a small risk that, if the transaction should fail to complete, the investor might lose the value of their investment.

When a Unitholder sells (redeems) Units, all cash due to be paid to them will be segregated from the Manager's own money and protected in a ring-fenced bank account until it is transferred to the Unitholder.

### 30. VALUATION

The property of the Fund will be valued on both an issue and a cancellation basis at each valuation point in order to calculate the prices at which Units in the Fund are to be issued, cancelled, bought and sold. The valuation point is at 10.30 pm daily (the "**valuation point**"). The Manager may at any time during a Business Day carry out an additional valuation if the Manager considers it desirable to do so, provided the Manager notifies the Trustee of its intention to do so. The Manager reserves the right not to value on the last working day before Christmas Day and New Year's Day.

The property of the Fund will be valued in accordance with the provisions set out in Appendix III, for the purpose of determining prices at which Units may be sold and redeemed by the Manager. Where no appropriate price is quoted or obtainable, the property of the Fund will be valued at a price which, in the opinion of the Manager and the Trustee, is a fair and reasonable mid-market price for that security adjusted to take account of dealing sizes and other relevant factors.

Prices are calculated on an offer basis (for the purposes of calculating the issue price of a Unit) or bid basis (for the purposes of calculating the cancellation price of a Unit) respectively. The price at which the Manager sells Units (the offer price), may not exceed the issue price of Units plus the Manager's initial charge. The price at which the Manager redeems Units (the bid price) will not be less than the cancellation price (less any redemption charge and any SDRT provision). The bid price will not exceed the relevant issue price.

The Manager will, upon completion of each valuation, notify the Trustee of the issue price, the cancellation price, the maximum offer price and the minimum bid price of Units of each class.

The price per Unit at which Units are issued or cancelled is calculated by taking the proportion, attributable to the Units of the class in question, of the value on the issue basis (when calculating the issue price per Unit) or the cancellation basis (when calculating the cancellation price per Unit) of the Scheme Property by reference to the most recent valuation, computing the number of Units of the relevant class in issue immediately before that valuation, dividing the total by that number of Units. Any initial charge or redemption charge, (or SDRT on a specific deal, if applicable) is payable in addition to the price or deducted from the proceeds and is taken from the gross subscription or redemption monies.

The Manager may change the time for the valuation point after having given notice and received agreement from the Trustee. The Manager reserves the right to revalue the property of the Fund at any time at its discretion if there is good and sufficient reason to do so, having regard to the interests of Unitholders or potential Unitholders. Valuations are in two parts, one on an offer basis (which will form the basis for the price at which Units are sold) and the other on a bid basis (which will form the basis for the price at which Units are redeemed). For the purposes of calculating the Manager's and the Trustee's periodic charges, the property of the Fund is valued on a mid-market basis.

Where permitted and subject to the Rules the Manager may, in certain circumstances (for example where a significant event has occurred since the closure of a market) substitute a price with a more appropriate price which in its opinion reflects a fair and reasonable price for that investment.

#### A. 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 Manager, these may not necessarily be the current prices.

The cancellation price last notified to the Trustee is available from the Manager upon request.

### 31. MANAGEMENT CHARGES

#### A. Manager's Annual Management Charge

The Manager is entitled to an Annual Management Charge, payable out of the property of the Fund. This accrues and is reflected in the offer and bid price of Units in the Fund daily. It is calculated on the mid-market value of the Fund. The charge is calculated daily at the valuation point (10.30pm). The current level of Annual Management Charge is set out in Appendix V.

### 32. ALLOCATION OF THE MANAGER'S ANNUAL MANAGEMENT CHARGE

The Manager's current Annual Management Charge for the Fund is charged to the capital account of the Fund. **The amount charged to capital will increase the distribution income of the Fund by that amount and reduce the capital by a similar amount. This practice may result in capital erosion or constrain capital growth.** The Manager may vary the proportion charged to the capital account at its discretion.

#### A. Investment Manager's Fee

The Investment Manager is paid by the Manager out of its Annual Management Charge. Research costs will be paid for by the Investment Manager out of the remuneration it receives and shall not be borne by the Fund.

### 33. EXPENSES PAYABLE OUT OF THE PROPERTY OF THE FUND

The following may be paid out of the property of the Fund:

1. The Annual Management Charge referred to under the heading "Maximum Management Fees" above.
2. The Manager is entitled to receive from Scheme Property all reasonable, properly documented, out of pocket expenses incurred in the performance of its duties which may include legal and professional expenses of the Manager in relation to the proper

performance of the Manager's duties under the Fund and/or its establishment (including fees in relation to any legal advice taken in relation to the Fund) as well as expenses related to Fund documents, postage and communication costs incurred in the proper performance of duties, and all expenses incurred in notarising documents.

3. Broker's commission (excluding research costs), fiscal charges and any other disbursements which are necessarily incurred in effecting transactions for the Fund and normally shown on contract notes, confirmation notes and difference accounts as appropriate.
  4. Any costs incurred in modifying the Trust Deed, including costs incurred in respect of meetings of Unitholders convened for purposes which include the purpose of modifying the Trust Deed, where the modification is necessary to implement, or necessary as a direct consequence of, any change in the law, or is expedient having regard to any change in the law made by or under any fiscal enactment and which the Manager and the Trustee agree is in the interest of Unitholders or to remove from the Trust Deed any obsolete provisions, or is necessary to reflect any other change, including changes to the policies and/or procedures of the Trustee or the Manager or changes to parties named in the Prospectus.
  5. Any costs incurred in respect of meetings of Unitholders convened on a requisition by Unitholders not including the Manager or an associate of the Manager.
  6. Interest on permitted borrowings of the Fund and charges incurred in effecting or terminating such borrowings or in negotiating or varying the terms of such borrowings.
  7. Taxation and duties payable in respect of the property of the Fund, the Trust Deed or the issue of Units and any SDRT charged in accordance with Schedule 19 of the Finance Act 1999.
  8. The fees of the Auditor payable (including Value Added Tax thereon) and any proper expenses of the Auditor.
  9. The fees of the FCA in respect of the Fund.
  10. The fees of the maintenance of the Register.
  11. The fees for the publication of the unit price of the Fund.
  12. The fees, expenses and disbursements associated with the provision of legal, tax, or other professional services incurred by the Manager regarding the Fund's assets.
- The administration fees and charges of the Fund, including:
    - The annual fee of 0.04% of the net asset value of the Fund's assets up to the value of £50,000,000, 0.03% of the net asset value of all assets between £50,000,000 and £100,000,000 and 0.02% of the net asset value of all assets over £100,000,000, subject to a minimum fee of £25,000 per annum, payable to Northern Trust Global Services SE, UK Branch for performing the fund accounting function.

