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PROSPECTUS

of

**THE MAZENER FUND**

A UK UCITS  
Open-Ended Investment Company

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Valid as at and dated 20 May 2026

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

Thesis Unit Trust Management Limited

Authorised and regulated by the Financial Conduct Authority

FCA firm reference number: 186882

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**PROSPECTUS**  
**OF**  
**THE MAZENER FUND**

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

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

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

The Depositary is not responsible for the information contained in this Prospectus and accordingly does not accept any responsibility under the FCA Rules or otherwise.

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

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

The Prospectus is based on information, law and practice at the date hereof. The Company is not bound by any out-of-date Prospectus when it has issued a new Prospectus and potential investors should check that they have the most recently published Prospectus. Purchases must be made on the basis of the information contained in the most recently published Prospectus and supplementary documentation, including the latest reports when issued, which are available from the registered office of the ACD. Investors should check with the ACD that this is the most recently published version of the Prospectus.

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

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

1. **DEFINITIONS**

- "ACD"** Thesis Unit Trust Management Limited, the authorised corporate director of the Company;
- "Administrator"** means Northern Trust Global Services SE, UK Branch or such other entity as is appointed to act as administrator to the Company from time to time;
- "Act"** means the Financial Services and Markets Act 2000;
- "Approved Bank"** means (in relation to a bank account opened for the Company):
- (a) if the account is opened at a branch in the United Kingdom:
    - (i) the Bank of England; or
    - (ii) the central bank of a member state of the OECD; or
    - (iii) a bank; or
    - (iv) a building society; or
    - (v) a bank which is supervised by the central bank or other 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;

<b>“Auditor”</b>	Deloitte LLP, or such other entity as is appointed to act as auditor to the Company from time to time;
<b>“Brown”</b>	Brown Advisory Limited;
<b>“business day”</b>	a weekday being Monday to Friday (excluding any public or bank holiday in England);
<b>“CASS”</b>	means the requirements relating to holding client assets and client money published by the FCA as part of the FCA Handbook, as amended or replaced from time to time;
<b>“CCP”</b>	as defined in the FCA Glossary;
<b>“Class” or “Classes”</b>	in relation to Shares, means (according to the context) all of the Shares related to the Company or a particular class or classes of Share related to the Company;
<b>“COLL Sourcebook” and “COLL”</b>	the Collective Investment Schemes Sourcebook and the appropriate chapter, or rule, in the COLL Sourcebook published by the FCA as part of their Handbook made under the Act as may be amended, or replaced, from time to time;
<b>“Company”</b>	The Mazener Fund;
<b>“Conversion”</b>	the conversion of Shares in one Class to Shares of another Class and “Convert” shall be construed accordingly;
<b>“Custodian”</b>	the person who provides custodian services to the Company, being The Northern Trust Company, or its successor or successors as custodian;
<b>“Data Protection Law”</b>	means all applicable laws relating to the processing, privacy and/or use of personal data including the following laws to the extent applicable in the circumstances: <ul style="list-style-type: none"> <li>(a) the UK GDPR;</li> <li>(b) the Data Protection Act 2018;</li> <li>(c) any laws which implement any such laws;</li> <li>(d) any laws which replace, extend, re-enact, consolidate or amend any of the foregoing (whether or not before</li> </ul>

or after the date of this Prospectus);  
and

- (e) all final and binding guidance, guidelines and codes of practice issued by any relevant supervisory authority relating to such Data Protection Law;

**“Dealing Day”**

every business day and such other day as the ACD may decide from time to time and agree with the Depositary;

**“Depositary”**

the person to whom is entrusted the safekeeping of all of the Scheme Property of the Company (other than certain Scheme Property designated by the FCA Rules), being NatWest Trustee and Depositary Services Limited, and its successor or successors as depositary;

**“Depositary Agreement”**

the agreement between the Company, the ACD and the Depositary regarding the appointment of the Depositary;

**“Director” or “Directors”**

the directors of the Company from time to time (including the ACD);

**“EEA”**

the European Economic Area;

**“EEA State”**

a member state of the European Union and any other state which is within the EEA;

**“Efficient Portfolio Management”**

for the purposes of this Prospectus, means an investment technique where derivatives are used for one or more of the following purposes: reduction of risk, reduction of cost or generation of additional income with an acceptably low level of risk as more fully described in paragraph 24 of Appendix III;

**“Eligible Institution”**

as defined in the FCA Glossary;

**“EMIR”**

as defined in the FCA Glossary;

**“FCA”**

the UK Financial Conduct Authority or any other regulatory body which may assume its regulatory responsibilities from time to time;

**“FCA Glossary”**

the glossary giving the meanings of the defined expressions used in the FCA Handbook as amended from time to time;

<b>“FCA Handbook”</b>	the FCA Handbook of rules and guidance including COLL, as amended from time to time;
<b>“FCA Rules”</b>	the rules contained in COLL but, for the avoidance of doubt, not including guidance or evidential requirements contained in COLL;
<b>“Financial Instrument”</b>	as defined in the FCA Glossary;
<b>“Fund Accountant”</b>	Northern Trust Global Services SE, UK branch, or such other entity as is appointed to act as fund accountant to the Company from time to time;
<b>“Home State”</b>	as defined in the FCA Glossary;
<b>“Instrument of Incorporation”</b>	the instrument of incorporation constituting the Company, as amended from time to time;
<b>“International Tax Compliance Regulations”</b>	the International Tax Compliance Regulations 2015 (SI 2015/878), as amended or re-enacted from time to time;
<b>“Investment Managers”</b>	Sarasin & Partners LLP, Brown Advisory Limited and Rothschild & Co Wealth Management UK Limited, the investment managers to the ACD in respect of the Company;
<b>“ISA”</b>	an individual savings account under The Individual Savings Account Regulations 1998 (as amended);
<b>“Net Asset Value” or “NAV”</b>	the value of the Scheme Property of the Company less the liabilities of the Company as calculated in accordance with the Instrument of Incorporation;
<b>“Non-UCITS retail scheme”</b>	an authorised fund which is not a UK UCITS, a qualified investor scheme or a long-term asset fund;
<b>“OECD”</b>	the Organisation for Economic Co-operation and Development;
<b>“OEIC Regulations”</b>	The Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) as amended or re-enacted from time to time;
<b>“Register”</b>	the register of Shareholders of the Company;
<b>“Registrar”</b>	Northern Trust Global Services SE, UK Branch or such other entity as is appointed

	to act as registrar to the Company from time to time;
<b>“Regulated Activities Order”</b>	the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544) as amended from time to time;
<b>“Regulations”</b>	the OEIC Regulations and the FCA Handbook (including the COLL Sourcebook);
<b>“Rothschild”</b>	Rothschild & Co Wealth Management UK Limited;
<b>“Sarasin”</b>	Sarasin & Partners LLP;
<b>“Scheme Property”</b>	means the property of the Company to be given to the Depositary for safekeeping, as required by the FCA Rules;
<b>“SDRT”</b>	stamp duty reserve tax;
<b>“Share” or “Shares”</b>	a share or shares in the Company (including larger denomination shares, and smaller denomination shares equivalent to one thousandth of a larger denomination share);
<b>“Shareholder”</b>	a holder of registered Shares in the Company;
<b>“Switch”</b>	the exchange where permissible of Shares of one Class for Shares of another Class;
<b>“SYSC”</b>	the Senior Management Arrangements, Systems and Controls sourcebook issued by the FCA pursuant to the Act, as amended or replaced from time to time;
<b>“UCITS Directive”</b>	the European Parliament and Council Directive of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (No. 2009/65/EC), as amended;
<b>“UK AIF”</b>	as defined in the FCA Glossary;
<b>“UK GDPR”</b>	Regulation (EU) 2016/679 as it forms part of the law of England and Wales, Scotland and Northern Ireland by virtue of section 3 of the European Union (Withdrawal) Act 2018 and as modified by the Data Protection, Privacy and Electronic Communications (Amendments etc) (EU Exit) Regulations 2019;

<b>“UK UCITS”</b>	as defined in the FCA Glossary;
<b>“UK UCITS Regulation”</b>	the Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2019 SI 2019/325 incorporating European directives or other European legislation relating to undertakings for collective investment in transferable securities into UK domestic law following the UK’s withdrawal from the European Union;
<b>“United Kingdom” or “UK”</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>“United States” or “US”</b>	the United States of America, its territories and possessions, any state of the United States, and the District of Columbia;
<b>“U.S. Persons”</b>	<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 (“CFTC”) Rule 4.7.</li> </ul> <p>For the avoidance of doubt, a person is excluded from this definition of U.S. Person only if they are outside both the definition of “U.S. person” in Rule 902 and the definition of “Non-United States person” under CFTC Rule 4.7.</p>
<b>“Valuation Point”</b>	the point, on a Dealing Day, whether on a periodic basis or for a particular valuation, at which the ACD carries out a valuation of the Scheme Property for the Company for the purpose of determining the price at which Shares of a Class may be issued, cancelled or redeemed. The current Valuation Point is 12.00 noon London time on each Dealing Day;
<b>“VAT”</b>	value added tax; and
<b>“1933 Act”</b>	The United States Securities Act of 1933 (as may be amended or re-enacted).

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

References in the main body of this Prospectus to paragraphs mean paragraphs in the main body of this Prospectus unless otherwise stated. Similarly, references in 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 OEIC Regulations, the Act or the FCA Handbook shall bear the same meanings in this Prospectus.

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

## 2. **DETAILS OF THE COMPANY**

### 2.1 **General**

2.1.1 The Company is an investment company with variable capital for the purposes of the OEIC Regulations. The Company is incorporated in England and Wales under registered number IC 298 and authorised by the FCA with effect from 9 February 2004 with product reference number 230481. The Company has an unlimited duration. The Company is an open-ended investment company ("OEIC").

2.1.2 Shareholders are not liable for the debts of the Company. A Shareholder is not liable to make any further payment to the Company after they have paid the price on purchase of the Shares.

2.1.3 The ACD is also the authorised corporate director or manager of certain other open-ended investment companies or collective investment schemes, details of which are set out in [Appendix IV](#).

#### 2.1.4 **Head Office**

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

#### 2.1.5 **Base Currency**

The base currency of the Company is pounds sterling.

#### 2.1.6 **Share Capital**

Maximum £100,000,000,000

Minimum £1

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

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

#### 2.1.7 **Shareholders**

Shareholders in the Company are not liable for the debts of the Company.

### 2.2 **The Structure of the Company**

#### 2.2.1 **The Company**

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

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

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

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

#### 2.2.2 **Shares**

Classes of Shares within the Company

Shares will be issued in larger and smaller denominations. There are 1,000 smaller denomination Shares to each larger denomination Share. Smaller denomination Shares represent what, in other terms, might be called fractions of a larger Share and have proportionate rights.

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

Further Classes of Share may be established from time to time by the ACD with the approval of the FCA, the agreement of the Depositary and in accordance with the Instrument of Incorporation. On the introduction

of any new Class, either a revised prospectus or a supplemental prospectus will be prepared, setting out the details of each Class.

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

The Company may issue income and accumulation Shares. Currently only net income Shares are available. Further details of the Share Classes that may be issued and their criteria for subscription are set out in [Appendix I](#). Details of which of the Share Classes are presently available are set out in [Appendix I](#).

Shares in the Company are not currently listed on any investment exchange.

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

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

The Instrument of Incorporation allows gross income and gross accumulation Shares to be issued, as well as net income and net accumulation Shares. Net Shares are Shares in respect of which income allocated to them is distributed periodically to the relevant Shareholders (in the case of income Shares) or credited periodically to capital (in the case of accumulation Shares), in either case in accordance with relevant tax law, net of any tax deducted or accounted for by the Company. Gross Shares are income or accumulation Shares where, in accordance with relevant tax law, distribution or allocation of income is made without any tax being deducted or accounted for by the Company. All references in this Prospectus are to net Shares unless otherwise stated.

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

Shareholders are entitled (subject to certain restrictions) to Switch all or part of their Shares in a Class for Shares of another Class within the Company. Details of this switching facility and the restrictions are set out in paragraph 3.4.

### 3. **BUYING, REDEEMING AND SWITCHING SHARES**

The dealing office of the ACD is normally open from 9.00 a.m. to 5.00 p.m. (London time) on each Dealing Day to receive postal requests for the purchase, sale and switching of Shares. The ACD may vary these times at its discretion. Requests to deal in Shares may also be made by telephone on each Dealing Day (at the ACD's discretion) between 9.00 a.m. and 5.30 p.m. (London time) directly to the ACD's dealing line (telephone: 0333 300 0375 or through such other

number as published from time to time). The initial investment must, at the discretion of the ACD, be accompanied by a completed application form.

Please note that telephone calls may be recorded by the ACD, its delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for record keeping, security and/or training purposes. Please see clause 11 below for further information.

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

Telephone calls will be recorded. The ACD may also, at its discretion, introduce further methods of dealing in Shares in the future. At present, transfer of title by electronic communication is not accepted.

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

### 3.1 **Money Laundering**

As a result of legislation in force in the UK to prevent money laundering, the ACD is responsible for compliance with anti-money laundering regulations. In order to implement these regulations, in certain circumstances investors may be asked to provide proof of identity when buying or redeeming Shares. Until satisfactory proof of identity is provided, the ACD reserves the right to refuse to issue Shares, pay the proceeds of a redemption of Shares, or pay income on Shares to the investor. In the case of a purchase of Shares where the applicant is not willing or is unable to provide the information requested within a reasonable period, the ACD also reserves the right to sell the Shares purchased and return the proceeds to the account from which the subscription was made. These proceeds may be less than the original investment.

### 3.2 **Buying Shares**

#### 3.2.1 **Procedure**

Shares may be bought directly from the ACD or through a professional adviser or other intermediary. Any intermediary who recommends an investment in the Company to Shareholders may be entitled to receive commission from the ACD in cases where it is permissible to do so in accordance with any applicable laws including the Act and Regulations. An ongoing commission, based on the value of Shares held, may also be paid to qualifying intermediaries in cases where it is permissible to do so in accordance with any applicable laws including the Regulations. In addition, the ACD may from time to time make arrangements to allow Shares to be bought or sold on-line or through other communication media. For details of dealing charges see paragraph 3.5 below. Application forms may be obtained from the ACD.

Valid applications to purchase Shares in the Company will be processed at the offer price per Share based on the Net Asset Value (as explained further in paragraph 4), at the next Valuation Point following receipt of the application, except in the case where dealing in the Company has been suspended as set out in paragraph 3.10.

The ACD, at its discretion, has the right to cancel a purchase deal if settlement is materially overdue and any loss arising on such cancellation shall be the liability of the applicant. For postal applications payment in full must accompany the instruction. At the ACD's discretion, payment for large purchases of Shares may be made by telegraphic transfer.

A purchase of Shares in writing or by telephone or any other communication media made available is a legally binding contract. Applications to purchase, once made are, except in the case where cancellation rights are applied, irrevocable. However, subject to its obligations under the Regulations, the ACD has the right to reject, on reasonable grounds relating to the circumstances of the applicant, any application for Shares in whole or part, and in this event the ACD will return any money sent, or the balance of such monies, at the risk of the applicant.

Any subscription monies remaining after a whole number of Shares have been issued will not be returned to the applicant. Instead, smaller denomination Shares will be issued. A smaller denomination Share is equivalent to one thousandth of a larger denomination Share.

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

### 3.2.2 **Documents the Buyer will Receive**

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

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

Settlement is due within three business days of the Valuation Point. An order for the purchase of Shares will only be deemed to have been accepted by the ACD once it is in receipt of cleared funds for the application. If settlement is not made within a reasonable period, then the ACD has the right to cancel any Shares issued in respect of the application.

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

The Company has the power to issue bearer Shares but there are no present plans to do so.

### 3.2.3 **Minimum Subscriptions and Holdings**

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

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

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

### 3.2.4 **Limitations on Redemption**

The ACD may at its discretion limit the number of Shares of any Fund redeemed on any Dealing Day to Shares representing ten% of the total Net Asset Value of that Fund on that Dealing Day. In this event, the limitation will apply pro rata so that all Shareholders wishing to have Shares of that Fund redeemed on that Dealing Day realise the same proportion of such Shares. Shares not redeemed, but which would otherwise have been redeemed, will be carried forward for redemption on the next Dealing Day and will be dealt with in priority (on a rateable basis) to redemption requests received subsequently. If requests for redemptions are so carried forward, the Administrator will inform the Shareholders affected.

