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PROSPECTUS  
of  
**THE OENOKE FUND**  
A UK UCITS  
Open-Ended Investment Company

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Valid as at and dated 5 May 2026

This document constitutes the Prospectus for The Oenoke 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 ("**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 OENOKE 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

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

<b>"ACD"</b>	Thesis Unit Trust Management Limited, the authorised corporate director of the Company
<b>"Act"</b>	the Financial Services and Markets Act 2000
<b>"Administrator"</b>	Northern Trust Global Services SE, UK branch, or such other entity as is appointed to act as administrator to the Company from time to time
<b>"Approved Bank"</b>	<p>means (in relation to a bank account opened for the Company):</p> <p>(a) if the account is opened at a branch in the United Kingdom:</p> <ul style="list-style-type: none"> <li>(i) the Bank of England; or</li> <li>(ii) the central bank of a member state of the OECD; or</li> <li>(iii) a bank; or</li> <li>(iv) a building society; or</li> <li>(v) a bank which is supervised by the central bank or other banking regulator of a member state of the OECD; or</li> </ul> <p>(b) if the account is opened elsewhere:</p> <ul style="list-style-type: none"> <li>(i) a bank in (a); or</li> <li>(ii) a bank which is regulated in the Isle of Man or the Channel Islands; or</li> <li>(iii) a bank supervised by the South African Reserve Bank; or</li> <li>(iv) a credit institution established in an EEA State and duly authorised by the relevant Home State Regulator,</li> </ul> <p>as such definition may be updated in the FCA Glossary from time to time</p>
<b>"Auditor"</b>	KPMG LLP, or such other entity as is appointed to act as auditor to the Company from time to time

<b>“Business Day”</b>	a weekday being Monday to Friday (excluding any public or bank holiday in England)
<b>“CASS”</b>	the requirements relating to holding client assets and client money published by the FCA as part of the FCA Handbook
<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”</b>	refers to the appropriate chapter or rule in the COLL Sourcebook
<b>“COLL Sourcebook”</b>	the Collective Investment Schemes Sourcebook issued by the FCA as amended, or re-enacted, from time to time
<b>“Company”</b>	The Oenoke Fund
<b>“Custodian”</b>	the person who provides custodian services to the Company, being The Northern Trust Company, and its successor or successors as custodian
<b>“Data Protection Laws”</b>	<p>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:</p> <ul style="list-style-type: none"> <li>a) the UK GDPR;</li> <li>b) the Data Protection Act 2018;</li> <li>c) any laws which implement any such laws; and</li> <li>d) any laws which replace, extend, re-enact, consolidate or amend any of the foregoing (whether or not before or after the date of this Prospectus); and</li> </ul> <p>all final and binding guidance, guidelines and codes of practice issued by any relevant supervisory authority relating to such Data Protection Laws</p>
<b>“Dealing Day”</b>	a Business Day which does not fall within a period of suspension of calculation of the Net Asset Value (unless stated otherwise in this Prospectus) and any such other day as the ACD may decide from time to time and agree with the Depositary
<b>“Depositary”</b>	NatWest Trustee and Depositary Services Limited, or such other entity as is appointed to act as Depositary
<b>“Depositary Agreement”</b>	the agreement between the Company, the ACD and the Depositary regarding the appointment of the Depositary
<b>“Director” or “Directors”</b>	the directors of the Company from time to time (including the ACD)
<b>“EEA”</b>	the European Economic Area
<b>“EEA State”</b>	as defined in the FCA Glossary