<b>TRANSFER AGENCY</b>		
Fund maintenance charge	£9,000	per fund p.a.
Account investor registration / servicing fee	£15	per investor p.a.
Account investor servicing fee for ISA accounts	£15	per investor p.a.
Investor transaction fee - manual transactions	£16	per transaction
Investor transaction fee - automated transactions	£10	per transaction

Distribution fee	£3,500	per annum
<b>Please note ad hoc Transfer Agency fees may apply in certain situations.</b>		

- The Trustee's fee which consists of an annual fee of 0.03% of the net asset value of the Fund's assets up to the value of £100,000,000, 0.0275% of the net asset value of all assets between £100,000,000 and £150,000,000, 0.025% of the net asset value of all assets between £150,000,000 and £200,000,000 and 0.02% of the net asset value of all assets over £200,000,000, subject to a minimum fee of £7,500 per annum.
  - Where relevant, the Trustee may apply additional charges for the following: (i) market costs (such as delivery and receipt charges); (ii) costs related to AML/CRS re-verification and remediation required in order to meet regulatory standards; (iii) any costs related to data enrichment i.e. clean-up including "Welcome Letters" and any associated data collection), (iv) detailed due diligence for services such as Diversification and Prudent segregation and Investment Trust processing; (v) out of pocket expenses incurred in providing administration services such as fund set-up costs, telephone, fax, postage, courier charges etc.; (vi) services associated with special events, such as termination of the Manager, mergers, spin-offs, fund conversions, creating tailored reports, developing custom downloads, and delivering accounting data to any third party performance organisation. The Trustee may charge service and transactions fees associated with each event. In addition, the Trustee may pass through to the client evaluation and/or consulting fees necessitated by an event. The Trustee will discuss charges related to an event with the Manager in advance; (vii) any unique service requirements, IT interfaces, custom technology and report development; (viii) implementation; and (ix) any applicable VAT charges.
1. Transaction charges vary from country to country and the actual charges are broken down by area below. The cost of overseas custody generally depends upon the value of the stock involved and currently ranges between 0.005 per cent and 0.7 percent per annum of market value. However, in some countries, custody charges are based on a charge per holding and these fees are currently in the range of £8 - £200.

#### RANGES OF CHARGES

AREA	TRANSACTION CHARGE	CUSTODY CHARGE (BASED ON QUARTER END MARKET VALUE) P.A.
Europe	£8 - £200	0.005 % - 0.70 %
Asia & Australasia	£15 - £100	0.02% - 0.40%
North America	£8 - £50	0.005% - 0.08%
South America	£50- £100	0.07% - 0.40%

- As the Fund invests primarily in other UK unit trusts, it is unlikely that any of these transaction or custody charges will be incurred.
- The OCF expresses the costs of running the Fund as a single figure. This is the overall cost shown as a percentage of the value of the assets of the Fund. It comprises the Annual Management Charge and other additional charges including, but not limited to, the charges of the Trustee, Administrator, Custodian, Registrar and Auditor as well as specified regulatory and legal costs. It does not include the costs of buying or selling investments. The current OCF is detailed in the Key Investor Information Document ("KIID") which can be accessed via the Manager's website ([www.tutman.co.uk](http://www.tutman.co.uk)) or telephone number 0333 300 0375.

- Liabilities on unitisation, amalgamation or reconstruction arising where the property of a body corporate or another collective investment scheme is transferred to the Trustee in consideration for the issue of Units in the Fund to that body or to participate in that other scheme, provided that any liability arising after the transfer could have been paid out of that other property had it arisen before the transfer and proper provision was made for meeting such liabilities as were known or could reasonably have been anticipated at the time of transfer.
1. All expenses, with the exception of the custodian transaction charges detailed in the table above, charges and expenses relating directly to the purchase and sale of investments and Stamp Duty Reserve Tax, are charged to the income account of the Fund. The custodian transaction charges charged to capital will increase the distribution income of the Fund by that amount and reduce the capital by a similar amount. **This practice may result in capital erosion or constrain capital growth.** The Manager may vary the proportion charged to the capital account at its discretion.

## INVESTING IN UNITS OR SHARES OF COLLECTIVE INVESTMENT SCHEMES MANAGED BY THE INVESTMENT MANAGER

In seeking to meet the investment objectives of the Fund, a portion of the Fund's property may be invested in units or shares of collective investment schemes managed by the Investment Manager.

To avoid any element of "double charging" the following items must be paid to the investee sub-fund within four business days of buying or selling units of those sub-funds:

- the amount of any initial charge on the issue of units in those sub-funds (or if that cannot be ascertained then the maximum amount of any charge which would be permitted);
- the amount of any redemption or exit charge made on the disposal of units in those sub-funds;
- the amount of any dilution levy or SDRT provision charged on buying or selling units in those sub-funds; and
- the amount of any charge made for switching units from one of those sub-funds to another.

A number of those sub-funds have a unit/share class which pays a 0% annual management fee to the Investment Manager. Where the Fund invests in those sub-funds, it will ensure that it does so into this unit/share class. Where a 0% unit/share class is not available, a rebate of the management fee allocated to the Fund will be established to ensure no element of "double charging" takes place.