3.2.5 The Company is subject to legislation implementing the United Kingdom's obligations under various intergovernmental agreements relating to the automatic exchange of information to improve international tax compliance (including EU directives and the United States provisions commonly known as FATCA), the Company or its agent will collect and report information about Shareholders and their investments where required for this purpose, including information to verify their identity and tax status. If requested to do so by the Company or its agent, Shareholders must provide information to be passed on to HM Revenue & Customs (and by them to any relevant overseas tax authorities).

## 3.3 **Redeeming Shares**

### 3.3.1 **Procedure**

Every Shareholder is entitled on any Dealing Day to redeem its Shares, which shall be purchased by the ACD dealing as principal.

Valid instructions to the ACD to redeem Shares will be processed at the Share price calculated, based on the bid price per Share based on the Net Asset Value (as explained further in paragraph 4), at the next Valuation Point following receipt of the instruction, except in the case where dealing has been suspended as set out in paragraph 3.10.

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

For details of dealing charges see paragraph 3.5 below.

### 3.3.2 **Documents a Redeeming Shareholder will Receive**

A confirmation giving details of the number and price of Shares redeemed will be sent to the redeeming Shareholder (or the first named Shareholder, in the case of joint Shareholders) together with (if sufficient written instructions have not already been given) a form of renunciation for completion and execution by the Shareholder (or, in the case of a joint holding, by all the joint Shareholders) no later than the end of the business day following the later of the request to redeem Shares or the Valuation Point by reference to which the price is determined.

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

Payment will be made within three business days of the later of (a) receipt by the ACD of the form of renunciation (or other sufficient written instructions) duly signed and completed by all the relevant Shareholders together with any other documentation and appropriate evidence of title, any required anti-money laundering related documentation, and (b) the Valuation Point following receipt by the ACD of the request to redeem.

### 3.3.3 **Minimum Redemption**

Part of a Shareholder's holding may be redeemed but the ACD reserves the right to refuse a redemption request if the value of the Shares to be redeemed is less than the minimum stated in respect of the appropriate Class in question (see Appendix I).

## 3.4 **Conversion and Switching**

Subject to any restrictions on the eligibility of investors for a particular Share Class, a Shareholder may at any time:

- (i) Convert all or some of their Shares of one Class for another Class of Shares; or
- (ii) Switch all or some of their Shares for another Class of Shares for which conversion is not possible.

However, investors wishing to Convert or Switch into gross Shares (if they are available) must first complete a Declaration of Eligibility and Undertaking, which may be obtained from the ACD.

#### 3.4.1 **Conversions**

Conversions will be effected by the ACD recording the change of Share Class on the Register of the Company.

If a Shareholder wishes to Convert Shares they should apply to the ACD in the same manner as for a sale as set out below.

Conversions will be effected at the next Valuation Point following receipt of instructions to Convert from a Shareholder.

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

There is no fee on Conversions.

#### 3.4.2 **Switches**

Subject to the qualifications below, a Shareholder may at any time Switch all or some of their Shares of one Class (Original Shares) for a number of other Shares (New Shares).

The number of New Shares issued will be determined by reference to the respective prices of New Shares and Original Shares at the Valuation Point applicable at the time the Original Shares are redeemed and the New Shares are issued.

The ACD may at its discretion make a charge on the switching of Shares. Any such charge on switching does not constitute a separate charge payable by a Shareholder, but is rather the application of any redemption charge on the Original Shares, subject to certain waivers. For details of the charges on switching currently payable, please see paragraph 3.5.2.

If a partial Switch would result in the Shareholder holding a number of Original Shares or New Shares of a value which is less than the minimum holding in the Class concerned, the ACD may, if it thinks fit, convert the whole of the applicant's holding of Original Shares to New Shares (and make a charge on switching on such conversion) or refuse to effect any Switch of the Original Shares. Save as otherwise specifically set out, the general provisions on procedures relating to redemption will apply equally to a Switch. Written instructions must be received by the ACD before the Valuation Point on a Dealing Day to be dealt with at the prices at the Valuation Point on that Dealing Day or at such other Valuation Point as the ACD at the request of the Shareholder giving the relevant instruction may agree. Switching requests received after a Valuation Point will be held over until the next day which is a Dealing Day.

The ACD may adjust the number of New Shares to be issued to reflect the application of any charge on switching together with any other

charges or levies in respect of the application for the New Shares or redemption of the Original Shares as may be permitted pursuant to the COLL Sourcebook.

**A Shareholder who Switches between Classes of Shares will not be given a right by law to withdraw from or cancel the transaction.**

### 3.5 Dealing Charges

The Company has a dual pricing regime and Scheme Property will be valued in accordance with the COLL Sourcebook on an offer basis (i.e. normally the market dealing offer price at which securities may be purchased plus any commissions) for the purpose of issue of Shares and on a bid basis (i.e. the market dealing bid price at which securities can be sold after deducting any costs) for the redemption of Shares. Any 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.

#### 3.5.1 Redemption Charge

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

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

#### 3.5.2 Charges on Switching

On the switching of Shares between Classes in the Company the Instrument of Incorporation authorises the Company to impose a charge on switching. The charge on switching is payable by the Shareholder to the ACD.

There is currently no charge for switching Shares in one Class for Shares in another Class.

#### 3.5.3 Stamp Duty Reserve Tax ("SDRT")

Liability to SDRT on the surrender of shares has been abolished. Consequently, the Company now pays SDRT only on the purchase of chargeable securities, broadly UK equities.

If a Shareholder redeems units in specie and receives a non-pro rata share of the underlying assets, SDRT will arise to the extent that there are chargeable securities. It can also arise on sales of units by one investor to another where the holding remains registered in the same name.

The current policy is that any SDRT costs will be paid out of the Company's Scheme Property and charged to capital. SDRT will not generally be recovered from Shareholders. However, the ACD reserves the right to require Shareholders to pay SDRT whenever it considers

that the circumstances have arisen which make such imposition fair to all Shareholders or potential Shareholders. The ACD may impose an SDRT provision on large deals when no SDRT provision is imposed on smaller deals or which is larger than that imposed on smaller deals. A "large deal" is a transaction (or a series of transactions in one dealing period) by any person to buy, sell or exchange Shares at a total value of £15,000 or more. In the event there is a change in this policy the ACD will give prior notification of such change to Shareholders prior to it taking effect.

Since the authorisation of the Company to the date of this Prospectus it has not been necessary to recover any SDRT from Shareholders on any dealings in the Shares of the Company.

Although it cannot be guaranteed, it is the opinion of the ACD that SDRT will rarely be recovered from Shareholders on the sale of Shares. This statement is based on the ACD's current policy for SDRT as detailed above. If imposed on a particular deal the maximum rate of SDRT will not exceed the current rate of SDRT.

### 3.6 **Transfers**

Shareholders are entitled to transfer their Shares to another person or body. All transfers must be in writing in the form of an instrument of transfer approved by the ACD for this purpose. Completed instruments of transfer must be returned to the ACD in order for the transfer to be registered by the ACD. The ACD may refuse to register a transfer unless any provision for SDRT that it requires has been paid.

### 3.7 **Restrictions and Compulsory Transfer and Redemption**

The ACD may from time to time impose such restrictions as it may think necessary for the purpose of ensuring that no Shares are acquired or held by any person in breach of the law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory or which would result in the Company incurring any liability to taxation which the Company is not able to recoup itself or suffering any other adverse consequence. In this connection, the ACD may, among other things, reject in its discretion any application for the purchase, redemption, transfer or switching of Shares.

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

- (a) are owned directly or beneficially in breach of any law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory; or
- (b) would result in the Company incurring any liability to taxation which the Company would not be able to recoup itself or suffering any other adverse consequence (including a requirement to register under any securities or investment or similar laws or governmental regulation of any country or territory); or
- (c) are held in any manner by virtue of which the Shareholder or Shareholders in question is/are not qualified to hold such Shares or if it reasonably believes this to be the case; or

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

the ACD may give notice to the Shareholder(s) of the affected Shares requiring the transfer of such Shares to a person who is qualified or entitled to own them or that a request in writing be given for the redemption of such Shares in accordance with the COLL Sourcebook. If any Shareholder upon whom such a notice is served does not within 30 days after the date of such notice transfer their affected Shares to a person qualified to own them or submit a written request for their redemption to the ACD or establish to the satisfaction of the ACD (whose judgement is final and binding) that they or the beneficial owner are qualified and entitled to own the affected Shares, they shall be deemed upon the expiry of that 30 day period to have given a request in writing for the redemption or cancellation (at the discretion of the ACD) of all the affected Shares.

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

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

### **3.8 Issue of Shares in Exchange for In Specie Assets**

The ACD may arrange for the Company to issue Shares in exchange for assets other than cash, but will only do so where the Depositary has taken reasonable care to determine that the Company's acquisition of those assets in exchange for the Shares concerned is not likely to result in any material prejudice to the interests of Shareholders.

The ACD will ensure that the beneficial interest in the assets is transferred to the Company with effect from the issue of the Shares.

The ACD will not issue Shares in exchange for assets the holding of which would be inconsistent with the investment objective or policy of the Company.

### **3.9 In Specie Redemptions**

If a Shareholder requests the redemption of Shares the ACD may, where it considers the deal to be substantial in relation to the total size of the Company or in some way detrimental to the Company, arrange, having given prior notice in writing to the Shareholder, that, in place of payment for the Shares in cash, the Company transfers property or, if required by the Shareholder, the net proceeds of sale of the relevant property, to the Shareholder. Before the redemption proceeds of the Shares become payable, the ACD must give written notice to the Shareholder that the relevant property or the proceeds of sale of the relevant property will be transferred to that Shareholder so that the Shareholder can require the net proceeds of redemption rather than the relevant property if they so desire.

For this purpose, the ACD may consider a deal to be substantial if the relevant Shares constitute 5% (or a lesser or higher percentage if considered appropriate) of those in issue.

The Depositary must take reasonable care to ensure that the property concerned would not be likely to result in any material prejudice to the interests of Shareholders.

The ACD will select the property to be transferred or sold in consultation with the Depositary. They must ensure that the selection is made with a view to achieving no more advantage or disadvantage to the Shareholder requesting the redemption than to the continuing Shareholders.

### **3.10 Suspension of Dealings in the Company**

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

The ACD or the Depositary (as appropriate) will immediately inform the FCA of the suspension and the reasons for it, and will follow this up as soon as practicable with written confirmation of the suspension and the reasons for it to the FCA.

The ACD and the Depositary must ensure that the suspension is only allowed to continue for as long as is justified having regard to the interests of Shareholders.

The ACD will notify Shareholders as soon as is practicable after the commencement of the suspension, including details of the exceptional circumstances which have led to the suspension, in a clear, fair and not misleading way and giving Shareholders details of how to find further information about the suspension. Where such suspension takes place, the ACD will publish details on its website or other general means, sufficient details to keep Shareholders appropriately informed about the suspension, including, if known, its possible duration. During the suspension none of the obligations in COLL 6.2 (Dealing) will apply but the ACD will comply with as much of COLL 6.3 (Valuation and Pricing) during the period of suspension as is practicable in light of the suspension.

Suspension will cease as soon as practicable after the exceptional circumstances leading to the suspension have ceased but the ACD and the Depositary will formally review the suspension at least every 28 days and will inform the FCA of the review and any change to the information given to Shareholders.

The ACD may agree during the suspension to deal in Shares in which case all deals accepted during and outstanding prior to the suspension will be undertaken at a price calculated at the first Valuation Point after the restart of dealings in Shares.

### **3.11 Governing Law**

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

## 4. VALUATION OF THE COMPANY

### 4.1 General

The Company will be valued on each Dealing Day in accordance with the COLL sourcebook and the Instrument of Incorporation. The Company operates dual pricing which means that the shares in the Company have a buying (offer) and selling (bid) price, with the difference between these known as the 'spread'. The price of a Share is calculated by reference to the Company's Net Asset Value. Each valuation of the Scheme Property shall be in two parts, on an offer price basis to determine the prices at which Shares may be purchased from the ACD, and on a bid price basis, to determine the price at which Shares may be redeemed by the ACD on the relevant Dealing Day.

Details of how the bid and offer prices are determined are set out in paragraph 4.2 below. The price of a Share on issue shall be the undivided share of Scheme Property valued on the offer basis described above, represented by one Share of the type concerned (i.e. income or accumulation Share). The price of a Share on redemption shall be the undivided share of Scheme Property valued on the bid basis described above represented by one Share of the type concerned. The Bid and Offer price per Share is currently calculated at 12.00 noon (London time) (this being the Valuation Point) on each Dealing Day.

The ACD may at any time during a business day carry out an additional valuation if it considers it desirable to do so and may use the prices obtained at such additional valuation point as the prices for the day. The ACD shall inform the Depositary of any decision to carry out any such additional valuation. Valuations may be carried out for effecting a scheme of amalgamation or reconstruction, which do not create a Valuation Point for the purposes of dealing. Where permitted and subject to the Regulations, the ACD may, in certain circumstances (for example where a significant event has occurred since the closure of a market) substitute a price with a more appropriate price which in its opinion reflects a fair and reasonable price for that investment.

The ACD will, upon completion of each valuation, notify the Depositary of the bid and offer price of Shares of each Class in respect of any purchase or redemption of Shares.

A request for dealing in Shares must be received by the Valuation Point on a particular Dealing Day in order to be processed at the next Valuation Point. A dealing request received after this time will be held over and processed on the next Dealing Day, using the bid or offer price per Share calculated as at the Valuation Point on that next Dealing Day.

For the purposes of calculating investment limits and borrowing powers, the Scheme Property of the Company will be valued on a bid basis.

### 4.2 Calculation of the Net Asset Value

The value of the property of the Company shall consist of two parts, one on an issue basis and one on a cancellation basis calculated in accordance with the following provisions:

- 4.2.1 The valuation of Scheme Property for that part of the valuation which is on an issue basis is as follows:

- 4.2.2 Scheme Property which is not cash (or other assets dealt with in paragraphs 4.2.4, 4.2.2.5 or 4.2.5 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:
- 4.2.2.1 units or shares in a collective investment scheme:
- (a) if a single price for buying and redeeming units or shares is quoted, at that price; or
  - (b) if separate buying (offer) and selling (bid) prices are quoted, at the average of the two prices provided the selling price has been increased by any exit or selling charge attributable thereto; or
  - (c) if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no recent price exists or if the most recent price available does not reflect the ACD's best estimate of the value of the units or shares, at a value which, in the opinion of the ACD, is fair and reasonable;
- 4.2.2.2 exchange-traded derivative contracts:
- (a) if a single price for buying and selling the exchange-traded derivative contract is quoted, at that price; or
  - (b) if separate buying and selling prices are quoted, at the average of the two prices;
- 4.2.2.3 over-the-counter derivative contracts shall be valued in accordance with the method of valuation as shall have been agreed between the ACD and the Depositary;
- 4.2.2.4 any other investment:
- (a) if a single price for buying and redeeming the security is quoted, at that price; or
  - (b) if separate buying and redemption prices are quoted, at the average of the two prices; or
  - (c) if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no recent price exists or if the most recent price available does not reflect the ACD's best estimate of the value of the security, at a value which in the opinion of the ACD, is fair and reasonable;
- 4.2.2.5 Scheme Property other than that described in paragraphs 4.2.2.1, 4.2.2.2, 4.2.2.3 and 4.2.2.4 above at a value

which, in the opinion of the ACD, is fair and reasonable (less any dealing costs (as defined below));

- 4.2.2.6 cash and amounts held in current, margin and deposit accounts and in other time related deposits shall be valued at their nominal values.
- 4.2.3 In determining the value of the Scheme Property, all instructions given to issue or cancel Shares shall be assumed (unless the contrary is shown) to have been carried out and any cash payment made or received and all consequential action required by the Regulations or the Instrument of Incorporation shall be assumed (unless the contrary has been shown) to have been taken.
- 4.2.4 Subject to paragraphs 4.2.5 and 4.2.6 below, agreements for the unconditional sale or purchase of Scheme Property which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the valuation takes place and if, in the opinion of the ACD, their omission will not materially affect the final net asset amount.
- 4.2.5 Futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options shall not be included under paragraph 4.2.4.
- 4.2.6 All agreements are to be included under paragraph 4.2.4 which are, or ought reasonably to have been, known to the person valuing the property assuming that all other persons in the ACD's employment take all reasonable steps to inform it immediately of the making of any agreement.
- 4.2.7 Deduct an estimated amount for anticipated tax liabilities at that point in time including (as applicable and without limitation) capital gains tax, income tax, corporation tax, VAT, stamp duty, SDRT and any foreign taxes or duties.
- 4.2.8 Deduct an estimated amount for anticipated tax liabilities (on unrealised capital gains where the liabilities have accrued and are payable out of the Scheme Property; on realised capital gains in respect of previously completed and current accounting periods; and on income where liabilities have accrued) including (as applicable and without limitation) capital gains tax, income tax, corporation tax, VAT, SDRT and stamp duty.
- 4.2.9 Deduct the principal amount of any outstanding borrowings whenever repayable and any accrued but unpaid interest on borrowings.
- 4.2.10 Add an estimated amount for accrued claims for tax of whatever nature which may be recoverable.
- 4.2.11 Add any other credits or amounts due to be paid into the Scheme Property.
- 4.2.12 Currencies or values in currencies other than the base currency (Sterling) shall be converted at the relevant Valuation Point at a rate of

exchange that is not likely to result in any material prejudice to the interests of Shareholders or potential Shareholders.