<b>“Efficient Portfolio Management” or “EPM”</b>	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 Appendix III
<b>“Eligible Institution”</b>	as defined in the FCA Glossary
<b>“EMIR”</b>	as defined in the FCA Glossary
<b>“FATCA”</b>	the Foreign Account Tax Compliance Act (US)
<b>“FCA”</b>	the Financial Conduct Authority or any other regulatory body which may assume its regulatory responsibilities from time to time. The address for the FCA is set out in the Directory at Appendix VII
<b>“FCA Glossary”</b>	the glossary giving the meanings of the defined expressions used in the FCA Handbook as amended from time to time
<b>“FCA Handbook”</b>	the FCA’s Handbook of Rules and Guidance including COLL, as amended or replaced 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 Instruments”</b>	as defined in the FCA Glossary
<b>“Financial Services Register”</b>	as defined in the FCA Glossary
<b>“Fund Accountant”</b>	the person who provides fund accounting services, being, Northern Trust Global Services SE, UK branch, and its successor or successors as fund accountant
<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 Manager”</b>	Citibank, N.A. London Branch
<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 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)
<b>"Regulations"</b>	the OEIC Regulations and the FCA Handbook (including the COLL Sourcebook)
<b>"Scheme Property"</b>	the property of the Company to be given to the Depository 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 from time to time
<b>"UCITS"</b>	an Undertaking for Collective Investment in Transferable Securities. This will include a UCITS scheme or an EEA UCITS scheme, as defined in the FCA Glossary
<b>"UCITS Directive"</b>	the European Parliament and Council Directive of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (No. 2009/65/EC), as amended
<b>"UK 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 Regulations"</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>"US Person"</b>	a person who is in either of the following two categories:  (a) a person included in the definition of "U.S. person" under

	<p>Rule 902 of Regulation S under the 1933 Act; or</p> <p>(b) a person excluded from the definition of a "Non-United States person" as used in Commodity Futures Trading Commission ("CFTC") Rule 4.</p> <p>For the avoidance of doubt, a person is excluded from this definition of US Person only if they are outside 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>	<p>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 10.00 a.m. London time on each Dealing Day, with the exception of Christmas Eve and New Year's Eve or a bank holiday in England and Wales or the last Business Day prior to those days annually, where the valuation may be carried out at a time agreed in advance between the ACD and the Depositary. The regular valuation point may be changed on reasonable notice being given to Shareholders</p>
<b>"VAT"</b>	value added tax
<b>"1933 Act"</b>	the United States Securities Act of 1933 (as may be amended or re-enacted); and

- 1.2 Headings used in this Prospectus are for convenience only and shall not affect their meaning or legal effect.
- 1.3 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.
- 1.4 References to the plural shall include the singular and vice versa.
- 1.5 Unless otherwise defined in paragraph 1 (definitions) 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 meaning in this Prospectus.
- 1.6 References to statutes, statutory provisions or regulations (including any provision of the FCA Handbook) shall include those statutes, provisions, regulations, or FCA Rules 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 information**

### 2.1.1 **General**

The Oenoke Fund is an investment company with variable capital incorporated in England and Wales. The Company registered number is IC 239 and the FCA product reference number is 224564.

The Company is an open-ended investment company (**OEIC**).

The Company was authorised by the Financial Services Authority with effect from 13 June 2003. The Company has an unlimited duration.

The Financial Services Authority was superseded by the FCA and the Prudential Regulation Authority.

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.

### 2.1.2 **Head Office**

The registered and head office of the Company is at Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP.

### 2.1.3 **Address for Service**

The head office 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.

### 2.1.4 **Base Currency**

The base currency of the Company is Pounds Sterling.

### 2.1.5 **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 other Thesis Unit Trust Management Limited funds and accounts under common ownership or control.

The investor profile is set out under Appendix VI.

The circumstances, and procedure for winding up the Company, is set

out at paragraph 10 ('Winding up 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, its investment objective and policy, its performance comparator and any limitations on these powers, 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 Share 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.

The Company may issue income and accumulation Shares. Details of the Shares presently available, including details of their criteria for subscription and fee structure, are set out in Appendix I.

The Instrument of Incorporation allows income and accumulation Shares to be issued.

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 currency in which 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.

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 Limited Issue Shares to be issued but currently none are in issue.

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 "Switching".

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

### 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 Business 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 on each Business Day (at the ACD's discretion) between 9.00 a.m. and 5.00 p.m. (London time) by obtaining an application form by telephoning the ACD's Customer Enquiry Line on 0333 300 0375, or such other number as published from time to time. The initial purchase must, at the discretion of the ACD, be accompanied by an application form.