In-house funds will not be subject to double charging.

However, for sub-funds managed by a third party investment manager, the fees of those third party investment managers for the relevant sub-funds and any applicable performance fees related to the performance of the sub-funds will be deducted from the market value of that sub-fund.

## 34. DETERMINATION AND DISTRIBUTION OF INCOME

Each holder of Income Units is entitled, on the relevant income allocation date, to the income attributable to their holding. Distributions will be paid direct to Unitholders or their bank or building society accounts. A final distribution will normally be made on or about 31 May in

each year, with interim distributions being made on or about 28 February, 31 August and 30 November.

Distribution amounts are calculated by dividing the total amount of income that has accrued in the income account(s) since the last accounting date, by the number of Units in issue; taking account of equalisation.

Any distribution payment which remains unclaimed after a period of six years from the date of payment will be transferred to and become part of the Fund's capital property. Thereafter neither the Unitholder nor any successor will have any right to it except as part of the capital property.

#### A. Income equalisation

The Trust Deed allows for income equalisation. Part of the purchase price of a Unit reflects the relevant portion of accrued income received or to be received by the Fund. This capital sum is returned to a Unitholder with the first allocation of income in respect of a Unit issued during an accounting period.

The amount of income equalisation is either the actual amount of income included in the issue price of that Unit or is calculated by dividing the aggregate of the amounts of income included in the price of Units issued or sold to Unitholders in an annual or interim accounting period by the number of those Units and applying the resultant average to each of the Units in question.

### 35. UNITHOLDERS' VOTING RIGHTS

At meetings of Unitholders of the Fund, on a show of hands every Unitholder who (being an individual) is present in person or (being a corporation) is present by one of its officers as its representative has one vote. On a poll, every Unitholder who is present in person or by proxy has one vote for every complete undivided Unit of the Fund's property (and a further part of one vote proportionate to any fraction of an undivided Unit of the Fund's property), represented by the Units of which they are the Unitholder. A Unitholder entitled to more than one vote need not, if they vote, cast all their votes or cast all their votes in the same way. In order to be carried, any resolution must be passed by a majority consisting of 75% or more of the total number of votes cast for and against that resolution.

In the case of joint Unitholders, the vote of the senior who tenders a vote, whether in person or by proxy, is accepted to the exclusion of the votes of the other joint Unitholders and for this purpose seniority is determined by the order in which the names stand in the Register.

On a poll, votes may be given either personally or by proxy. A person appointed to act, as a proxy need not be a Unitholder.

The Manager is entitled to receive notice of and attend any meeting of Unitholders of the Fund but is not entitled to vote or be counted in the quorum. Any associate of the Manager may attend and be counted in the quorum but no associate is entitled to vote at any such meeting, other than an associate which holds Units as bare trustee or nominee on behalf of a person (who would be entitled to vote if a registered Unitholder) from whom it has received voting instruction.

### 36. CLASS MEETINGS

The above provisions apply, unless the context otherwise requires, to Unit class meetings as they apply to general meetings of Unitholders.



### 37. NOTICES TO UNITHOLDERS

Notices to Unitholders will be given in writing sent by normal post as follows:

Any notice or document served on a Unitholder will be duly served if it is:

- Delivered to the Unitholder's address as appearing on the Register (or, at the discretion of the Manager, such other address which may be held for the purposes of correspondence with Unitholders).
- Delivered by using an electronic medium in accordance with COLL.

Any notice or document served by post is deemed to have been served on the second Business Day following the date 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 document or notice to be served on or information to be given to a Unitholder must be in legible form. For this purpose, any form is legible form which:

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

### 38. TERMINATION AND AMALGAMATION

The Fund will be wound up upon the happening of any of the following events:

- the order declaring the Fund to be an authorised unit trust scheme is revoked; or
- the FCA agreeing to a request by either the Manager or the Trustee for the revocation of the order declaring the Fund to be an authorised unit trust scheme; or
- the effective date of an approved scheme of amalgamation; or
- the effective date of an approved scheme of reconstruction, which results in all the property of the Fund becoming the property of two or more authorised or recognised schemes.

Upon the happening of any of those events the Trustee will cease to issue and cancel Units in the Fund; the investment and borrowing powers will cease to apply to the Fund; the Manager will cease to offer and redeem Units in the Fund; and the Trustee will proceed to wind-up the Fund as follows:

- in the case of an approved scheme of amalgamation or reconstruction, the Trustee will wind up the Fund in accordance with the scheme;
- in any other case the Trustee will as soon as practicable realise the property of the Fund and, after paying out of it all liabilities properly so payable and retaining provision for the costs of the winding up, distribute the proceeds to the Unitholders and the Manager proportionately to their respective interests in the Fund. Any unclaimed net proceeds or other cash held by the Trustee after the expiry of twelve

months from the date on which the same became payable will be paid by the Trustee into court subject to the Trustee having a right to retain any expenses incurred by it in making that payment.

## 39. TAXATION

### A. GENERAL

**The following summary is based on current UK law and HM Revenue & Customs practice. It summarises the UK tax position of Authorised Unit Trusts ("AUTs") and Unitholders 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.**

### B. TAXATION OF THE FUND

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

The Fund will make dividend distributions except where over 60% of the Fund's property has been invested 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

The Fund is liable to corporation tax on its income after relief for management expenses (which include fees payable to the Manager and to the Trustee) at 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 the 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. The foreign tax suffered by the 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.

### CHARGEABLE GAINS

Capital gains realised by the Fund on a disposal of its investments are exempt from corporation tax on chargeable gains. In the unlikely event that the 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 units in an AUT (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 units in an AUT. However, investors may be subject to a SDRT charge where Units 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.