- 4.2.13 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.

#### 4.3 **Price Per Share in Each Class**

The price per Share at which Shares are bought is the offer price per share. The price per Share at which Shares are redeemed is the bid price per Share. Any 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.

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

#### 4.4 **Fair Value Pricing**

- 4.4.1 Where the ACD has reasonable grounds to believe that:

4.4.1.1 no reliable price exists for a security (including a unit/share in a collective investment scheme) at a Valuation Point; or

4.4.1.2 the most recent price available does not reflect the ACD's best estimate of the value of the security (including a unit/share in a collective investment scheme) at the Valuation Point;

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

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

4.4.2.1 no recent trade in the security concerned; or

4.4.2.2 suspension of dealings in an underlying collective investment scheme; or

4.4.2.3 the occurrence of a significant event since the most recent closure of the market where the price of the security is taken.

- 4.4.3 In determining whether to use such a fair value price, the ACD will include in their consideration but need not be limited to:

4.4.3.1 the type of authorised fund concerned;

4.4.3.2 the securities involved;

4.4.3.3 whether the underlying collective investment schemes may already have applied fair value pricing;

- 4.4.3.4 the basis and reliability of the alternative price used; and
- 4.4.3.5 the ACD's policy on the valuation of Scheme Property as disclosed in this Prospectus.

#### 4.5 **Pricing Basis**

The ACD deals on a forward pricing basis. A forward price is the price calculated at the next Valuation Point after the purchase or redemption is deemed to be accepted by the ACD. Shares in the Company are dual priced.

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

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

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

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

### 5. **RISK FACTORS**

Potential investors should consider the below risk factors before investing in the Company. This list must not be taken to be comprehensive as there may be new risks that arise in the future which could not have been anticipated in advance.

#### 5.1 **General**

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

#### 5.2 **Equity Investments**

Prices of equities fluctuate daily, dependent on market conditions. Markets can be influenced by a series of factors such as political and economic news, corporate earnings reports, demographic trends, catastrophic events and wider market expectations. It is worth noting that the value of equities can fall as well as rise and investors who invest into equity funds may not get back the amount that was originally invested. Potentially a fund investing in equities could incur significant losses.

#### 5.3 **Effect of Redemption Charge**

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

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

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

#### 5.4 **SDRT Provision**

Certain investment transactions can result in the payment of SDRT. When such payment results in the diminution in value of the Shares, an additional charge may be levied in addition to the price of the Shares when issued or deducted when sold.

#### 5.5 **Charges to capital**

Where the investment objective of the Company is to treat the generation of income as a higher priority than capital growth, or the generation of income and capital growth have equal priority, all or part of the ACD's fee and other expenses may be charged against capital instead of against income. This treatment of the ACD's fee and other expenses will increase the amount of income (which may be taxable) available for distribution to Shareholders in the Company concerned but may constrain capital growth. Expenses are allocated between capital and income in accordance with the Regulations. However, the approach for the Company is set out in Appendix I.

#### 5.6 **Suspension of Dealings in Shares**

Investors are reminded that in certain circumstances their right to redeem Shares (including a redemption by way of switching) may be suspended (see Suspension of Dealings in the Company at paragraph 3.10)

#### 5.7 **Currency Exchange Rates**

The Company may invest in assets that are denominated in a currency other than the base currency.

Currency fluctuations may adversely affect the value of the Company's investments and the income thereon and, depending on an investor's currency of reference, currency fluctuations may adversely affect the value of their investment in Shares.

#### 5.8 **Derivatives**

**The Investment Managers may employ derivatives in the pursuit of the investment objective as well as for Efficient Portfolio Management.**

For a summary of the types of derivatives which the Investment Managers may utilise, see paragraphs 13 to 24 of Appendix III.

#### 5.9 **Other Collective Investment Schemes**

The Company may invest in other regulated collective investment schemes. As an investor of another collective investment scheme, the Company will bear, along with the other investors, its portion of the expenses of the other collective investments schemes, including management, performance and/or other fees.

These fees will be in addition to the management fees and other expenses which the Company bears directly with its own operations.

The Company may invest in collective investment schemes managed by any Investment Manager or one of its associates. In such cases, to avoid a double charge, an Investment Manager or its associate, at its discretion, may rebate an amount equal to up to 100% of any annual management charge payable by the Company.

The Company may invest in collective investment schemes ("**investee schemes**") managed by any Investment Manager or one of its associates. In such cases, an Investment Manager or its associate may have delegated investment management of the investee schemes to one or more third party investment managers (each a "**Money Manager**") and part or all of a performance fee may be payable by the investee schemes to such Money Managers and the relevant Investment Manager. The Investment Managers and their associates are not able to rebate performance fees paid to Money Managers to the Company.

#### 5.10 **Emerging Markets**

Investments in emerging markets may be more volatile than investments in more developed markets. Some of these markets may have relatively unstable governments, economies based on only a few industries and securities markets that trade only a limited number of securities. Many emerging markets do not have well developed regulatory systems and disclosure standards may be less stringent than those of developed markets.

The risks of expropriation, nationalisation and social, political and economic instability are greater in emerging markets than in more developed markets.

The following is a brief summary of some of the more common risks associated with emerging markets investment:

##### **(a) Fraudulent Securities**

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

##### **(b) Currency Fluctuations**

Significant changes in the currencies of the countries in which investments are made in respect of the currency of denomination of the Company may occur following the investment of the Company in these currencies. These changes may impact the total return of the Company to a significant degree. In respect of currencies of certain emerging countries, it is not possible to undertake currency hedging techniques.

##### **(c) Settlement and Custody Risks**

Settlement and custody systems in emerging markets are not as well developed as those in developed markets. Standards may not be as high and supervisory and regulatory authorities not as sophisticated. As a result there may be risks that settlement may be delayed and that cash or securities could be disadvantaged.

**(d) Investment and Remittance Restrictions**

In some cases, emerging markets may restrict the access of foreign investors to securities. As a result, certain equity securities may not always be available to the Company because the maximum permitted number of or investment by foreign shareholders has been reached. In addition, the outward remittance by foreign investors of their share of net profits, capital and dividends may be restricted or require governmental approval. The Company will only invest in markets in which it believes these restrictions to be acceptable. However, there can be no guarantee that additional restrictions will not be imposed.

**(e) Accounting**

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

**(f) Political**

The value of the Company's assets may be affected by uncertainties such as political developments, changes in government policies, taxation, currency repatriation restrictions and restrictions on foreign investment in some of the countries in which the Company may invest.

**(g) Smaller Companies**

The Company may invest in small capitalisation stocks and there may be a less liquid market in these stocks than in the case of large and mid capitalisation stocks and the stock market price of these stocks may be more volatile than large capitalisation stocks and somewhat more speculative.

Smaller or newer companies may suffer more significant losses as well as realise more substantial growth than larger or more established issuers because they may lack depth of management, be unable to generate funds necessary for growth or be developing or marketing new products or services for which markets are not established. In addition, such companies may be insignificant in their industries and may become subject to intense competition from larger or more established companies.

**(h) Counterparty and Settlement**

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

**(i) Custody**

As the Company may invest in markets, such as emerging markets, where custodial and/or settlement systems are not fully developed, the assets of the Company which are traded in such markets and which have been entrusted to sub-custodians in circumstances where the use of sub-

custodians is necessary may be exposed to risk in circumstances where the Depositary will have no liability. See paragraph 6.3.2 below for further information regarding custody.

**(i) Inflation Risk**

Inflation will, over time, reduce the value of your investments in real terms.

**(i) Credit and Fixed Interest Securities**

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall and vice versa. Inflation will also decrease the real value of capital.

The value of a fixed interest security will fall in the event of the default or reduced credit rating of the issuer. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer. High yield bonds with lower credit ratings (also known as sub-investment grade bonds) are potentially more risky (higher credit risk) than investment grade bonds. A sub-investment grade bond has a Standard & Poor's credit rating of below BBB or equivalent.

**5.11 Infectious Diseases**

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

**5.12 Custody Risk**

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

**6. MANAGEMENT AND ADMINISTRATION**

**6.1 Regulatory Status**

The ACD, the Depositary and the Investment Managers are authorised and regulated by the FCA of 12 Endeavour Square, London, E20 1JN.

## 6.2 **Authorised Corporate Director**

### 6.2.1 **General**

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

The directors of the ACD are:

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

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

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

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

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

D K Mytnik and V R Smith also hold non-executive directorships of other companies within the Thesis group and are members of the governing

body of TUTMAN LLP, an authorised fund manager within the same group as the ACD.

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

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

<b>Registered Office and Head Office:</b>	Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP
<b>Share Capital:</b>	It has a share capital of £5,673,167 issued and paid up.

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

It has therefore delegated to the Investment Managers the function of managing and acting as the investment advisers for the investment and reinvestment of the assets of the Company (as further explained in paragraph 6.4 below). It has also delegated certain administrative functions to the Registrar, the Administrator and the Fund Accountant (as further explained in paragraph 6.5 below).

### 6.2.2 **Terms of Appointment**

The appointment of the ACD has been made under an agreement dated 1 May 2022 between the Company and the ACD, as amended from time to time, (the "**ACD Agreement**").

Pursuant to the ACD Agreement, the ACD manages and administers the affairs of the Company in accordance with the Regulations, the Instrument of Incorporation and this Prospectus. The ACD Agreement incorporates detailed provisions relating to the ACD's responsibilities and excludes it from any liability to the Company or any Shareholder for any act or omission except in the case of negligence, wilful default, breach Regulations in relation to the Company on its part.

The ACD Agreement provides indemnities to the ACD to the extent allowed by the Regulations and other than for matters arising by reason of its negligence, or wilful default in the performance of its duties and obligations. Subject to certain limited exceptions set out in the Regulations, the ACD may retain the services of any person to assist it in the performance of its functions.

Any liability for defaults of a person to whom it delegated certain functions is also limited to the extent permitted by the Regulations.

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

The ACD Agreement may be terminated by either party on giving not less than 6 months prior written notice. Details of the fees payable to the ACD are set out in paragraph 7.2 below.

The Company has no directors other than the ACD. The ACD is the manager of certain authorised unit trusts and open-ended investment companies details of which are set out in Appendix IV.

## **6.3 The Depositary**

### **6.3.1 General**

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

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

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

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

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

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

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

### **6.3.3 Terms of Appointment**

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

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

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

in turn, sub-delegated the custody of assets in certain markets in which the Company may invest to various sub-delegates (“sub-custodians”).

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

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

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

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

Details of the fees payable to the Depositary are set out at paragraph 7.4.

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

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

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

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

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

#### 6.3.5 **Updated Information**

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

### 6.4 **The Investment Managers**

#### 6.4.1 **General**

The ACD has appointed Sarasin, Brown and Rothschild, to provide investment management services to the ACD. The Investment Managers are authorised and regulated by the FCA.

The Investment Managers will receive a fee paid by the ACD out of its remuneration received each month from the Company as explained in paragraph 7.6. Any third party research received in connection with investment management services that an Investment Manager provides to the Company will be paid for by that Investment Managers.

Sarasin's registered office is at 50 George Street, London W1U 7DY.

Brown's registered office is at 6-10 Bruton Street, London W1J 6PX.

Rothschild's registered office is at New Court, St. Swithin's Lane, London EC4N 8AL.

The principal activity of each Investment Manager is carrying on the business of asset managers.

#### 6.4.2 **Sarasin Terms of Appointment**

Sarasin was appointed by an agreement dated 14 April 2022 as amended from time to time between the ACD and Sarasin as amended from time to time (the "**Sarasin Investment Management Agreement**").

The terms of the Sarasin Investment Management Agreement between the ACD and Sarasin include the provision of investment management with a view to attaining the investment objective of the Company, the purchase and sale of investments and on the exercise of voting rights relating to such investments. Sarasin has authority to make decisions on behalf of the ACD on a discretionary basis in respect of day to day investment management of the relevant portion of the Scheme Property including authority to place purchase orders and sale orders with regulated dealers.

The Sarasin Investment Management Agreement may be terminated in writing at any time by the ACD and on not less than three months' written notice by Sarasin or upon immediate notice upon the happening of certain specified events. The Sarasin Investment Management

Agreement may be terminated immediately by the ACD if it is in the interests of investors.

Sarasin will receive a fee paid by the ACD out of its remuneration received each month from the Company as explained in paragraph 7.6 below.

#### 6.4.3 **Brown Terms of Appointment**

Brown was appointed by an agreement dated 26 April 2022 between the ACD and Brown as may be amended and restated from time to time (the "**Brown Investment Management Agreement**").

The terms of the Brown Investment Management Agreement between the ACD and Brown include the provision of investment management with a view to attaining the investment objective of the Company, the purchase and sale of investments and on the exercise of voting rights relating to such investments. Brown has authority to make decisions on behalf of the ACD on a discretionary basis in respect of day to day investment management of the relevant portion of the Scheme Property including authority to place purchase orders and sale orders with regulated dealers.

The Brown Investment Management Agreement may be terminated in writing at any time by the ACD and on not less than three months' notice by Brown or upon immediate notice upon the happening of certain specified events. The Brown Investment Management Agreement may be terminated immediately by the ACD if it is in the interests of investors.

Brown will receive a fee paid by the ACD out of its remuneration received each month from the Company as explained in paragraph 7.6 below.

#### 6.4.4 **Rothschild Terms of Appointment**

Rothschild was appointed by an agreement dated 26 April 2022 between the ACD and Rothschild as amended from time to time (the "Rothschild Investment Management Agreement").

The terms of the Rothschild Investment Management Agreement between the ACD and Rothschild include the provision of investment management with a view to attaining the investment objective of the Company, the purchase and sale of investments and on the exercise of voting rights relating to such investments. Rothschild has authority to make decisions on behalf of the ACD on a discretionary basis in respect of day to day investment management of the relevant portion of the Scheme Property including authority to place purchase orders and sale orders with regulated dealers.

The Rothschild Investment Management Agreement may be terminated in writing at any time by the ACD and on not less than three months' written notice by Rothschild or upon immediate notice upon the happening of certain specified events. The Rothschild Investment Management Agreement may be terminated immediately by the ACD if it is in the interests of investors.

Rothschild will receive a fee paid by the ACD out of its remuneration received each month from the Company as explained in paragraph 7.6 below.

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

### 6.5.1 **General**

On behalf of the Company the ACD has also appointed Northern Trust Global Services SE, UK Branch to act as administrator and registrar to the Company.

The registered office of the Registrar is 50 Bank Street, Canary Wharf, London E14 5NT.

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

- (a) maintaining the Register;
- (b) receiving and processing requests for subscriptions for, or redemptions of, Shares;
- (c) administering the payment of distributions to Shareholders;
- (d) dealing with certain regulatory reporting requirements on behalf of the Company and the ACD;
- (e) maintaining the accounting records of the Company; and
- (f) assisting in calculating the Net Asset Value, as well as providing fund accounting services in respect of the Company.

### 6.5.2 **Register of Shareholders**

The Register of Shareholders will be maintained by the Registrar at the address of its registered office as noted above, and may be inspected at that address during normal business hours by any Shareholder or any Shareholder's duly authorised agent.

The plan register (being a record of persons who subscribe for Shares through Individual Savings Accounts (ISAs)) can be inspected at the office of the Registrar.

## 6.6 **The Auditors**

The auditors of the Company are Deloitte LLP, whose address is 1 New Street Square, London EC4A 3HQ.

## 6.7 **Conflicts of Interest**

The ACD may, from time to time, act as authorised fund manager and the Investment Managers and other companies within their or the ACD's group may, from time to time, act as investment managers or advisers to other funds or sub-funds which follow similar investment objectives to those of the Company. It is therefore possible that the ACD and/or the Investment Managers, and/or other companies within their respective groups, may in the course of their business

have potential conflicts of interest with the Company or between the Company and other funds managed by the ACD. The ACD and each of the Investment Managers will, however, have regard in such event to its respective obligations under the ACD Agreement and the Investment Management Agreements and, in particular, to its obligation to act in the best interests of the Company so far as practicable, having regard to its obligations to other clients, when undertaking any investment business where potential conflicts of interest may arise.

The ACD has in place and maintains a written a conflicts of interest policy which identifies potential conflicts which constitute or may give rise to a conflict of interest entailing a material risk of damage to the interests of the Company, and the procedures which will be followed in order to manage such conflicts. Further details regarding the ACD's policy are available on request. For further information, see paragraph 11.4.

Where a conflict of interest cannot be avoided, the ACD will ensure that the Company and any other collective investment schemes it manages are fairly treated. The ACD acknowledges that there may be some situations where the organisational or administrative arrangements in place for the management of conflicts of interest are not sufficient to ensure with reasonable confidence that risk of damage to the interests of the Company or its Shareholders will be prevented. Should any such situations arise, the ACD will disclose these to Shareholders in an appropriate format.

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

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

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

The Depositary, the ACD, the Investment Managers or any associate of any of them will not be liable to account to the Company or any other person, including Shareholders, for any profit or benefit made or derived from or in connection with:

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

## 6.8 **Policy on Benefits from Third Parties**

When executing orders, or placing orders with other entities for execution, that relate to Financial Instruments for, or on behalf of, the Company, the Investment

Managers will not accept and retain any fees, commissions or monetary benefits; or accept any non-monetary benefits, where these are paid or provided by any third party or a person acting on behalf of a third party. The Investment Managers will return to each relevant Fund as soon as reasonably possible after receipt any fees, commissions or any monetary benefits paid or provided by any third party or a person acting on behalf of a third party in relation to the services provided to that fund, and disclose in the annual report the fees, commissions or any monetary benefits transferred to them.

The Investment Managers may, however, accept without disclosure minor non-monetary benefits that are capable of enhancing the quality of service provided to the relevant Fund; and of a scale and nature such that they could not be judged to impair their compliance with its duty to act honestly, fairly and professionally in the best interests of each Fund.

## **7. FEES AND EXPENSES**

### **7.1 General**

All fees, costs, charges or expenses, other than the charges made in connection with the subscription and redemption of Shares (see paragraph 3.5) payable by a Shareholder or out of Scheme Property are set out in this paragraph.

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

- 7.1.1 broker's commission, fiscal charges (including stamp duty and/or stamp duty reserve tax) and other disbursements which are necessary to be incurred in effecting transactions for the Company and normally shown in contract notes, confirmation notes and difference accounts as appropriate;
- 7.1.2 any costs incurred in the incorporation and authorisation of the Company, any offer of Shares or promotion, the preparation and printing of any Prospectus in connection with such offer (and any amendments thereto) and the fees for professional services provided to the Company in connection with such offer or promotion;
- 7.1.3 any costs incurred in amending the Instrument of Incorporation or this Prospectus including costs incurred in respect of meetings of shareholders and/or directors convened for purposes which include the purpose of amending the Instrument of Incorporation or this Prospectus;
- 7.1.4 any fees and expenses in respect of establishing and maintaining the register of Shareholders, including any sub-registers kept for the purpose of the administration of (when applicable) and Individual Savings Accounts;
- 7.1.5 any fees in relation to a unitisation, amalgamation or reconstruction where the property of a body corporate (such as an investment company) or of another collective investment scheme is transferred to the Company in consideration of the issue of shares in the Company to shareholders in that body corporate or to participation in that other scheme, any liability arising after the transfer which, had it arisen before

the transfer, could properly have been paid out of that other property provided that the ACD is of the opinion that proper provision was made for meeting such liabilities as were known or could reasonably have been anticipated at the time of the transfer;

- 7.1.6 any costs incurred in or about the listing of Shares in the Company on any Stock Exchange, and the creation, conversion and cancellation of Shares;
- 7.1.7 any costs incurred by the Company in publishing the price of the Shares in a national or other newspaper or any other form of media;
- 7.1.8 any costs incurred in producing and dispatching any payments made by the Company, or the printing and distributing of the Instrument of Incorporation, the Prospectus, yearly and half-yearly reports and any other reports of the Company or information provided to Shareholders;
- 7.1.9 any fees, expenses or disbursements of any legal or other professional adviser of the Company;
- 7.1.10 any costs incurred in taking out and maintaining an insurance policy in relation to the Company;
- 7.1.11 any costs incurred in respect of meetings of Shareholders convened for any purpose;
- 7.1.12 any payment permitted by clause 6.7.15R of the COLL Sourcebook;
- 7.1.13 interest on permitted borrowings and charges incurred in effecting or terminating such borrowings or in negotiating or varying the terms of such borrowings;
- 7.1.14 taxation, SDRT and other duties payable in respect of the Scheme Property or the issue or redemption of Shares;
- 7.1.15 the audit fees of the Auditors (including VAT) and any expenses of the Auditors;
- 7.1.16 the fees of the FCA, in accordance with the FCA Fee Manual, together with any corresponding periodic fees of any regulatory authority in a country or territory outside the United Kingdom in which Shares in the Company are or may be marketed;
- 7.1.17 any fees or costs associated with a CASS related support activity incurred by the Registrar;
- 7.1.18 any charges or expenses that may be taken out of the Company's property in accordance with the Regulations;
- 7.1.19 any expense incurred in relation to company secretarial duties including the cost of maintenance of minute books and other documentation required to be maintained by the Company;
- 7.1.20 any payments otherwise due by virtue of a change to the Regulations; and,

7.1.21 any value added or similar tax relating to any change or expense set out herein.

The ACD is also entitled to be paid by the Company out of the Scheme Property any expenses incurred by the ACD or its delegates of the kinds described above.

Expenses are allocated between capital and income (except those charges and expenses relating directly to the purchase and sale of investments) in accordance with the Regulations. However, the approach for the Company is set out in Appendix I. Where expenses are deducted in the first instance from income (except those charges and expenses relating directly to the purchase and sale of investments) if and only if this is insufficient, deductions will be made from capital (save for any charge made in respect of SDRT under paragraph 3.5.3). **If deductions were made from capital, this would result in capital erosion and constrain growth.**

## 7.2 **Charges Payable to the ACD**

### 7.2.1 **Annual ACD Charge**

In payment for carrying out its duties and responsibilities the ACD is entitled to take an annual fee out of the Company as set out in Appendix I. The Annual ACD Charge will accrue on a daily basis in arrears and is calculated by reference to the value of the Scheme Property midway between the creation and cancellation basis valuations on the immediately preceding Dealing Day and the amount due for each month is payable on a monthly basis in arrears on the last calendar day of each month. The current Annual ACD Charge will be levied with the applicable rates being dependent on the value of the Scheme Property.

### 7.2.2 **Annual Management Charge**

In payment for its appointments in respect of investment management services, the ACD is entitled to take an annual fee out of the Company as set out in Appendix I. The Annual Management Charge will accrue on a daily basis in arrears and is calculated by reference to the value of the Scheme Property midway between the creation and cancellation basis valuations on the immediately preceding Dealing Day and the amount due for each month is payable on a monthly basis in arrears on the last calendar day of the month. The current Annual Management Charge will be levied on a tiered basis, with the applicable rates being dependent on the value of the Scheme Property (expressed as a tiered percentage per annum of the Net Asset Value) as set out in Appendix I.

### 7.2.3 **Expenses**

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

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

If a Class's expenses in any period exceed its income the ACD may take that excess from the capital property attributable to that Class.

A new type of remuneration may only be introduced in accordance with the Regulations.

### 7.3 **Increase in Charges Payable to the ACD**

Any increase of the Annual ACD or Annual Management Charge by the ACD will be carried out in accordance with the Regulations.

### 7.4 **Depositary's Fees and Expenses**

The Depositary is entitled to receive out of Scheme Property for its own account by way of remuneration a periodic fee, which will be calculated and accrue daily and be paid monthly as soon as practicable after the end of each month, and certain additional charges and expenses. The rate of the Depositary's periodic fee will be such rate or rates as agreed from time to time between the ACD and the Depositary in accordance with the COLL Sourcebook. The current rates of the Depositary's periodic fees are as follows:

7.4.1 0.0225% per annum of the first £150 million of the value of the Scheme Property;

7.4.2 0.02% per annum of the next £200 million of the value of the Scheme Property; and

7.4.3 0.015% per annum of the next £250 million of the value of the Scheme Property; and

7.4.4 0.01% per annum on the balance of the value of the Scheme Property.

The above periodic fees are subject to a minimum fee of £10,000 plus VAT per annum which will be payable.

In addition to the periodic fee referred to above, the Depositary shall also be entitled to be paid a fee of £20 per derivative transaction. These charges vary from country to country depending on the markets, the value of the stock and the type of transaction involved. Transaction charges accrue at the time the transactions are effected and are payable as soon as is reasonably practicable, and in any event not later than the last business day of the month when such charges arose or as otherwise agreed between the Depositary and the ACD. Custody charges accrue and are payable as agreed from time to time by the ACD and the Depositary.

At present the Depositary delegates the function of custody of the Scheme Property to the Custodian.

Any increase in fees and charges will only be permitted after 60 days' notice has been given to all shareholders and the Prospectus has been revised to reflect the new current rate and date of its commencement. Where relevant, the Depositary may make a charge for its services in relation to: distributions, the provision of banking services, holding money on deposit, lending money, or engaging in stock lending transactions, in relation to the Company and may purchase or sell or deal in the purchase or sale of Scheme Property, provided always that the services concerned and any such dealing are in accordance with the provisions of the COLL Sourcebook.

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

In the event of the winding up of the Company, the Depositary shall continue to be entitled to its *pro rata* fees, charges and expenses for the period up to and including the day on which the final distribution in the winding up of the Company shall be made or, in the case of a winding up following the passing of an extraordinary resolution approving a scheme of arrangement, up to and including the final day on which the Depositary is responsible for the safekeeping of the Scheme Property. Such fees, charges and expenses will be calculated, be subject to the same terms and accrue and be paid as described in this clause 7.4, except that for the purpose of calculating the periodic fee in respect of any day falling after the day on which the winding up of the Company commences, the value of the Scheme Property shall be its Net Asset Value determined at the beginning of each such day.

Any VAT on any fees, charges or expenses payable to the Depositary will be added to such fees, charges or expenses and will be paid out of Scheme Property.

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

#### **7.5 Administration and Registrar's Fee**

There is entitled to be deducted from the Scheme Property the Administration and Registrar's fees for providing relevant services (which can include any fees or costs associated with a CASS related support activity incurred by the Registrar). Such fee is a monthly fee which is payable monthly in arrears and is subject to annual review subject to the agreement of the ACD. The current fees payable vary dependent on the size and complexity of the Company from time to time but in any event shall not exceed 0.055% of the Company's assets under management per annum.

All fees are subject to VAT.

#### **7.6 Investment Managers' Fee**

The Investment Managers' fees and expenses (plus VAT thereon) for providing investment management services will be paid by the ACD out of the Annual Management Charge it receives as part of its remuneration under the ACD Agreement. Further details of this agreement are summarised in paragraph 6.4 above.

### **8. MEETINGS AND VOTING RIGHTS**

#### **8.1 For the purposes of this paragraph 8:**

- 8.1.1 a "physical meeting" is a general meeting convened at a physical location where Shareholders, or their proxy, must be physically present;

- 8.1.2 a "hybrid meeting" is a general meeting which allows Shareholders, or their proxy, to be physically present at the location where the meeting is convened, or to attend and vote remotely; and
- 8.1.3 a "virtual meeting" is a general meeting where all Shareholders, or their proxy, attend and vote remotely.
- 8.2 The provisions below, unless the context otherwise requires, apply to Class meetings as they apply to general meetings of the Company.
- 8.3 The Company does not propose to hold annual general meetings. Resolutions will be voted upon at extraordinary general meetings.
- 8.4 The ACD and the Depositary may convene a general meeting of the Company at any time in accordance with the FCA Rules. The ACD may hold a virtual meeting or a hybrid meeting as this is not inconsistent with any provisions in the Instrument of Incorporation.
- 8.5 Shareholders may request the convening of a general meeting by a requisition which must:
  - 8.5.1 state the objective of the meeting;
  - 8.5.2 be dated;
  - 8.5.3 be signed by Shareholders who, at that date, are registered as the Shareholders of Shares representing not less than one-tenth in value of all of the Shares then in issue; and
  - 8.5.4 be deposited at the head office of the Company or with the Depositary.
- 8.6 Any Shareholder who participates remotely in a hybrid meeting by the means specified in the notice is deemed to be present at the meeting and has the same rights as a Shareholder who is physically present at the meeting.
- 8.7 Any Shareholder who participates in a virtual meeting by the means specified in the notice is deemed to be present at the meeting and has the same rights that the Shareholder would have at a physical meeting.
- 8.8 Any Shareholder who participates remotely may do so without having to appoint a proxy and is not required to submit their vote on a resolution in advance of the meeting.
- 8.9 A meeting of Shareholders, duly convened and held shall be competent by extraordinary resolution to require, authorise or approve any act, matter or document in respect of which any such resolution is required or expressly contemplated by the relevant regulations.
- 8.10 An extraordinary resolution is a resolution passed by a majority of not less than three-quarters of the votes validly cast (whether on a show of hands or on a poll) for the resolution at a general meeting, or, as the case may be, a Class meeting of Shareholders.
- 8.11 Except where an extraordinary resolution is specifically required or permitted, any resolution of Shareholders is passed by a simple majority of the votes validly cast.