## **C. TAXATION OF UNITHOLDERS**

### **INCOME**

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

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

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

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

### **INTEREST DISTRIBUTIONS**

#### **UK RESIDENT INDIVIDUALS**

Interest distributions paid by the Fund (save in respect of distributions to certain qualifying Unitholders) 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 Unitholders 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 UNITHOLDERS**

If, at any point in an accounting period of a UK corporate Unitholder, the Fund fails to satisfy the "qualifying investment" test, Units held by UK corporate Unitholders in respect of the Fund are treated as if the Units 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 Unitholder may, depending on its own circumstances, incur a charge to corporation tax on an unrealised increase in the value of its holding of Units (and, likewise, obtain relief against corporation tax for an unrealised reduction in the value of its holding of Units).

The 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 Unitholders may be paid without deduction of income tax at source.

### **DIVIDEND DISTRIBUTIONS**

Dividend distributions paid by the 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 UNITHOLDERS**

UK resident corporate Unitholders must split their dividend distributions into franked and unfranked income portions according to the percentage split given on the 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 any UK corporate Unitholder although the franked dividend portion should fall within an exemption from corporation tax.

### **CHARGEABLE GAINS**

#### **UK RESIDENT INDIVIDUALS**

Unitholders 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 Units in the Fund. 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 UNITHOLDERS**

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

### **STAMP DUTY RESERVE TAX**

Generally, there will be no charge to SDRT when Unitholders surrender or redeem their Units. However, where the redemption is satisfied by a non-pro rata in specie redemption, then a charge to SDRT may apply.

**The Manager reserves the right to redeem the Units of any Unitholder who jeopardises the tax status of the Fund.**

### **D. INCOME EQUALISATION – TAX IMPLICATIONS**

The price of a Unit of a particular Unit class is based on the value of that Unit class' entitlement in the Fund, including the income of the Fund since the previous distribution or deemed distribution. In the case of the first distribution received or accumulation made in respect of a Unit, 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 Unitholder. This amount is, however, in the case of Income Units, deducted from the cost of the Unit in computing any capital gains. Equalisation applies only to Units purchased during the relevant accounting period. It is calculated as the average amount of income included in the issue price of all Units of the relevant Unit class issued during the period.

#### **E. UK INFORMATION REPORTING REGIME**

AUTs 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.

#### **F. TAX ELECTED FUND ("TEF") REGIME**

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

#### **G. INTERNATIONAL TAX COMPLIANCE**

The Fund 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 Fund must collect information about each Unitholder's tax residence and, in certain circumstances, provide information about Unitholders' holdings in Units to HMRC. HMRC may in turn share this information with overseas tax authorities. Such tasks may be delegated to the Administrator.

#### **Unitholders should note that:**

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

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

#### 40. PERFORMANCE DATA

The historical performance of the Fund is set in Appendix VII.

#### 41. GENERAL INFORMATION

##### A. Copies of the Fund's documents

Copies of the Trust Deed (and any deeds supplemental to it) and the annual and half yearly long reports are kept and may be inspected at and obtained from the Manager at the address set out in the Directory.

##### B. Client Money

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

In certain circumstances, if the Manager has lost touch with an investor, the Manager will be permitted to pay the investor's client money balance to a registered charity after six years. The Manager 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 Manager at a later date irrespective of whether the Manager has paid the money to charity. This is subject to the rules in COLL, which require the Manager to transfer any distribution payment which remains unclaimed after a period of six years from the date of payment to the Fund's capital property.

#### 42. CONFLICTS OF INTEREST

The Manager, the Investment Manager and the Trustee are or may be involved in other financial, investment and professional activities which may, on occasion, cause conflicts of interest with the management of the Fund.

In the normal course of business, circumstances resulting in conflicts of interest may arise. We will identify the types of conflicts that may arise between the interests of investors and those of our own with reference to:

- the likelihood of making a financial gain or avoiding a loss at the expense of an investor;
- whether we have an interest in the outcome of a service or transaction we provide to investors;
- whether there is a financial or other incentive to favour the interest of one investor over the interests of other investors;
- whether we carry out the same activities performed by investors; and
- whether there are inducements deriving from sources other than investors in relation to the services we provide, in the form of monies, goods or services, other than standard commission or fees for the service(s) in question.

Where a potential conflict arises, we are committed to managing these to prevent abuse and protect employees, clients and other counterparties and to ensure that transactions and services are effected on terms which are not materially less favourable than had the potential conflict not existed.

We are required to identify, manage, record and, where relevant, disclose actual or potential conflicts of interest between ourselves and our clients and between one client and another and to have a written policy in place. Where a conflict of interest cannot be avoided, the

Manager will ensure that the Fund is fairly treated. Further detail on our conflicts of interest policy is available on request.

The Manager acknowledges that there may be some situations where the organisational or administrative arrangements in place for the management of conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the Fund or its Unitholders will be prevented. Should any such situations arise the Manager will disclose these to Unitholders in an appropriate format.

The Manager may carry out any transaction in which it has a material interest or which may involve a conflict with its duty to Unitholders, but will not knowingly do so unless it is satisfied that each transaction is not precluded by law or the Rules and reasonable steps have been taken to ensure fair treatment of the Unitholders at all times.

#### 43. COMPLAINTS HANDLING

Any complaint about the operation of the Fund should be made initially to the Manager at Thesis Unit Trust Management Limited, Exchange Building, St John's Street, Chichester, West Sussex, PO19 1UP.

The Manager aims to resolve all complaints as quickly as possible. Unitholders can request a copy of the Manager's written internal complaints procedure by writing to the above address. Unitholders may also have the right to refer the complaint to the Financial Ombudsman Service, Exchange Tower, Harbour Exchange Square, London, E14 9SR.

#### 44. FINANCIAL SERVICES COMPENSATION SCHEME ("FSCS")

A statement of Unitholders rights to compensation in the event of the Fund being unable to meet its liabilities is available from the Financial Services Compensation Scheme. Further details on the FSCS can be found at <http://www.fscs.org.uk/>.