- 8.12 A meeting of Shareholders has no powers other than those contemplated by the FCA Rules.
- 8.13 Where a meeting of Shareholders is convened by the ACD or the Depositary, Shareholders must receive at least 14 days' written notice (inclusive of the date on which the notice is first served and the day of the meeting) and the notice shall specify:
- 8.13.1 whether the meeting is to be a physical meeting, a hybrid meeting or a virtual meeting;
  - 8.13.2 if the meeting is a physical meeting or a hybrid meeting, the place of the meeting;
  - 8.13.3 if the meeting is a hybrid meeting or a virtual meeting, the means by which a Shareholder may participate, including any requirements for Shareholders to register before the meeting begins or to provide proof of their right to attend, and an explanation of how participating Shareholders may vote in a show of hands or in a poll, if they do not appoint a proxy;
  - 8.13.4 the day and hour of the meeting;
  - 8.13.5 the terms of the resolutions to be proposed; and
  - 8.13.6 the address of the website where the minutes of the meeting will subsequently be published.
- 8.14 Where the notice is served by the ACD a copy shall be sent to the Depositary.
- 8.15 The accidental omission to give notice to, or the non-receipt of notice by any Shareholder will not invalidate the proceedings at any meeting.
- 8.16 Notice of an adjourned meeting of Shareholders must be given to each Shareholder, stating that while two Shareholders are required to be present, in person, by proxy or remotely, to constitute a quorum at the adjourned meeting, this may be reduced to one in accordance with COLL 4.4.6R(3), should two such Shareholders not be present after a reasonable time of convening of the meeting, A reasonable time for the purposes of this paragraph will be fifteen minutes.
- 8.17 Where the meeting is a hybrid meeting or a virtual meeting, the ACD shall take reasonable care to ensure that the necessary supporting technology to enable Shareholders to attend and vote is in place at the start of the meeting and operates adequately throughout its proceedings, so that Shareholders who attend or vote remotely are not unfairly disadvantaged.
- 8.18 The quorum at a meeting of Shareholders shall be two Shareholders present in person, by proxy or (where applicable) remotely using the means specified in the notice. If, after a reasonable time after the start of the meeting (a reasonable time being fifteen minutes for the purposes of this paragraph), a quorum is not present, the meeting:
- 8.18.1 if convened on the requisition of Shareholders, must be dissolved;
  - 8.18.2 in any other case, must stand adjourned to:

- 8.18.2.1 a day and time which is seven or more days after the day and time of the meeting;
  - 8.18.2.2 in the case of a physical meeting or a hybrid meeting, a place to be appointed by the chair; and
- 8.18.3 if, at an adjourned meeting under paragraph 8.18.2 above, a quorum is not present after a reasonable time from the time for the meeting, one person entitled to be counted in a quorum present at the meeting shall constitute a quorum.
- 8.19 The chair of a meeting which permits Shareholders to attend and vote remotely shall take reasonable care to give such Shareholders:
  - 8.19.1 an adequate opportunity to be counted as present in the quorum; and
  - 8.19.2 sufficient opportunities to participate fully in the proceedings of the meeting, in particular when a vote is taken on a show of hands or by poll.
- 8.20 In the case of an equality of votes cast, the chair is entitled to a casting vote.
- 8.21 At any meeting of Shareholders, on a show of hands every Shareholder who is present in person or who attends the meeting remotely using the means specified in the notice, shall have one vote.
- 8.22 On a poll, votes may be given either personally or by proxy or in another manner permitted by the Instrument of Incorporation. The voting rights for each Share must be the proportion of the voting rights attached to all of the Shares in issue that the price of the Shares bears to the aggregate price or prices of all of the Shares in issue at a cut-off date selected by the ACD which is a reasonable time before notice of the meeting is sent out.
- 8.23 A Shareholder entitled to more than one vote need not, if they vote, use all their votes or cast all the votes they use in the same way. For joint Shareholders, the vote of the first Shareholder, or the proxy of the first Shareholder, stated in the Register will be accepted to the exclusion of the votes of other joint Shareholders.
- 8.24 In the context of despatch of notice, "Shareholders" means the persons who were entered in the Register seven days before the notice of meeting was given but excluding persons who are known not to be entered on the Register at the date of despatch of the notice.
- 8.25 To be included in the quorum and entitled to vote at the meeting, "Shareholders" means the persons entered on the Register at a time determined by the ACD and stated in the notice of the meeting, which must not be more than 48 hours before the time fixed for the meeting.
- 8.26 The ACD is not entitled to vote at or be counted in a quorum at a meeting of Shareholders in respect of Shares held or deemed to be held by the ACD, except where the ACD holds Shares on behalf of, or jointly with, a person who, if themselves the sole registered Shareholder would be entitled to vote, and from whom the ACD has received voting instructions. Associates of the ACD are entitled to be counted in a quorum and, if they hold Shares on behalf of a person who would have been entitled to vote if they had been a registered Shareholder

and they have received voting instructions from that person, may vote in respect of such Shares pursuant to such instructions.

- 8.27 The ACD will publish the minutes on a website accessible to the general public without charge, no later than five business days after the meeting has taken place (but in the case of an original meeting which is adjourned, the minutes will be published no later than five business days after the adjourned meeting has taken place).
- 8.28 Any notice or document to be served upon a Shareholder will be duly served if it is:
- 8.28.1 delivered to the Shareholder's address as appearing in the Register; or
  - 8.28.2 sent using an electronic medium in accordance with paragraph 8.32 below.
- 8.29 Any notice or document served by post is deemed to have been served on the second business day following the day on which it was posted.
- 8.30 Any document left at a registered address or delivered other than by post is deemed to have been served on that day.
- 8.31 Any notice or document served by post on one joint Shareholder is deemed to also have been served on each other joint Shareholder whose address, as appearing on the Register, is the same address to which the notice or document was sent.
- 8.32 Any document or notice to be served on, or information to be given to a Shareholder, must be in legible form. For this purpose, any form is a legible form if it:
- 8.32.1 is consistent with the ACD's knowledge of how the recipient of the document wishes or expects to receive the document;
  - 8.32.2 is capable of being provided in hard copy by the ACD;
  - 8.32.3 enables the recipient to know or record the time of receipt; and
  - 8.32.4 is reasonable in the context.
- 8.33 Changes to the Company are classified as fundamental, significant or notifiable.
- 8.34 The ACD must obtain the prior approval of Shareholders by extraordinary resolution for any proposed change to the Company which constitutes a "fundamental change". This is a change or event which:
- 8.34.1 changes the purpose or nature of the Company;
  - 8.34.2 may materially prejudice a Shareholder;
  - 8.34.3 alters the risk profile of the Company; or
  - 8.34.4 introduces a new type of payment out of the Scheme Property.

- 8.35 The ACD must give prior written notice to Shareholders of any proposed change which constitutes a "significant change". This is a change or event which is not fundamental, but which:
- 8.35.1 affects a Shareholder's ability to exercise their rights in relation to their investment;
  - 8.35.2 would reasonably be expected to cause the Shareholder to reconsider their participation in the Company;
  - 8.35.3 results in any increased payments out of the Scheme Property to the ACD, or an associate of the ACD; or
  - 8.35.4 materially increases other types of payment out of the Scheme Property.

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

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

## 9. **TAXATION**

### **General**

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

### 9.1 **Taxation of the Company**

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

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

### 9.1.1 **Income**

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

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

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

### 9.1.2 **Capital Gains**

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

### 9.1.3 **Stamp Duty Reserve Tax**

Stamp Duty Reserve Tax ("SDRT") is generally charged on any agreements to transfer shares of OEICs (other than transactions handled by the fund manager) to third parties at a rate of 0.5% of the consideration.

No SDRT charge arises on the issue or surrender of shares of OEICs. However, investors may be subject to an SDRT charge where Shares are surrendered and the investors receive assets from the Company (rather than cash) which are not in proportion to each investor's share of the total assets held by the Company.

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

## 9.2 **Taxation of Shareholders**

### 9.2.1 **Income**

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

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

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

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

## **(A) Interest distributions**

### (i) UK resident individuals

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

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

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

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

### (ii) UK corporate Shareholders

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

The Company will fail to satisfy the "qualifying investments" test at any time when more than 60% of its assets by market value comprise government and corporate debt securities, cash on deposit, certain derivative contracts or holdings in other collective investment schemes

which at any time in the relevant accounting period do not themselves satisfy the "qualifying investments" test, or other interest bearing securities.

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

## **(B) Dividend distributions**

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

### (i) 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.

### (ii) UK corporate Shareholders

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

## 9.2.2 **Chargeable gains**

### (i) UK resident individuals

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

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

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

#### (ii) UK corporate Shareholders

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

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

### 9.3 **Income equalisation – tax implications**

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

### 9.4 **UK Information Reporting Regime**

OEICs are required to report details of interest distributions paid to UK, and many non-UK investors. Dividend distributions and payments made to ISA investors are not within the scope of these rules but see the paragraphs dealing with "International tax compliance" below.

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

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

### 9.6 **International tax compliance**

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

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

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

**Shareholders should note that:**

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

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

**10. WINDING UP OF THE COMPANY**

The Company will not be wound up except as an unregistered company under Part V of the Insolvency Act 1986 or under the COLL Sourcebook.

Where the Company is to be wound up under the COLL Sourcebook, such winding up may only be commenced following approval by the FCA. The FCA may only give such approval if the ACD provides a statement (following an investigation into the affairs of the Company) either that the Company will be able to meet its liabilities within 12 months of the date of the statement or that the Company will be unable to do so. The Company may not be wound up under the COLL Sourcebook if there is a vacancy in the position of ACD at the relevant time.

The Company may be wound up under the COLL Sourcebook:

- 10.1 if an extraordinary resolution to that effect is passed by Shareholders; or
- 10.2 when the period (if any) fixed for the duration of the Company by the Instrument of Incorporation expires, or any event occurs on the occurrence of which the Instrument of Incorporation provides that the Company is to be wound up (for example, if the Share capital of the Company is below £5 million, or if a change in the laws or regulations of any country means that, in the ACD's opinion, it is desirable to wind up the Company);
- 10.3 on the date stated in any agreement by the FCA to a request by the ACD for the revocation of the authorisation order in respect of the Company; or
- 10.4 on the effective date of a duly approved scheme of arrangement which is to result in the Company ceasing to hold any Scheme Property;
- 10.5 On the occurrence of any of the above:
- 10.6 COLL 6.2 (Dealing), COLL 6.3 (Valuation and Pricing) and COLL 5 (Investment and borrowing powers) will cease to apply to the Company;

- 10.7 the Company will cease to issue and cancel Shares in the Company and the ACD shall cease to sell or redeem Shares or arrange for the Company to issue or cancel them for the Company;
- 10.8 no transfer of a Share shall be registered and no other change to the Register of Shareholders shall be made without the sanction of the ACD;
- 10.9 where the Company is being wound up, the Company shall cease to carry on its business except in so far as it is beneficial for the winding up of the Company.
- 10.10 The ACD shall, as soon as practicable after the Company falls to be wound up, realise the assets and meet the liabilities of the Company and, after paying out or retaining adequate provision for all liabilities properly payable and retaining provision for the costs of winding up, arrange for the Depositary to make one or more interim distributions out of the proceeds to Shareholders proportionately to their rights to participate in the Scheme Property. If the ACD has not previously notified Shareholders of the proposal to wind up the Company the ACD shall, as soon as practicable after the commencement of winding up of the Company give written notice of the commencement to Shareholders. When the ACD has caused all of the Scheme Property to be realised and all of the liabilities of the Company to be realised, the ACD shall arrange for the Depositary to make a final distribution to Shareholders on or prior to the date on which the final account is sent to Shareholders of any balance remaining in proportion to their holdings in the Company.
- 10.11 As soon as reasonably practicable after completion of the winding up of the Company, the Depositary shall notify the FCA that the winding up has been completed.
- 10.12 On completion of a winding up of the Company, the Company will be dissolved and any money (including unclaimed distributions) still standing to the account of the Company, will be paid into court by the ACD within one month of the dissolution.
- 10.13 Following the completion of a winding up of the Company, the ACD must prepare a final account showing how the winding up took place and how the Scheme Property was distributed. The auditors of the Company shall make a report in respect of the final account stating their opinion as to whether the final account has been properly prepared. This final account and the auditors' report must be sent to the FCA and to each Shareholder (or the first named of joint Shareholders) on it within two months of the completion of the winding up or termination.

## 11. **GENERAL INFORMATION**

### 11.1 **Accounting Periods**

The annual accounting period of the Company ends each year on 30 April (the accounting reference date) with an interim accounting period ending on 31 October.

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

## 11.2 **Income Allocations**

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

Distributions of income for the Company are made on or before the annual income allocation date and on or before the interim allocation date as relevant in each year.

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

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

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

The amount available for accumulation or distribution in any accounting period is calculated by taking the aggregate of the income received or receivable for the account of the Company in respect of that period, and deducting the charges and expenses paid or payable out of income in respect of that accounting period. The ACD then makes such other adjustments as it considers appropriate (and after consulting the Company's auditors as appropriate) in relation to taxation, income equalisation, income unlikely to be received within 12 months following the relevant income allocation date, income which should not be accounted for on an accrual basis because of lack of information as to how it accrues, transfers between the income and capital account and other matters.

## 11.3 **Annual Reports**

The annual report of the Company will normally be published and sent to Shareholders within four months from the end of each annual accounting period and the half yearly report will be published within two months of each interim accounting period. Short reports will be issued. The ACD has determined that the accounts contained in this report should be short reports and are available to any person free of charge on request from the ACD. A report containing the full accounts is available to any person free of charge on request from the ACD.

## 11.4 **Documents of the Company**

The following documents may be inspected free of charge during normal business hours on any business day at the offices of the ACD at Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP:

- 11.4.1 the most recent annual and half yearly reports of the Company;
- 11.4.2 the Prospectus;
- 11.4.3 the Instrument of Incorporation (and any amending documents); and
- 11.4.4 the material contracts referred to below.

Shareholders may obtain copies of the above documents on request from the ACD. The ACD may make a charge at its discretion for copies of documents (apart from the most recent annual and half yearly long reports of the Company, the Prospectus and the Instrument of Incorporation which are available free of charge).

#### **11.5 Material Contracts**

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Company and are, or may be, material:

11.5.1 the ACD Agreement; and

11.5.2 the Depositary Agreement.

Details of the above contracts are given under paragraph 6.

#### **11.6 Strategy for the Exercise of Voting Rights**

The ACD has a strategy for determining when and how voting rights attached to ownership of Scheme Property are to be exercised for the benefit of the Company. A summary of this strategy is available from the ACD on request (see paragraph 11.4 for further information), as are the details of the actions taken on the basis of this strategy.

#### **11.7 Best Execution**

11.7.1 In accordance with the FCA Rules and applicable law and regulation, the ACD must act in the best interests of the Company when executing decisions to deal on behalf of the Company and must establish and implement an order execution policy to allow it to obtain the best possible result.

11.7.2 The ACD has delegated the investment management of the Company to one or more Investment Managers, who in turn execute decision to deal on behalf of the Company. The Investment Managers have each established and implemented an order execution policy to allow them to obtain the best possible results for the Company to which they are appointed. A copy of each Investment Manager's execution policy is available upon request.

#### **11.8 Provision of Investment Advice**

All information concerning the Company and about investing in Shares of the Company is available from the ACD at Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP. The ACD is not authorised to give investment advice and persons requiring such advice should consult a professional financial adviser. All applications for Shares are made solely on the basis of the current prospectus of the Company, and investors should ensure that they have the most up to date version.

#### **11.9 Recordings of Telephone Conversations/Electronic Communications**

Please note that the ACD may record telephone calls for training and monitoring purposes and to confirm investors' instructions. Recordings will be provided on request for a period of at least five years from the date of such recording, or, where requested by a competent regulatory authority, for a period of seven years,

where we can identify the call coming from you. If you ask us to send you a recording of a particular call, we may ask for further information to help us identify the exact call to which your request relates

#### **11.10 Complaints**

Complaints concerning the operation or marketing of the Company may be referred to the Complaints Officer of the ACD at Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP or, if you subsequently wish to take your complaint further, direct to the Financial Ombudsman Service at Exchange Tower, London E14 9SR.

#### **11.11 Risk Management**

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

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

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

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

11.11.3 The ACD must assess, monitor and periodically review:

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

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

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

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

#### **11.12 Indemnity**

The Instrument of Incorporation contains provisions indemnifying the Directors, other officers and the Company's auditors or the Depositary against liability in certain circumstances otherwise than in respect of their negligence, default, breach of duty or breach of trust, and indemnifying the Depositary against liability in certain circumstances otherwise than in respect of its failure to exercise due care and diligence in the discharge of its functions in respect of the Company.

### 11.13 **Client Money**

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

- 11.13.1 the ACD receives the money from a client in relation to the ACD's obligation to issue Shares in the Company in accordance with COLL; or
- 11.13.2 the money is held in the course of redeeming Shares, where the proceeds are paid to an investor within the timeframe specified in COLL.

Where money is received in either of the circumstances set out in (a) or (b) above, the ACD must cease to operate the exemption if, by close of business on the business day following receipt of the money, it has not paid it over to the Depositary or the client or, if direct issues and cancellations of Shares by the Company are permitted, to the Company, as applicable.

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

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

### 11.14 **Interest**

No interest is payable by the ACD on monies credited to a client money bank account.

### 11.15 **Client Money on Transfer of Business**

Whilst the ACD has no intention of doing so, if in the future, the ACD transfers its business to another authorised corporate director, manager or third party it may transfer any client money it holds at that time to that other authorised corporate director, manager or third party without obtaining Shareholders' specific consent at that time, provided the ACD complies with its duties under the client money rules which are set out in the Regulations at the time of the transfer.

#### 11.16 **Data Protection**

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

#### 11.17 **Electronic Verification**

The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, The Proceeds of Crime Act 2002, SYSC and Joint Money Laundering Steering Group guidance notes (which are updated from time to time) state that the ACD must check your identity and the source of the money invested.