#### 45. INVESTORS' CANCELLATION RIGHTS

Cancellation rights are accorded to retail investors in situations where they have received advice from an intermediary. Investors who have cancellation rights are identified at the time of dealing in Units and are provided with a Cancellation Notice explaining their right to withdraw. Investors who have the right to withdraw must complete and return a Cancellation Request Form (provided with the Cancellation Notice) to the Administrator on or before the 14<sup>th</sup> day after the day on which the investor receives the Cancellation Notice. When an investor decides to withdraw, they are entitled to receive repayment of any money paid to the Administrator subject to a deduction of the amount (if applicable) by which the value of their investment has fallen at the time the Cancellation Request Form is received by the Administrator. Investors who have received any payments already made to them under the contract will have to repay such amounts.

#### 46. BEST EXECUTION

When executing orders on behalf of the Fund, in relation to Financial Instruments, the Investment Manager will take all reasonable steps to achieve "best execution" by following policy and procedures which are designed to achieve the best possible execution result, taking into consideration the nature of the Fund's orders, the priorities the Fund places upon filing the orders and market in question and which provides, in reasonable opinion of the Investment Manager, the best balance across a range of sometimes conflicting factors. The Investment Manager's order execution policy is available upon request.

#### 47. VOTING STRATEGY

Information on the Investment Manager's strategy for exercising the Fund's voting rights in relation to its underlying investments is available to Unitholders upon request.

#### 48. NON-ACCOUNTABILITY FOR PROFITS

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

- dealings in the Units of the Fund; or
- any transaction in the Scheme Property; or
- the supply of services to the Fund.



## APPENDIX I – ELIGIBLE SECURITIES MARKETS

A market is an “eligible market” if it is:

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

The additional eligible securities markets on which the investments of the Fund may be dealt in or traded are set out below. The additional eligible derivatives markets on which the investments of the Fund may be dealt in or traded are set out in Appendix II.

Australia	-	Australian Securities Exchange
Canada	-	Toronto Stock Exchange
Hong Kong	-	Hong Kong Stock Exchange
Japan	-	Tokyo Stock Exchange
	-	Osaka Securities Exchange
	-	Nagoya Stock Exchange
	-	Sapporo Securities Exchange
Korea	-	Korea Exchange
Malaysia	-	Bursa Malaysia
Mexico	-	Mexican Stock Exchange
New Zealand	-	New Zealand Exchange
Philippines	-	Philippine Stock Exchange
Singapore	-	Singapore Exchange
Switzerland	-	SIX Swiss Exchange
Thailand	-	Stock Exchange of Thailand
Turkey	-	Istanbul Stock Exchange
United States of America		
	-	New York Stock Exchange
	-	NASDAQ Stock Market
	-	OTC Bulletin Board (OTCBB)
	-	Chicago Stock Exchange

## **APPENDIX II – ELIGIBLE DERIVATIVES MARKETS**

Australian	-	Australian Securities Exchange
Hong Kong	-	Hong Kong Stock Exchange
Japan	-	Osaka Securities Exchange
	-	Tokyo Stock Exchange
New Zealand	-	New Zealand Exchange
Singapore	-	Singapore Exchange
United States of America		
	-	New York Stock Exchange
	-	Chicago Mercantile Exchange

## APPENDIX III – VALUATION AND PRICING

There are two ways that a fund may be priced: singled priced or dual priced. The difference between these pricing methods are:

### Single price

A single priced fund has a single price for buying and selling Units on any Business Day (the “**Mid-Market Value**”) and may be subject to the imposition of a dilution adjustment after which the price to be applied is known as the “**Dealing Price**”.

### Dual price

A dual priced fund has one price at which the investor buys (the “**Buying Price**”) and another (lower) price at which an investor can sell (the “**Selling Price**”).

The Fund is dual priced.

### Large deals

Any purchase or redemption of Units with a value equal to or in excess of £15,000 will amount to a 'large deal'. For large deals (subject to the Regulations), the Manager may sell Units at more than, or redeem Units at less than, the published price.

Units will be bought or sold on a forward price basis being the price calculated at the next valuation following receipt of investors’ instructions by the Manager.

The value of the property of the Fund shall be the value of its assets less the value of its liabilities determined in accordance with the provisions set out below.

- All the property of the Fund (including receivables) is to be included, subject to the criteria detailed below.
- The valuation of the property of the Fund shall consist of two parts, one on an issue basis and one on a cancellation basis calculated in accordance with the following provisions:

#### 1. The valuation of property for that part of the valuation which is on an issue basis

Property which is not cash (or other assets referred 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:

##### 1.1 units or shares in a collective investment scheme:

- a. if separate buying and selling prices are quoted, the most recent maximum sale price, less any expected discount (plus any dealing costs, which means any fiscal charges, commission or other charges (but excluding any preliminary charges on sale of units/shares in a collective investment scheme)) payable in the event of the Fund carrying out the transaction in question, assuming that the commission and charges (other than fiscal charges) which would be payable by the Fund are the least that could reasonably be expected to be paid in order to carry out the transaction; but where the Manager, or an associate of the Manager, is also the manager or ACD of the collective investment scheme whose units/shares are held by the Fund, the issue price shall be taken instead of the maximum sale price; or
- b. if a single price for buying and selling units or shares is quoted, at that price (plus any dealing costs, which means any fiscal charges, commission or other charges (including

any preliminary charge)) payable in the event of the Fund carrying out the transaction in question, assuming that the commission and charges (other than fiscal charges) which would be payable by the Fund are the least that could reasonably be expected to be paid in order to carry out the transaction and including any dilution levy or SDRT provision which would be added in the event of a purchase by the Fund of the units/shares in question (except that, where the Manager, or an associate of the Manager, is also the manager or ACD of the collective investment scheme whose units are held by the Fund, dealing costs must not include a preliminary charge which would be payable in the event of a purchase by the Fund of those units); or

- c. if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or if no recent price exists, at a buyer's price which, in the opinion of the Manager, is fair and reasonable;

#### 1.2 any other investment

- a. the best available market dealing offer price on the most appropriate market in a standard size (plus any dealing costs, which means any fiscal charges, Commission or other charges payable in the event of the Fund carrying out the transaction in question, assuming that the commission and charges (other than fiscal charges)) which would be payable by the Fund are the least that could reasonably be expected to be paid in order to carry out the transaction); or
- b. if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or if no recent price exists, at a buyer's price which, in the opinion of the Manager, is fair and reasonable.