The ACD may also request verification documents from parties associated with you. In some cases, documentation may be required for officers performing duties on behalf of bodies corporate. The checks may include an electronic search of information held about you (or your associated party) on the electoral roll and using credit reference agencies. The credit reference agency may check the details you (or your associated party) supply against any particulars on any database (public or otherwise) to which they have access and may retain a record of that information although this is only to verify identity and will not affect your (or your associated party's) credit rating. They may also use your (or your associated party's) details in the future to assist other companies for verification purposes.

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

#### 11.18 **Benchmark Regulation**

The indices or benchmarks referred to in this Prospectus do not fall within the scope of Regulation (EU) 2016/1011 (the "Benchmark Regulation") as brought into UK law by the European Union (Withdrawal) Act 2018. The ACD maintains a written plan setting out the actions that will be taken in the event of benchmarks materially changing or ceasing to be provided.

#### 11.19 **Remuneration**

The ACD has established and applies a remuneration policy, procedure and practice (together, the "Remuneration Policy") which is consistent with, and promotes, sound and effective risk management, and does not encourage risk-

taking that is inconsistent with the risk profile or the Instrument of Incorporation. The Remuneration Policy applies to staff whose professional activities have a material impact on the risk profile of the ACD or the Company. The Remuneration Policy does not impair compliance with the ACD's duty to act in the best interests of the Company.

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

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

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

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

## APPENDIX I

### COMPANY DETAILS

<b>Name:</b>	<b>The Mazener Fund</b>
<b>Type of Scheme:</b>	UK UCITS
<b>Investment Objective:</b>	<p>We seek to grow the Company (by increases in investment value and income) by 5% a year more than inflation.</p> <p>We measure performance over a rolling 5 year period after deducting fees and costs. We measure inflation using the Consumer Price Index (CPI).</p>
<b>Investment Policy:</b>	<p>We generally invest at least 65% of the Company in the shares of companies from around the world.</p> <p>We may also invest in cash or bonds or units in funds (including those managed by the ACD or its associates or any of the Investment Managers or their associates).</p> <p>The allocation to shares of companies may be substantially more (up to 100%) or less than the amount referenced above depending on market conditions, in which case the allocations to cash, bonds and units in funds may also be adjusted accordingly.</p> <p>We use derivatives to adjust how sensitive the Company is to changes in currencies, to act on opportunities or control risk, to gain cost-effective access to investments, and to generate income. Derivatives are financial contracts whose value is linked to the price of another asset (e.g. indices, rates, share prices, currencies).</p>
<b>Benchmark information:</b>	<p><i>Performance Comparator</i></p> <p>The Company uses the ARC Private Client Indices, ARC Sterling Steady Growth PCI (GBP) benchmark for performance comparison purposes only. This benchmark is not a target benchmark and the Company is not constrained by it.</p> <p>The ARC Sterling Steady Growth PCI (GBP) 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 Sterling Steady Growth PCI (GBP) peer group the relative risk to equity markets is 60-80%. This peer group has been selected as a comparator because this risk is aligned with the Company's equity exposure as defined in the Company's investment policy.</p> <p>The ACD reserves the right to change the benchmarks following consultation with the</p>

Depository and in accordance with the rules of COLL. A change could arise, for example, where the ACD determines that an alternative may be more appropriate. Shareholders will be notified of such a change through an update to the Prospectus and the change noted in the subsequent annual and half yearly reports.

<b>Final accounting date:</b>	30 April
<b>Interim accounting dates:</b>	31 October
<b>Income distribution dates:</b>	30 June (final) 31 December (interim)
<b>Valuation Point:</b>	12 noon
<b>Dealing frequency:</b>	Daily on a Dealing Day
<b>Shares Classes and Type:</b>	Income Shares
<b>Initial charge:</b>	Nil
<b>Redemption charge:</b>	Nil
<b>Switching charge:</b>	Nil
<b>Annual ACD Charge:</b>	0.06% per annum
<b>Annual Management Charge:</b>	

<b>Share Class</b>	<b>Net Asset Value of Company</b>	<b>% of Net Asset Value</b> <i>(plus VAT if any)</i>
All Classes	£0 - £100m (the first £100m)	0.65% per annum
	£100m - £200m (the next £100m)	0.5975% per annum
	£200m - £250m (the next £50m)	0.57%
	£250m - £350m (the next £100m)	0.495% per annum
	£350m - £500m (the next £150m)	0.42% per annum

	£500m +	0.345% per annum
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**Investment minimum:**

- **Lump sum** £1,000,000
- **Holding** £1,000,000
- **Top-up** N/A
- **Minimum redemption:** N/A (provided minimum holding is maintained)

**ISA status:** Qualifying Investment for stocks and shares component

**Charges taken from income:** Yes (except those charges and expenses relating directly to the purchase and sale of investments\*\*)

**Past performance:** Past performance information is set out in Appendix V.

**Status for tax purposes:** The Company is an Equity Fund for the purposes of tax.

**\*\*Please note, where fees are charged to capital this may result in capital erosion and constrain growth.**

## APPENDIX II

### ELIGIBLE SECURITIES MARKETS AND ELIGIBLE DERIVATIVES MARKETS

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

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

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

Country	Market
Australia	The Australian Securities Exchange Limited
Brazil	BM&F BOVESPA SA.
Canada	Toronto Stock Exchange Group
Hong Kong	Hong Kong Exchange
India	National Stock Exchange of India
Indonesia	The Indonesian Stock Exchange
Japan	Japan Exchange Group The Nagoya Stock Exchange
Republic of Korea	The Korea Exchange
Malaysia	Bursa Malaysia
Mexico	The Mexican Stock Exchange
New Zealand	The New Zealand Stock Exchange (NZX)
Peru	Lima Stock Exchange

<b>Qatar</b>	Qatar Stock Exchange
<b>Singapore</b>	Singapore Exchange
<b>South Africa</b>	JSE Securities Exchange
<b>Switzerland</b>	SIX Swiss Exchange AG
<b>Taiwan</b>	The Taiwan Stock Exchange Taipei Exchange
<b>Thailand</b>	Stock Exchange of Thailand
<b>Turkey</b>	Borsa Istanbul
<b>United Arab Emirates</b>	Dubai Financial Market (DFM), ND (Nasdaq Dubai Limited) formerly known as DIFX (Dubai International Financial Exchange)
<b>United States</b>	NYSE MKT The New York Stock Exchange The NYSE Arca Exchange NASDAQ OMX PHLX The NASDAQ Nasdaq BX The National Stock Exchange The Chicago Stock Exchange The Chicago Board Options Exchange
<b>Others</b>	The International Securities Market Association

## **FOR APPROVED DERIVATIVES**

London International Financial Futures and Options Exchange

Chicago Mercantile Exchange  
The Chicago Board Options Exchange

## **APPENDIX III**

### **INVESTMENT AND BORROWING POWERS OF THE COMPANY**

#### **1. General**

The Scheme Property will be invested with the aim of achieving the investment objective but subject to the limits set out in the investment policy and the limits set out in COLL 5. These limits apply to the Company as summarised below.

From time to time and in particular during periods of uncertain or volatile markets, the Investment Managers may choose to hold a substantial proportion of the property of the Company in money-market instruments and/or cash deposits.

#### **2. Prudent spread of risk**

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

#### **3. Cover**

3.1 Where the COLL Sourcebook allows a transaction to be entered into or an investment to be retained only (for example, investment in warrants and nil and partly paid securities and the general power to accept or underwrite) if possible obligations arising out of the investment transactions or out of the retention would not cause any breach of any limits in COLL 5, it must be assumed that the maximum possible liability of the Company under any other of those rules has also to be provided for.

3.2 Where a rule in the COLL Sourcebook permits an investment transaction to be entered into or an investment to be retained only if that investment transaction, or the retention, or other similar transactions, are covered:

3.2.1 it must be assumed that in applying any of those rules, the Company must also simultaneously satisfy any other obligation relating to cover; and

3.2.2 no element of cover must be used more than once.

#### **4. Transferable securities**

4.1 Up to 100% of the scheme property attributable to the Company may consist of transferable securities. For the purposes of COLL a transferable security is an investment which is either a share, a debenture, an alternative debenture, a government and public security, a warrant or a certificate representing certain securities (as such terms are defined in the FCA Glossary).

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

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

4.2.2 its liquidity does not compromise the ability of the ACD to comply with its obligation to redeem units at the request of any qualifying shareholder;

- 4.2.3 reliable valuation is available for the transferable securities as follows:
    - 4.2.3.1 in the case of a transferable security admitted to or dealt in on an eligible market, where there are accurate, reliable and regular prices which are either market prices or prices made available by valuation systems independent from issuers;
    - 4.2.3.2 in the case of a transferable security not admitted to or dealt in on an eligible market, where there is a valuation on a periodic basis which is derived from information from the issuer of the transferable security or from competent investment research;
  - 4.2.4 appropriate information is available for the transferable security as follows:
    - 4.2.4.1 in the case of a transferable security admitted to or dealt in on an eligible market, where there is regular, accurate and comprehensive information available to the market on the transferable security or, where relevant, on the portfolio of the transferable security;
    - 4.2.4.2 in the case of a transferable security not admitted to or dealt in on an eligible market, where there is regular and accurate information available to the ACD on the transferable security or, where relevant, on the portfolio of the transferable security;
  - 4.2.5 it is negotiable; and
  - 4.2.6 its risks are adequately captured by the risk management process of the ACD.
- 4.3 Unless there is information available to the ACD that would lead to a different determination, a transferable security which is admitted to or dealt in on an eligible market shall be presumed not to compromise the ability of the ACD to comply with its obligation to redeem shares at the request of any qualifying shareholder; and to be negotiable.
- 4.4 To protect investors the markets on which investments of the Company are dealt in or traded on should be of an adequate quality ("eligible") at the time of acquisition of the investment and until it is sold.
- 4.5 Where a market ceases to be eligible, investments on that market cease to be approved securities. The 10% restriction in paragraph 7.4 above on investing in non approved securities applies and exceeding this limit because a market ceases to be eligible will generally be regarded as an inadvertent breach.
- 4.6 A market is eligible for the purposes of the rules in COLL if it is:
- 4.6.1 a regulated market as defined in the FCA Glossary; or
  - 4.6.2 a market in the UK or an EEA State which is regulated, operates regularly and is open to the public.
- 4.7 A market not falling within paragraph 4.6 is eligible for the purposes of COLL if:

- 4.7.1 the ACD, after consultation with and notification to the Depositary, decides that market is appropriate for investment of, or dealing in, the Scheme Property;
- 4.7.2 the market is included in a list in the prospectus; and
- 4.7.3 the Depositary has taken reasonable care to determine that:
  - 4.7.3.1 adequate custody arrangements can be provided for the investment dealt in on that market; and
  - 4.7.3.2 all reasonable steps have been taken by the ACD in deciding whether that market is eligible.

4.8 In paragraph 4.7.1, a market must not be considered appropriate unless it is regulated, operates regularly, is recognised as a market or exchange or as a self-regulating organisation by an overseas regulator, is open to the public, is adequately liquid and has adequate arrangements for unimpeded transmission of income and capital to or for the order of investors.

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

- 5.1 A unit in a closed end fund shall be taken to be a transferable security for the purposes of investment by the Company, provided it fulfils the criteria for transferable securities set out above, and either:
  - 5.1.1 where the closed end fund is constituted as an investment company or a unit trust:
    - 5.1.1.1 it is subject to corporate governance mechanisms applied to companies; and
    - 5.1.1.2 where another person carries out asset management activity on its behalf, that person is subject to national regulation for the purpose of investor protection; or
  - 5.1.2 where the closed end fund is constituted under the law of contract:
    - 5.1.2.1 it is subject to corporate governance mechanisms equivalent to those applied to companies; and
    - 5.1.2.2 it is managed by a person who is subject to national regulation for the purpose of investor protection.

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

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

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

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

- 6.1.1 issued or guaranteed by a central, regional or local authority or central bank of the UK or an EEA state or if the EEA State is a federal state, one of the members making up the federation, the Bank of England, the European Central Bank, the European Union 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 by a public international body to which the UK or one or more EEA states belongs; or
- 6.1.2 an establishment subject to prudential supervision in accordance with criteria defined by UK or EU Law or an establishment which is subject to and complies with prudential rules governed by the FCA to be at least as stringent as those laid down by UK or EU Law; or
- 6.1.3 issued by a body, any securities of which are dealt in on an eligible market.

## 7. **Money-market instruments with regulated issuer**

- 7.1 In addition to instruments admitted to or dealt in on an eligible market, the Company may invest in an approved money-market instrument provided it fulfils the requirements in COLL governing regulated issuers of money-market instruments such that the issue or the issuer is regulated for the purpose of protecting investors and savings and the instrument is issued or guaranteed, in accordance with COLL.
- 7.2 The Company may also with the express consent of the FCA invest in an approved money-market instrument provided:
  - 7.2.1 the issue or issuer is itself regulated for the purpose of protecting investors and savings in accordance with COLL;
  - 7.2.2 investment in that instrument is subject to investor protection equivalent to that provided by instruments which satisfy the requirements of COLL 5.2.10BR(1)(a),(b) or (c); and
  - 7.1.3 the issuer is a company whose capital and reserves amount to at least EUR 10 million and which presents and publishes its annual accounts in accordance with Directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles (as defined in COLL) which benefit from a banking liquidity line (as defined in COLL).
- 7.3 Subject to paragraph 7.5, transferable securities and approved money-market instruments held within the Company must be:
  - 7.3.1 admitted to or dealt in on an eligible market which is a regulated market; or
  - 7.3.2 dealt in on an eligible market which is a market in an EEA State which is regulated, operates regularly and is open to the public; or
  - 7.3.3 admitted to or dealt in on an market which the ACD, after consultation with and notification to the Depositary decides that market is appropriate for the investment of, or dealing in, the scheme property, is listed in the Prospectus, and the Depositary has taken reasonable

care to determine that adequate custody arrangements can be provided for and all reasonable steps have been taken by the ACD in deciding whether that market is eligible; or

7.3.4 recently issued transferable securities provided that the terms of the 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.

7.4 The Company may invest no more than 10% of the scheme property in transferable securities and money-market instruments other than those referred to in paragraph 7.3 above.

7.5 Shares in a Pisces company (as defined in the FCA Glossary) do not fall within paragraph 7.3.

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

8.1 The Company may invest in any other investment which shall be taken to be a transferable security provided the investment:

8.1.1 fulfils the criteria for transferable securities set out in COLL 5.2.7AR; and

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

8.2 Where such investments contain an embedded derivative component, the requirements of the COLL Sourcebook with respect to derivatives and forwards (summarised below) will apply to that component.

## 9. **Warrants**

Up to 100% in value of the scheme property attributable to the Company may consist of warrants although it is not anticipated that investment in warrants by the Company will affect the level of its volatility. Warrants may only be held if it is reasonably foreseeable that the exercise of the rights conferred by the warrants will not contravene COLL. 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 at any time when the payment is required without contravening COLL.

## 10. **Cash and Near Cash**

Up to 100% of the scheme property attributable to the Company may consist of cash or near cash to enable:

10.1.1 the pursuit of the Company's investment objectives; or

10.1.2 the redemption of shares; or

10.1.3 the efficient management of the Company in accordance with its objectives; or

10.1.4 any other purposes which may reasonably be regarded as ancillary to the objectives of the Company.

Cash forming part of the property of the Company may be placed in any current or deposit account with the Depository, the ACD or any investment adviser or any associate of any of them provided it is an Eligible Institution or Approved Bank and the arrangements are at least as favourable to the Company as would be those of any comparable arrangements effected on normal commercial terms negotiated at arm's length between two independent parties.

Normally, the Company will be fully invested save for an amount to enable the pursuit of the Company's investment objective, redemption of Shares, efficient management of the Company in relation to its strategic objectives and other purposes which may be reasonably regarded as ancillary to the investment objectives of the Company. This amount will vary depending upon prevailing circumstances and although it would normally not exceed 10% of the total value of the Company, there may be times when the Investment Managers consider stock markets to be overpriced or that a period of instability exists which presents unusual risks. In such cases or during such periods, a higher level of liquidity may be maintained and, if considered prudent, the amount of fixed interest, cash or near cash instruments held would be increased. Unless market conditions were deemed unusually risky, the increased amount and period would not be expected to exceed 30% and six months respectively.