#### 1.3

if any other property, or no price exists under 1.1(c) or 1.2(b), the Manager's reasonable estimate of a buyer's price (plus any dealing costs, which means any fiscal charges, commission or other charges payable in the event of the Fund carrying out the transaction in question, assuming the commission and charges (other than fiscal charges) which would be payable by the Fund are the least that could reasonably be expected to be paid in order to carry out the transaction but excluding any preliminary charge on sale of units in a collective investment scheme). The buyer's price is the consideration which would be paid by the buyer for an immediate transfer or assignment (or, in Scotland, assignation) to them at arm's length.

- 2. The valuation of property for that part of the valuation which is on a cancellation basis is as follows:

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:

#### 2.1 Units or shares in a collective investment scheme:

- a. if separate buying and selling prices are quoted, the most recent minimum redemption price (less any dealing costs, which means any fiscal charges, commission or other charges payable in the event of the Fund carrying out the transaction in question, assuming that the commission and charges (other than fiscal charges) which would be payable by the Fund are the least that could reasonably be expected to be paid in order to carry out the transaction and any charge payable on the sale of units in a collective investment scheme (except that, where the Manager, or an associate of the Manager, is also the manager or ACD of the collective investment scheme which units are held by the Fund, dealing costs must not include a redemption charge which would be payable in the event of a sale by the Fund of those units), less any expected discount);

- b. if a single price for buying and selling units or shares is quoted, at that price (less any dealing costs, which means any fiscal charges, commission or other charges payable in the event of the Fund carrying out the transaction in question, assuming that the commission and charges (other than fiscal charges)) which would be payable by the Fund are the least that could reasonably be expected to be paid in order to carry out the transaction, any redemption charge payable on sale of units in a collective investment scheme, taking account of any expected discount, any dilution levy or SDRT, provision which would be deducted in the event of a sale by the Fund of the units in question (except that, where the Manager, or an associate of the Manager, is also the manager or ACD of the collective investment scheme whose units are held by the Fund, dealing costs must not include a redemption charge which would be payable in the event of a sale by the Fund of those units); or
- c. if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or if no recent price exists, at a buyer's price which, in the opinion of the Manager, is fair and reasonable;

## 2.2 any other investment:

- a. the best available market dealing bid price on the most appropriate market in a standard size (less any dealing costs, which means any fiscal charges, Commission or other charges payable in the event of the fund carrying out the transaction in question, assuming that the commission and charges (other than fiscal charges)) which would be payable by the Fund are the least that could reasonably be expected to be paid in order to carry out the transaction); or
- b. if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or if no recent price exists, at a buyer's price which, in the opinion of the Manager, is fair and reasonable.

if any other property, or no price exists under 2.1(c) or 2.2 (b), the Manager's reasonable estimate of a seller's price (less any dealing costs, which means any fiscal charges, commission or other charges payable in the event of the Fund carrying out the transaction in question, assuming that the commission and charges (other than fiscal charges) which would be payable by the Fund are the least that could reasonably be expected to be paid in order to carry out the transaction but excluding any redemption charge payable on sale of units in a collective investment scheme, taking account of any expected discount, any dilution levy or SDRT provision which would be deducted in the event of a sale by the Fund of the units in question (except that, where the Manager, or an associate of the Manager, is also the manager or ACD of the collective investment scheme whose units are held by the Fund, dealing costs must not include a redemption charge which would be payable in the event of a sale by the Fund of those units).

## 3. Property which is a derivative transaction shall be treated as follows:

- a. if a written option, (and the premium for writing the option has become part of the Fund property) deduct the amount of the net valuation of premium (estimated on the basis of writing an option of the same series on the best terms then available on the most appropriate market on which such options are traded, but (in the case of the calculation of the issue basis) deduct and (in the case of the calculation of the cancellation basis) add, dealing costs); but if it is an OTC derivative, the valuation methods in COLL shall be used; or
- b. if an off-exchange future, include at the net value of closing out (in the case of the calculation of the issue basis and cancellation basis, estimated on the basis of the

amount of profit or loss receivable or incurable by the Fund on closing out the contract and deducting minimum dealing costs in the case of profit and adding them in the case of loss; but if it is an OTC derivative, the valuation methods in COLL shall be used; or

- c. if any other form of derivative transaction, include at the net value of margin on closing out (estimated on the basis of the amount of margin (whether receivable or payable by the Fund on closing out the contract) on the best terms then available on the most appropriate market on which such contracts are traded and including minimum dealing costs so that the value is the figure as a negative sum); but if it is an OTC derivative, the valuation methods in COLL shall be used.
4. Cash and amounts held in current and deposit accounts shall be valued at their nominal values.
5. In determining the value of the Scheme Property, all instructions given to the Trustee to issue or cancel Units shall be assumed (unless the contrary is shown) to have been carried out and any cash paid or received and all required consequential action required by the Regulations or the Trust Deed shall be assumed (unless the contrary is shown) to have been taken.
6. Subject to paragraphs 7 and 8 below, agreements for the unconditional sale or purchase of property which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the valuation takes place and, in the opinion of the Manager, their omission shall not materially affect the final net asset amount.
7. Future or contracts for difference which are not yet due to be performed and unexpired written or purchased options which have not been exercised shall not be included under paragraph 6.
8. All agreements are to be included under paragraph 6 which are, or ought reasonably to have been, known to the person valuing the property assuming that all other persons in the Manager's employment take all reasonable steps to inform it immediately of the making of an agreement.
9. Deduct an estimated amount for anticipated tax liabilities (on unrealised capital gains where the liabilities have accrued and are payable out of the property of the Fund; 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, value added tax, stamp duty and stamp duty reserve tax.
10. Deduct an estimated amount for any liabilities payable out of the property of the Fund and any tax thereon (treating periodic items as accruing from day to day).
11. Deduct the principal amount of any outstanding borrowings whenever payable and any accrued but unpaid interest on borrowings.
12. In the case of a margined contract, deduct any amount reasonably anticipated to be paid by the way of variation margin.
13. Add an estimated amount for accrued claims for tax of whatever nature which may be recoverable.
14. Add any other credits due to be paid into the property of the Fund.

15. In the case of a margined contract, add any amount reasonably anticipated to be received by way of variation margin.
16. Add a sum representing any interest or any income accrued due or deemed to have accrued but not received and any stamp duty reserve tax provision anticipated to be received.
17. The valuation is in the Fund base currency. To convert to the base currency the value of the property which would otherwise be valued in another currency the Manager will either:
  - a) Select a rate of exchange which represents the average of the highest and lowest rates quoted at the relevant time for conversion of that currency into base currency on the market on which the Manager would normally deal if it wished to make such a conversion; or
  - b) Invite the Trustee to agree that it is in the interests of the Unitholders to select a different rate, and, if the Trustee so agrees, use that other rate.

## APPENDIX IV – LIST OF OTHER AUTHORISED COLLECTIVE INVESTMENT SCHEMES OPERATED BY THE MANAGER

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



<b>Authorised Contractual Schemes</b>	<b>Authorised Companies with Capital</b>	<b>Investment with Variable</b>	<b>Authorised Unit Trusts</b>
	TM CRUX Funds ICVC		TM Stonehage Fleming Global
	TM CRUX OEIC		Equities Fund II
	TM First Arrow Investment Funds		TM Stonehage Fleming Global
	TM Hearthstone ICVC		Equities Umbrella Fund
	TM Investment Exposures Fund		
	TM Investment Funds		
	TM Lime Fund		
	TM Natixis Investment Funds U.K.		
	ICVC		
	TM Neuberger Berman		
	Investment Funds		
	TM Oak Fund		
	TM Optimal Funds		
	TM P1 Investment Funds		
	TM Redwheel Funds		
	TM Ruffer Portfolio		
	TM Stonehage Fleming Global		
	Multi-Asset Umbrella Fund		
	TM Stonehage Fleming		
	Investments Funds		
	TM Tellworth Investments Funds		
	TM Total Return Fund		
	TM UBS (UK) Fund		
	TM Veritas Investment ICVC		
	Trowbridge Investment Funds		

## APPENDIX V – UNIT CLASSES AND CHARACTERSTICS

Unitholders are entitled to participate in the property of the Fund and the income from that property in proportion to their number of Units held by them in the Fund. The nature of the right represented by Units is that of a beneficial interest under a trust.

The Trust Deed permits the issue of a number of different classes and types of Units. At the moment, each class is available as either Class A, Class B or Class C Income Units. An Income Unit represents one undivided Unit.

Each class of Unit may vary by factors such as whether it pays out income or attracts different fees and expenses, and as a result of this monies may be deducted from classes in different proportions. In these circumstances the proportionate interests of the classes within the Fund will be adjusted in accordance with the provisions of the Trust Deed of the Fund.

The Trustee may create one or more classes of Units as instructed from time to time by the Manager. The creation of additional Unit classes will not result in any material prejudice to the interests of Unitholders of existing Unit classes.

UNIT CLASS	CLASS A	CLASS B	CLASS C
<b>Eligible Unitholders</b>	Clients of the Investment Manager whose fees are separately negotiated with the Investment Manager, outside the Fund	No restrictions.	Clients of the Investment Manager who wish to invest at least £10 million
<b>Initial charge</b>	Currently no initial charge is made.	Currently no initial charge is made.	Currently no initial charge is made.
<b>Redemption charge</b>	Currently no redemption charge is made.	Currently no redemption charge is made.	Currently no redemption charge is made.
<b>Annual Management Charge</b>	Up to 0.71% (currently 0.69%)	Up to 0.86% (currently 0.84%)	Up to 0.46% (currently 0.44%)
<b>Investment minima:</b>			
1. <b>initial</b>	£50,000	£50,000	£10,000,000
2. <b>holding</b>	£1,000	£1,000	£1,000,000
3. <b>top-up</b>	£1,000	£1,000	£1,000
4. <b>redemption</b>	£1,000	£1,000	£1,000

## APPENDIX VI – LIST OF 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	Not applicable
<b>Australia</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Australia Limited
<b>Austria</b>	UniCredit Bank Austria AG	Not applicable
<b>Bahrain</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
<b>Bangladesh</b>	Standard Chartered Bank	Not applicable
<b>Belgium</b>	The Northern Trust Company	Not applicable
<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	Not applicable
<b>Brazil</b>	Citibank N.A., Brazilian Branch	Citibank Distribuidora de Titulos e Valores Mobiliarios S.A ("DTVM")
<b>Bulgaria</b>	Citibank Europe plc, Bulgaria Branch	Not applicable
<b>CD's - USD</b>	Deutsche Bank AG, London Branch	Not applicable

<b>CD's - USD</b>	The Northern Trust Company, Canada	Not applicable
<b>Canada</b>	Royal Bank of Canada	Not applicable
<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 B Share</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (China) Company Limited
<b>Colombia</b>	Cititrust Columbia S.A. Sociedad Fiduciaria	Not applicable
<b>Costa Rica</b>	Banco Nacional de Costa Rica	Not applicable
<b>Croatia</b>	UniCredit Bank Austria AG	Zagrebacka Banka d.d.
<b>Cyprus</b>	Citibank Europe PLC	Not applicable
<b>Czech Republic</b>	UniCredit Bank Czech Republic and Slovenia, a.s.	Not applicable
<b>Denmark</b>	Skandinaviska Enskilda Banken AB (publ)	Not applicable
<b>Egypt</b>	Citibank N.A., Cairo Branch	Not applicable
<b>Estonia</b>	Swedbank AS	Not applicable
<b>Finland</b>	Skandinaviska Enskilda Banken AB (publ)	Not applicable
<b>France</b>	The Northern Trust Company	Not applicable