#### 11. **Government and Public Securities**

Not more than 35% of the scheme property may be invested in government and public securities issued or guaranteed by any one person. Subject to this, there is no limit on the amount which may be invested in such securities issued or guaranteed by any one person or of any one issue (or guarantee).

#### 12. **Investment in collective investment schemes**

- 12.1 Up to 100% of the value of the Scheme Property may be invested in units or shares in other collective investment schemes ("Second Scheme") provided that Second Scheme satisfies all of the following conditions and provided that no more than 30% of the value of the Scheme Property is invested in Second Schemes within categories 12.1.2 to 12.1.4 below.

The second scheme must fall within one of the following categories:

- 12.1.1 be a UK UCITS or a scheme which satisfies the conditions necessary for it to enjoy the rights conferred by the UCITS Directive as implemented in the EEA;
- 12.1.2 be a recognised scheme that is authorised by the supervisory authorities of Guernsey, Jersey or the Isle of Man (provided the requirements of COLL 5.2.13AR are met);
- 12.1.3 be authorised as a Non-UCITS retail scheme (provided the requirements of COLL 5.2.13AR(1), (3) and (4) are met);
- 12.1.4 be authorised in an EEA State provided the requirements of COLL 5.2.13AR are met; or
- 12.1.5 be authorised by the competent authority of an OECD member country (other than an EEA state) which has:
  - 12.1.5.1 signed the IOSCO Multilateral Memorandum of Understanding; and

- 12.1.5.2 approved the second scheme's management company, rules and depositary/custody arrangements,

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

The second scheme must comply, where relevant, with those COLL provisions regarding investment in other group schemes and associated schemes (referred to below).

The second scheme must have terms which prohibit more than 10% in value of the scheme property consisting of units in collective investment schemes. Where a substantial proportion of the Company's assets are invested in other collective investment schemes, the maximum level of management fees that may be charged to the Company, and to the other collective investment schemes in which it invests should not exceed 2.5% per annum plus VAT (if applicable).

12.2 The requirements of COLL 5.2.13AR are that:

12.2.1 the second scheme is an undertaking:

12.2.1 with the sole objective 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;

12.2.2 with units which are, at the request of holders, repurchased or redeemed, directly or indirectly, out of those undertakings' assets (action taken by a scheme to ensure that the price of its units on an investment exchange does not significantly vary from their net asset value shall be regarded as equivalent to such repurchase or redemption).

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

12.2.3 the level of protection for unitholders in the second scheme is equivalent to that provided for unitholders in a UK UCITS, and in particular that the rules on asset segregation, borrowing, lending and uncovered sales of transferable securities and approved money-market instruments are equivalent to the requirements of COLL 5;

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

12.3 Subject to the restrictions above, investment may be made in other collective investment schemes managed by the ACD or an associate of the ACD in accordance with the FCA Handbook. There is no limit on the extent of the property of the Company that may be invested in such schemes.

## 13. **Derivatives**

In accordance with the Company's investment objectives and policies, the Investment Adviser envisages that the Company may invest directly in

derivatives, as well as for Efficient Portfolio Management purposes (including hedging).

#### 14. **DERIVATIVES: General**

14.1 Derivatives are Financial Instruments whose value is linked to the expected future price movements of an underlying asset. Derivatives, including futures, forward contracts, options and swaps, may be used by the Company to increase performance as well offset risk. Although using derivatives to increase performance may lead to a greater swing in the price of Shares in the Company, appropriate risk monitoring will ensure that there is no significant increase in the Company's risk profile.

14.2 The following is a description of the types of derivative instruments which may be used by the Company:

#### 14.3 **Futures**

Futures contracts are standardised, exchange-traded contracts between two parties to buy or sell a specified asset at an agreed upon price at a specified future date. The underlying reference asset can be a single asset, basket or index and contracts are marked-to-market daily, reducing counterparty risk.

Futures contracts may be used by the Company to hedge against market or price risk or allow it to gain exposure to the underlying equity market. Futures may also be used by the Company to equitise cash balances, both pending investment of a cash flow or with respect to fixed cash targets or alternatively to reduce financial exposures in an effort to reduce either absolute or relative position exposure. Frequently, using futures to achieve a particular strategy instead of using the underlying or related equity security results in lower transaction costs being incurred and less disruption to the underlying assets of a portfolio.

#### 14.4 **Forwards**

A forward contract is a non-standardised, negotiated, over-the-counter contract between two parties to buy or sell an asset at a specified future time at a price agreed upon today. Most typically, the underlying assets are currencies, although forwards can be structured on other assets, baskets, indices or reference securities. Forward contracts may be cash or physically settled between the parties and these contracts cannot be transferred.

The Company may use forward foreign exchange contracts may include altering the currency exposure of securities held, hedging against exchange risks, increasing exposure to a currency, shifting exposure to currency fluctuations from one currency to another and hedging classes denominated in a currency (other than the base currency) to the base currency. Other forward contracts, including equity, basket and index, could potentially be used to alter the currency, hedging against financial risks, or increase exposure to an asset.

#### 14.5 **Options**

Option contracts give their holders the right, but not the obligation, to engage in a transaction on an asset, most typically to buy or sell a specific amount of a reference asset at or before a predetermined date at a pre-specified price. There are two basic forms of options: put options and call options. Put options are contracts that give the buyer the right, but not the obligation, to sell to the seller

of the contract, a specific quantity of a particular product or Financial Instrument at a specified price. Call options are contracts sold for a premium that give the buyer the right, but not the obligation, to buy from the seller of the option. In return for granting the option the seller of the option collects a payment, or premium, from the buyer. Options may be cash or physically settled.

Options may be used by the Company in isolation, or in combination with equities, to more efficiently express a view in a given position, to generate income, or to protect financial risk of equities. If a price target is known, for example, and optionality is deemed expensive, a call option might be sold against that asset. If a security is deemed advantageous to a portfolio but considerable downside risk is seen by the portfolio manager, a long put position can be used against the long position to protect against short-term price risk. The Company may be a seller or buyer of put and call options.

#### 14.6 **Swaps**

A standard swap is an agreement between two counterparties in which the cash-flow from two assets are exchanged as they are received for a fixed time period, with the terms initially set so that the present value of the swap is zero. The Company may enter into swaps, including, but not limited to, equity swaps, swaptions, interest rate swaps or currency swaps and other derivative instruments both as independent profit opportunities and to hedge existing long positions. Swaps may extend over substantial periods of time, and typically call for the making of payments on a periodic basis. Swaptions are contracts whereby one party receives a fee in return for agreeing to enter into a forward swap at a predetermined fixed rate if some contingency event occurs (normally where future rates are set in relation to a fixed benchmark). Interest rate swaps involve the exchange by the Company with another party of their respective commitments to make or receive interest payments (e.g. an exchange of fixed rate payments for floating rate payments). On each payment date under an interest rate swap, the net payments owed by each party, and only the net amount, is paid by one party to the other. Currency swaps are agreements between two parties to exchange future payments in one currency for payments in another currency. These agreements are used to transform the currency denomination of assets and liabilities. Unlike interest rate swaps, currency swaps must include an exchange of principal at maturity.

A transaction in derivatives or a forward transaction must not be effected for the Company unless the transaction is of a kind specified below and the transaction is covered.

Where the Company invests in derivatives, the exposure to the underlying assets must not exceed the general limits on spread as set out in paragraph 27, except for index-based derivatives where the following rules apply.

Where the Company invests in an index-based derivative, provided the relevant index falls within the FCA Regulations at COLL 5.2.20AR, the underlying constituents of the index do not have to be taken into account for the purposes of COLL 5.2.11R and COLL 5.2.12R, provided the ACD takes account of the requirements in COLL 5.2.3 for a prudent spread of risk.

Where a transferable security or money-market instrument embeds a derivative, this must be taken into account for the purposes of complying with this paragraph as explained further in paragraph 16.

## 15. **Permitted Transactions (derivatives and forward)**

- 15.1 Derivatives transactions must either be in an approved derivative (being a derivative which is dealt in on an eligible derivatives market as set out in Appendix I) or an over the counter derivative with an approved counterparty.
- 15.2 A transaction in a derivative must not cause the Company to diverge from its investment objectives as stated in the Instrument of Incorporation and the most recently published version of this Prospectus.
- 15.3 Any over the counter transactions in derivatives must also be on approved terms, i.e. only if the ACD:
- 15.3.1 carries out, at least daily, a reliable and verifiable valuation in respect of that transaction corresponding to its fair value and which does not rely only on market quotation by the counterparty; and
- 15.3.2 can enter into one or more further transactions to sell, liquidate or close out that transaction at any time, at its fair value.
- 15.4 The underlying assets of a transaction in a derivative may only consist of any one or more of the following:
- transferable security as permitted under COLL 5.8R(3)(a) to (c) and (e);
  - money-market instruments permitted under COLL 5.2.8R(3)(a) to (d);
  - deposits as permitted under COLL 5.2.26R;
  - derivatives as permitted under COLL;
  - collective investment schemes as permitted under COLL 5.2.13R;
  - financial indices which satisfy the criteria set out in COLL 5.2.20AR;
  - interest rates;
  - foreign exchange rates; and
  - currencies.
- 15.5 A transaction in a derivative must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more transferable securities, approved money-market instruments, units in collective investment schemes or derivatives provided that a sale is not to be considered as uncovered if the conditions in COLL 5.2.22R(1), as read in accordance with the guidance at COLL 5.2.22AG, are satisfied. .
- 15.6 Any forward transaction must be made with an eligible institution or an Approved Bank in accordance with COLL.
- 15.7 All derivatives transactions are deemed to be free of counterparty risk if they are performed on an exchange where the clearing house is backed by an appropriate performance guarantee; and it is characterised by daily mark-to-market valuation of the derivative positions and an at least daily margining.

## 16. **Embedded derivatives**

- 16.1 Where the Company invests in a transferable security or an approved money-market instrument which embeds a derivative, this must be taken into account for the purposes of complying with COLL.
- 16.2 A transferable security or an approved money-market instrument will embed a derivative if it contains a component which fulfils the following criteria:

- 16.2.1 by virtue of that component some or all of the cash flows that otherwise would be required by the transferable security or approved money-market instrument which functions as host contract can be modified according to a specified interest rate, Financial Instrument price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, and therefore vary in a way similar to a stand-alone derivative;
  - 16.2.2 its economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract; and
  - 16.2.3 it has a significant impact on the risk profile and pricing of the transferable security or approved money-market instrument.
- 16.3 A transferable security or an approved money-market instrument does not embed a derivative where it contains a component which is contractually transferable independently of the transferable security or the approved money-market instrument. That component is a separate instrument.
- 16.4 The following types of investments are generally regarded as being transferable securities and approved money-market instruments which embed a derivative:
- 16.4.1 credit linked notes;
  - 16.4.2 transferable securities or approved money-market instruments whose performance is linked to the performance of a bond index;
  - 16.4.3 transferable securities or approved money-market instruments whose performance is linked to the performance of a basket of shares, with or without active management;
  - 16.4.4 transferable securities or approved money-market instruments with a fully guaranteed nominal value whose performance is linked to the performance of a basket of shares, with or without active management;
  - 16.4.5 convertible bonds; and
  - 16.4.6 exchangeable bonds.
- 16.5 Transferable securities and approved money-market instruments which embed a derivative are subject to the rules applicable to derivatives in COLL as summarised in this paragraph.
- 16.6 A derivative includes instruments which fulfil the following criteria:
- 16.6.1 it allows the transfer of the credit risk of the underlying independently from the other risks associated with that underlying;
  - 16.6.2 it does not result in the delivery or the transfer, including in the form of cash, of assets other than those referred to in COLL 5.2.6AR;
  - 16.6.3 in the case of an OTC derivative, it complies with the requirements in COLL 5.2.23R (OTC transactions in derivatives);
  - 16.6.4 its risks are adequately captured by the ACD's risk management process, and by its internal control mechanisms in the case of risks of

asymmetry of information between the ACD and the counterparty to the derivative, resulting from potential access of the counterparty to non-public information on persons whose assets are used as the underlying by that derivative.

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

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

16.8.1 such property can be held for the account of the Company; and

16.8.2 the ACD having taken reasonable care determines that delivery of the property pursuant to the transaction will not lead to a breach of the COLL Sourcebook.

## 17. **Requirement to cover sales**

17.1 No agreement by or on behalf of the Company to dispose of property or rights (except for a deposit) may be made unless the obligation to make the disposal and any other similar obligation could immediately be honoured by the Company by delivery of property or the assignment of rights, and the property and rights above are owned by the Company at the time of the agreement.

## 18. **OTC transactions in derivatives**

18.1 Any transaction in an OTC derivative under COLL 5.2.20R(1)(b) must be:

18.1.1 with an approved counterparty, a counterparty to a transaction in derivatives is approved only if the counterparty is:

18.1.1.1 an Eligible Institution or an Approved Bank;

18.1.1.2 a person whose permission (including any requirements or limitations) as published in the FCA register, permits it to enter into such transactions as principal off-exchange;

18.1.1.3 a CCP that is authorised in that capacity for the purposes of EMIR;

18.1.1.4 a CCP that is recognised in that capacity in accordance with the process set out in article 25 of EMIR; or

18.1.1.5 to the extent not already covered above, a CCP supervised in a jurisdiction that:

(a) has implemented the relevant G20 reforms on over-the-counter derivatives to at least the same extent as the UK; and

(b) is identified as having done so by the Financial Stability Board in its summary report on progress in implementation of G20 financial regulatory reforms dated 25 June 2019;

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

- 18.1.2.1 carries out at least daily a reliable and verifiable valuation in respect of that transaction corresponding to its fair value and which does not rely on market quotations by the counterparty; and
- 18.1.2.2 can enter into one or more further transaction to sell, liquidate or close out that transaction at any time, at its fair value;
- 18.1.3 capable of reliable valuation. A transaction in derivatives is capable of reliable valuation only if the ACD having taken reasonable care determines that, throughout the life of the derivative (if the transaction is entered into), it will be able to value the investment concerned with reasonable accuracy:
  - 18.1.3.1 on the basis of an up-to-date market value which the ACD and the Depositary have agreed is reliable; or
  - 18.1.3.2 if the value referred to in (i) is not available, on the basis of a pricing model which the ACD and the Depositary have agreed uses an adequate recognised methodology.
- 18.1.4 subject to verifiable valuation. A transaction in derivatives is subject to verifiable valuation only if, throughout the life of the derivative (if the transaction is entered into) verification of the valuation is carried out by:
  - 18.1.4.1 an appropriate third party which is independent from the counterparty of the derivative, at an adequate frequency and in such a way that the ACD is able to check it; or
  - 18.1.4.2 a department within the ACD which is independent from the department in charge of managing the scheme property and which is adequately equipped for such a purpose.

For these purposes 'fair value' is the amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction.

The Depositary must take reasonable care to ensure that the ACD has systems and controls that are adequate to ensure compliance with paragraph 19.1.

## 18.2 Collateral required under OTC derivative transactions must be:

- 18.2.1 marked to market on a daily basis and exceed the value of the amount of risk;
- 18.2.2 exposed only to negligible risks (eg government bonds of first rate credit or cash) and is liquid;
- 18.2.3 held by a third party custodian not related to the provider or is legally secured from the consequences of a failure of a related party; and
- 18.2.4 be fully enforceable by the Company at any time.