<b>Germany</b>	The Northern Trust Company	Not applicable
<b>Ghana</b>	Standard Chartered Bank Ghana Limited	Not applicable
<b>Greece</b>	Citibank Europe PLC	Not applicable
<b>Hong Kong</b>	The Hongkong and Shanghai Banking Corporation Limited	Not applicable
<b>Hong Kong (Stock and Bond Connect)</b>	The Hongkong and Shanghai Banking Corporation Limited	Not applicable
<b>Hungary</b>	Citibank Europe plc	Not applicable
<b>Iceland</b>	Landsbankinn hf	Not applicable
<b>India</b>	Citibank N.A.	Not applicable
<b>India</b>	The Hongkong and Shanghai Banking Corporation Limited	Not applicable
<b>Indonesia</b>	Standard Chartered Bank	Not applicable
<b>Ireland</b>	The Northern Trust Company, London	Not applicable
<b>Israel</b>	Citibank, N.A., Israel Branch	Not applicable
<b>Italy</b>	Citibank Europe plc	Not applicable
<b>Japan</b>	The Hongkong and Shanghai Banking Corporation Limited	Not applicable
<b>Jordan</b>	Bank of Jordan Plc	Not applicable

<b>Kazakhstan</b>	Citibank Kazakhstan JSC	Not applicable
<b>Kenya</b>	Standard Chartered Bank Kenya Limited	Not applicable
<b>Kuwait</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
<b>Latvia</b>	Swedbank AS	Not applicable
<b>Lithuania</b>	AB SEB bankas	Not applicable
<b>Luxembourg</b>	Euroclear Bank S.A./N.V.	Not applicable
<b>Malaysia</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Malaysia Berhad
<b>Mauritius</b>	The Hongkong and Shanghai Banking Corporation Limited	Not applicable
<b>Mexico</b>	Banco Nacional de Mexico S.A. integrante del Grupo Financiero Banamex	Not applicable
<b>Morocco</b>	Société Générale Marocaine de Banques	Not applicable
<b>Namibia</b>	Standard Bank Namibia Ltd	Not applicable
<b>Netherlands</b>	The Northern Trust Company	Not applicable
<b>New Zealand</b>	The Hongkong and Shanghai Banking Corporation Limited	Not applicable
<b>Nigeria</b>	Stanbic IBTC Bank Plc	Not applicable
<b>Norway</b>	Skandinaviska Enskilda Banken AB (publ)	Not applicable

<b>Oman</b>	First Abu Dhabi PJSC, Oman Branch	
<b>Pakistan</b>	Citibank N.A., Karachi Branch	Not applicable
<b>Panama</b>	Citibank N.A., Panama Branch	Not applicable
<b>Peru</b>	Citibank del Peru S.A.	Not applicable
<b>Philippines</b>	The Hongkong and Shanghai Banking Corporation Limited	Not applicable
<b>Poland</b>	Bank Handlowy w Warszawie S.A.	Not applicable
<b>Portugal</b>	BNP Paribas SA	Not applicable
<b>Qatar</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
<b>Romania</b>	Citibank Europe PLC	Not applicable
<b>Russia</b>	AO Citibank	Not applicable
<b>Saudi Arabia</b>	The Northern Trust Company of Saudi Arabia	Not applicable
<b>Serbia</b>	UniCredit Bank Austria A.G.	UniCredit Bank Serbia JSC
<b>Singapore</b>	The Hongkong and Shanghai Banking Corporation Limited	Not applicable
<b>Slovakia</b>	Citibank Europe PLC	Not applicable
<b>Slovenia</b>	UniCredit Banka Slovenija d.d.	Not applicable

<b>South Africa</b>	The Standard Bank of South Africa Limited	Not applicable
<b>South Korea</b>	The Hongkong and Shanghai Banking Corporation Limited	Not applicable
<b>Spain</b>	Citibank Europe plc	Not applicable
<b>Sri Lanka</b>	Standard Chartered Bank	Not applicable
<b>Sweden</b>	Skandinaviska Enskilda Banken AB (publ)	Not applicable
<b>Switzerland</b>	Credit Suisse (Switzerland) Ltd	Not applicable
<b>Taiwan</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (Taiwan) Limited
<b>Taiwan</b>	Citibank Taiwan Limited	Not applicable
<b>Tanzania</b>	Standard Chartered Bank (Mauritius) Limited	Standard Chartered Bank Tanzania Limited
<b>Thailand</b>	Citibank N.A., Bangkok Branch	Not applicable
<b>Tunisia</b>	Union Internationale de Banques	Not applicable
<b>Turkey</b>	Citibank A.S.	Not applicable
<b>Uganda</b>	Standard Chartered Bank Uganda Limited	Not applicable
<b>Ukraine (Market Suspended)</b>	JSC "Citibank"	Not applicable
<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>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)	Not applicable
<b>United States</b>	The Northern Trust Company	Not applicable
<b>Uruguay</b>	Banco Itau Uruguay S.A.	Not applicable
<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	Not applicable
<b>Zimbabwe</b>	The Standard Bank of South Africa Limited	Stanbic Bank Zimbabwe Limited

## APPENDIX VII – HISTORICAL PERFORMANCE DATA

### Past Performance of the Fund

The performance table shows the total annual return over a five-year period up to 31 December in each year listed.

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

Class of Unit	2018 %	2019 %	2020 %	2021 %	2022 %
A Income Unit	-10.84	21.24	9.04	16.89	-11.73
B Income Unit	-11.15	20.81	8.68	16.64	-11.89
C Income Unit*	N/A	N/A	N/A	N/A	-11.55

Source of performance data - Morningstar.

\*Class C Income Units were issued in March 2021. Where data is not available, the table is marked 'N/A' for those years.

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.

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