- 18.3 OTC derivative positions with the same counterparty may be netted provided that the netting procedures comply with the conditions set out in Section 3 (Contractual netting (Contracts for novation and other netting agreements)) of Annex III of the Banking Consolidation Directive; and are based on legally binding agreements.
- 18.4 The ACD must ensure that counterparty risk arising from an OTC derivative is subject to the limits set out in paragraphs 27.1 and 27.6 above.
- 18.5 When calculating the exposure of the Company to a counterparty in accordance with the limits in paragraph 27.6 the ACD must use the positive mark-to-market value of the OTC derivative contract with that counterparty.
- 18.6 The ACD may net the OTC derivative positions of the Company with the same counterparty, provided they are able legally to enforce netting agreements with the counterparty on behalf of the Company.
- 18.7 The netting agreements in paragraph 18.6 above do not apply to any other exposures the Company may have with that same counterparty.
- 18.8 The ACD may reduce the exposure of Scheme Property to a counterparty of an OTC derivative through the receipt of collateral. Collateral received must be sufficiently liquid so that it can be sold quickly at a price that is close to its pre-sale valuation.
- 18.9 The ACD must take collateral into account in calculating exposure to counterparty risk in accordance with the limits in paragraph 27.6 when it passes collateral to an OTC counterparty on behalf of the Company.
- 18.10 Collateral passed in accordance with paragraph 18.9 may be taken into account on a net basis only if the ACD is able legally to enforce netting arrangements with this counterparty on behalf of the Company.
- 18.11 The ACD must calculate the issuer concentration limits referred to in paragraph 27.6 on the basis of the underlying exposure created through the use of OTC derivatives pursuant to the commitment approach.
- 18.12 In relation to the exposure arising from OTC derivatives transactions as referred to in paragraph 27.6 the ACD must include any exposure to OTC derivative transactions counterparty risk in the calculation.

## 19. **Risk Management: derivatives**

- 19.1 Derivatives risks are adequately captured by the risk management process of the ACD, and by its internal control mechanisms in the case of risks of asymmetry of information between the ACD and the counterparty to the derivative, resulting from potential access of the counterparty to non-public information on persons whose assets are used as the underlying by that derivative. The Company's investment powers in relation to derivatives and warrants means that for regulatory purposes the Company is regarded as a high volatility fund. However, the Investment Adviser's investment in warrants and use of derivative techniques has the overall intention of reducing the volatility of returns, reflecting the investment policy for the Company generally.
- 19.2 Before using the risk management process, the ACD will notify the FCA of the details including the methods for estimating risks in derivative and forward transactions and the types of derivatives and forward that will be used within the

Company together with their underlying risks and any relevant quantitative limits.

19.3 Any material alteration of the above details of the risk management procedures will be notified by the ACD in advance to the FCA.

19.4 Upon request the ACD will provide information to shareholders relating to:

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

19.4.2 the methods used in relation to 19.4.1; and

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

## 20. **Derivatives exposure**

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

Cover ensures that the Company is not exposed to the risk of loss of property, including money, to an extent greater than the net value of the Company's property. Therefore, the Company must hold property sufficient in value or amount to match the exposure arising from a derivative obligation to which the Company is committed. The detailed requirements in accordance with COLL 5.3.3 for cover of the Company are set out below.

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

## 21. **Cover for transaction in derivatives and forward transactions**

21.1 The Company may invest in derivatives and forward transactions as part of its investment policy provided:

21.1.1 its global exposure relating to derivatives and forward transactions held in the Company does not exceed the net value of the scheme property; and

21.1.2 its global exposure to the underlying assets does not exceed in aggregate the investment limits laid down in paragraph 27 below.

## 22. **Daily calculation of global exposure**

22.1 The ACD must calculate the global exposure of the Company on at least a daily basis, in accordance with the methods described in COLL 5.3.7R to COLL 5.3.10R.

22.2 For the purposes of this paragraph, exposure must be calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

## 23. **Calculation of global exposure**

- 23.1 The ACD must calculate the global exposure of the Company either as:
- 23.1.1 the incremental exposure and leverage generated through the use of derivatives and forward transactions (including embedded derivatives as referred to in paragraph 14), which may not exceed 100% of the net value of the Scheme Property; or
  - 23.1.2 the market risk of the Scheme Property.
- 23.2 The ACD must calculate the global exposure of the Company by using:
- 23.2.1 the commitment approach; or
  - 23.2.2 the value at risk approach.
- 23.3 The ACD must ensure that the method selected in paragraph 23.2 is appropriate, taking into account:
- 23.3.1 the investment strategy pursued by the Company;
  - 23.3.2 the types and complexities of the derivatives and forward transactions used; and
  - 23.3.3 the proportion of the Scheme Property comprising derivatives and forward transactions.
- 23.4 Where the Company employs techniques and instruments including repo contracts or stock lending transactions in accordance with Paragraph 33 (Stock lending) in order to generate additional leverage or exposure to market risk, the ACD must take those transactions into consideration when calculating global exposure.
- 23.5 For the purposes of 23.2, value at risk means a measure of the maximum expected loss at a given confidence level over the specific time period.
- 23.6 Where the ACD uses the commitment approach for the calculation of global exposure, it must:
- 23.6.1 ensure that it applies this approach to all derivative and forward transactions (including embedded derivatives as referred to in Paragraph 12.3), whether used as part of the Company's general investment policy, for the purposes of risk reduction or for the purposes of Efficient Portfolio Management in accordance with Paragraph 19 (Risk Management: Derivatives); and
  - 23.6.2 convert each derivative or forward transaction into the market value of an equivalent position in the underlying asset of that derivative or forward (standard commitment approach).
- 23.7 The ACD may apply other calculation methods which are equivalent to the standard commitment approach.
- 23.8 The ACD may take account of netting and hedging arrangements when calculating global exposure of the Company, where these arrangements do not

disregard obvious and material risks and result in a clear reduction in risk exposure.

- 23.9 Where the use of derivatives or forward transactions does not generate incremental exposure for the Company, the underlying exposure need not be included in the commitment calculation.
- 23.10 Where the commitment approach is used, temporary borrowing arrangements entered into on behalf of the Company in accordance with paragraph 31 (Borrowing) need not form part of the global exposure calculation.
- 23.11 The Company's leverage is calculated on the absolute value at risk approach. The ACD has determined that the expected gross leverage parameters in respect of the Company (expressed as a percentage of NAV) are as follows:
  - 23.11.1 the expected leverage level is 110%; and
  - 23.11.2 the higher expected leverage level is 200%.
- 23.12 The gross leverage figures are not a true reflection of risk, and the figures given above are expected figures and not limits. In particular, the figure given for "Higher expected leverage level" is not a maximum figure, and the leverage of the Company may exceed this figure.

#### 24. **Efficient Portfolio Management**

- 24.1 Efficient Portfolio Management enables the Company to invest in derivatives and forward transactions (including futures and options) in accordance with COLL using techniques which relate to transferable securities and approved money-market instruments (as defined in COLL) and which fulfil the following criteria:
  - 24.1.1 they are economically appropriate in that they are realised in a cost effective way;
  - 24.1.2 they are entered into for one or more of the following specific aims;
    - 24.1.2.1 reduction of risk;
    - 24.1.2.2 reduction of cost;
    - 24.1.2.3 generation of additional capital or income for the Company with a risk level which is consistent with the risk profile of the Company and the risk diversification rules in COLL (as summarised in below).

#### 25. **Deposits**

- 25.1 Up to 100% of the scheme property attributable to the Company may consist of deposits (as defined in COLL) but only if it:
  - 25.1.1 is with an Approved Bank;
  - 25.1.2 is repayable on demand or has the right to be withdrawn; and
  - 25.1.3 matures in no more than 12 months.

## 26. **Immovable and Movable Property**

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

## 27. **Spread – General**

- 27.1 In applying any of the restrictions referred to above, not more than 20% in the value of the scheme property is to consist of any combination of two or more of the following:
- 27.1.1 transferable securities (including covered bonds) or money-market instruments issued by; or
  - 27.1.2 deposits made with; or
  - 27.1.3 exposures from over the counter derivatives transactions made with a single body.
- 27.2 In applying any limit to transferable securities or money-market instruments, any certificates representing certain securities are to be treated as equivalent to the underlying security.
- 27.3 Not more than 5% in value of the scheme property attributable to the Company may consist of transferable securities or approved money-market instruments issued by any single body. This limit may be raised to 10% in respect of up to 40% in value of the scheme property.
- 27.4 Covered bonds need not be taken into account for the purpose of applying the limit of 40%. The limit of 5% is raised to 25% in value of the scheme property in respect of covered bonds, provided that when the Company invests more than 5% in covered bonds issued by a single body, the total value of covered bonds held must not exceed 80% in value of the scheme property.
- 27.5 Not more than 20% in value of the scheme property attributable to the Company is to consist of transferable securities and approved money-market instruments issued by the same group.
- 27.6 The exposure to any one counterparty in an over the counter derivative transaction must not exceed 5% in value of the scheme property. This limit may be raised to 10% where the counterparty is an Approved Bank as defined in COLL. However the exposure in respect of an OTC derivative may be reduced to the extent that collateral is held in respect of it if the collateral meets each of the conditions specified under the heading "Collateral required under OTC derivatives" as summarised above.

## 28. **Covered bonds**

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

29. **Concentration**

29.1 The Company must not hold:

29.1.1 transferable securities other than debt securities which:

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

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

29.1.2 more than 10% of the debt securities issued by any single issuing body;

29.1.3 more than 10% of the money-market instrument issued by a single body.

29.2 However the Company need not comply with the limits in (b) to (c) if, at the time of acquisition, the net amount in issue of the relevant investment cannot be calculated.

30. **Significant Influence**

The Company may only acquire transferable securities issued by a body corporate carrying rights to vote at a general meeting of that body provided that before the acquisition the aggregate number of such securities held by the Company does not allow it to exercise 20% or more of the votes cast at a general meeting of that body and the acquisition will not give the Company such power.

31. **Borrowing**

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

No period of borrowing may exceed 90 days without the prior consent of the Depositary (which may give such consent only on conditions as appear to the Depositary appropriate to ensure that the borrowing does not cease to be on a temporary basis). The borrowing of the Company must not, on any business day, exceed 10 %of the value of the property of the Company. As well as applying to borrowing in a conventional manner, the 10 %limit applies to any other arrangement designed to achieve a temporary injection of money into the property of the Company in the expectation that such will be repaid. For example, by way of a combination of derivatives which produces an effect similar to borrowings.

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

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

32. **Underwriting**

The Company may enter into underwriting and sub-underwriting contracts and placings, subject to certain conditions set out in COLL 5.5.8R.

33. **Stock Lending**

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

33.1.1 all the terms of the agreement under which securities are to be reacquired by the Depositary for the account of the Company are in a form which is acceptable to the Depositary and are in accordance with good market practice;

33.1.2 the counterparty is an authorised person, a person authorised by a Home State regulator or otherwise acceptable in accordance with COLL; and

33.1.3 collateral is obtained to secure the obligation of the counterparty under the terms referred to in (a) above, and is acceptable to the Depositary and must also be adequate and sufficiently immediate as set out in COLL. These requirements do not apply to a stock lending transaction made through Euroclear Bank SA/NV's Securities Lending and Borrowing Programme.

34. **Lending and other provisions**

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

## APPENDIX IV

### LIST OF OTHER AUTHORISED COLLECTIVE INVESTMENT SCHEMES OPERATED BY THE ACD

#### Authorised Contractual Schemes

TM Brunel Pension Partnership  
ACS

#### Authorised Open-Ended Investment Companies

Abaco Fund ICVC  
Arch House Fund  
Ariel Fund  
Bryth ICVC  
Canterbury Investment Fund  
CP Investment Funds  
Destiny Fund ICVC  
Harroway Capital ICVC  
Hawarwatza Fund  
Libero Portfolio Fund  
Lime Grove Fund  
Meadowgate Funds  
Mellifera OEIC  
Moulsoe Fund  
Scarp Fund  
Seymour Fund  
Skiwi Fund  
The Ambrose Fund  
The Astral Fund  
The Capital Link Growth Fund  
The Contact Fund  
The Diversification Fund ICVC  
The Dunnottar Fund  
The Global Multi Asset Fund  
The Hector Fund  
The Juniper Fund  
The Lockerley Fund  
The MCMLXIII Fund  
The Motim Fund  
The Northern Funds  
The Oenoke Fund  
The Ord Fund ICVC  
The Overstone Fund  
The Penare Fund  
The Redhill Fund  
The Saint Martins Fund  
The Staderas Fund  
The Stratford Fund  
The TBL Fund  
The TM Lancewood Fund  
The TM Mitcham Fund  
The Torridon Growth Fund  
The Vinings Fund  
The Wharton Fund  
Thesis JDS Fund  
TM Acer Fund  
TM Admiral Fund  
TM Arbuthnot Latham Funds  
TM Balanced Growth Fund

#### Authorised Unit Trusts

BPM Trust  
Eden Investment Fund  
Elfyinn International Trust  
Glenhuntley Portfolio Trust  
Hawthorn Portfolio Trust  
KES Diversified Trust  
KES Ivy Fund  
KES Growth Fund  
KES Income and Growth Fund  
KES Strategic Investment Fund  
Latour Growth Fund  
Lavaud Fund  
Malachite Return Fund  
Mossylea Fund  
Pippin Return Fund  
The Argo Fund  
The Blandfield Fund  
The Castor Fund  
The Delta Growth Fund  
The Deribee Funds  
The Eldon Fund  
The Endeavour II Fund  
The Hall Fund  
The HoundStar Fund  
The Iceberg Trust  
The Maiden Fund  
The Millau Fund  
The Norfolk Trust  
The Notts Trust  
The Palfrey Fund  
The TM Stockwell Fund  
The White Hill Fund  
Thesis Headway Fund  
Thesis Lion Growth Fund  
Thesis PM A Fund  
Thesis PM B Fund  
Thesis Thameside Managed Fund  
TM Chainpoint Fund  
TM Gravis UK Listed Property (Feeder) Fund  
TM Growth Fund  
TM Hearthstone UK Residential Feeder Fund  
TM Managed Fund  
TM Masonic Charitable Foundation Investment Fund  
TM Merlin Fund  
TM New Court Fund

**Authorised Contractual Schemes**

**Authorised Open-Ended Investment Companies**

**Authorised Unit Trusts**

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

TM New Court Growth Fund  
TM New Court Return Assets Fund  
TM New Institutional World Fund  
TM Preservation Fund  
TM Private Portfolio Trust  
TM Stonehage Fleming Global Equities Fund  
TM Stonehage Fleming Global Equities Umbrella Fund

## APPENDIX V

### PAST PERFORMANCE AND INVESTOR PROFILE

#### PAST PERFORMANCE

The comparisons in the table are based on performance over a five year and show the total annual return up to 31 December for 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 an investment.

	2021 %	2022 %	2023 %	2024 %	2025 %
The Mazener Fund	7.33	-11.28	11.58	12.60	6.31

*Source of performance data - Morningstar<sup>1</sup>*

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

**Please see Appendix I COMPANY DETAILS for the Company's objective and below for an explanation of investor profile**

#### INVESTOR PROFILE

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

The Mazener Fund is suitable for those investors wanting to achieve long-term capital growth principally through worldwide investment in equities and fixed interest securities.

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## APPENDIX VI

### SUB-CUSTODIANS

As appropriate in line with the Eligible Markets (Appendix II)

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

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

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

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

## DIRECTORY

<b>The Company and Head Office:</b>	<b>The Mazener Fund</b> Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP
<b>The Authorised Corporate Director:</b>	<b>Thesis Unit Trust Management Limited</b> Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP
<b>Depository:</b>	<b>NatWest Trustee and Depository Services Limited</b> 250 Bishopsgate, London EC2M 4AA <i>(authorised and regulated by the FCA)</i>
<b>Investment Managers:</b>	<b>Sarasin &amp; Partners LLP</b> 50 George Street, London W1U 7DY <i>(authorised and regulated by the FCA)</i> <b>Brown Advisory Limited</b> 18 Hanover Square, London W1S 1JY <i>(authorised and regulated by the FCA)</i> <b>Rothschild &amp; Co Wealth Management UK Limited</b> New Court, St. Swithin's Lane, London EC4N 8AL <i>(authorised and regulated by the FCA)</i>
<b>Administrator, Fund Accountant and Registrar:</b>	<b>Northern Trust Global Services SE, UK Branch</b> 50 Bank Street, Canary Wharf, London E14 5NT <i>(authorised and regulated by the FCA)</i>
<b>Dealing Office</b>	<b>Thesis Unit Trust Management Limited</b> Sunderland SR43 4AZ
<b>Auditors:</b>	<b>Deloitte LLP</b> 1 New Street Square, London EC4A 3HQ
<b>Custodian:</b> <i>Principal place of business:</i>  <i>Who may also act under this power through its London branch:</i>	<b>The Northern Trust Company</b> 50 South LaSalle Street, Chicago, Illinois, USA  50 Bank Street, Canary Wharf, London E14 5NT