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. The ACD currently permits transfer or renunciation of title to Shares on authority of electronic means (as set out in paragraph 3.11). The ACD may also, at its discretion, introduce further methods of dealing in Shares in the future.

Telephone calls will be recorded; please refer to paragraph 11.8 for further details.

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

#### 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.

Please refer to paragraph 12.12 (Electronic Verification) for details of certain resources we may access to verify information on you.

## 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. An on-going commission, based on the value of Shares held may also be paid to qualifying intermediaries. In addition, the ACD may from time to time make arrangements to allow Shares to be bought 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 Share price calculated, based on the Net Asset Value per Share, 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 3.12.

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.

Investors buy and redeem Shares through the ACD who nets them to reduce the number of Shares issued or cancelled by the Company.

When carrying out deals in Shares the ACD acts as principal but does not profit from this activity.

### 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 4 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.

### 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.

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

Valid instructions to the ACD to redeem Shares will be processed at the Share price calculated, based on the Net Asset Value per Share, at the next Valuation Point following receipt of the instruction, except in the case where dealing has been suspended as set out in paragraph 3.12.

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 telegraphic 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.

Such payment will be made within four 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 **Switching**

Subject to any restrictions on the eligibility of investors for a particular Share Class, a Shareholder may at any time Switch all or some of their Shares of one Class ("the Original Shares") for Shares of another Class ("the New Shares") in the Company. 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.

Telephone switching instructions may be given but Shareholders are required to provide written instructions to the ACD (which, in the case of joint Shareholders, must be signed by all the joint Shareholders) before switching is affected.

The ACD may at its discretion make a charge on the switching of Shares between Classes. 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 and any preliminary charge on the New Shares, subject to certain waivers. For details of the charges on switching currently payable, please see paragraph 3.6.3 "Charges on Switching".

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 **Market Timing**

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

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

### 3.6 **Dealing Charges**

The price per Share at which Shares are bought, redeemed or switched is the Net Asset Value per Share. Any preliminary charge or redemption charge, (or dilution levy 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.

### 3.6.1 **Preliminary charge**

The ACD may impose a charge on the purchase of Shares in each Class. The current preliminary charge is calculated as a percentage of the amount invested by a potential Shareholder and is set out in Appendix I. The ACD may waive or discount the preliminary charge at its discretion.

The preliminary charge (which is deducted from subscription monies) is payable by the Shareholder to the ACD.

The current preliminary charge of a Class may only be increased in accordance with the Regulations.

From the preliminary charge received, or out of its other resources, the ACD may pay a commission to relevant intermediaries including the Investment Manager and its Associates.

### 3.6.2 **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).

### 3.6.3 **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. If a redemption charge is payable in respect of the Original Shares, this may become payable instead of, or as well as, the then prevailing preliminary charge for the New Shares. 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. The ACD may only introduce a switching charge in accordance with the Regulations.

### 3.6.4 **Dilution Levy**

The actual cost of purchasing, selling or switching underlying investments in the Company may deviate from the mid-market value used in calculating its Share price, due to dealing charges, taxes, and any spread between buying and selling prices of the Company's underlying investments. These dealing costs could have an adverse effect on the value of the Company, known as "dilution". In order to mitigate the effect of dilution the Regulations allow the ACD to make a dilution levy on the purchase, redemption or Switch of Shares in the Company. A dilution levy is a separate charge of such amount or at such rate as is determined by the ACD to be made for the purpose of reducing the effect of dilution. This amount is not retained by the ACD, but is paid into the Company.

The dilution levy is calculated by reference to the costs of dealing in the underlying investments of the Company, including any dealing spreads, commission and transfer taxes.

The need to charge a dilution levy will depend on the volume of purchases and redemptions. It is not possible to predict accurately whether dilution is likely to occur at any point in time.

The ACD's policy is that it may require a dilution levy on the purchase and redemption of Shares if, in its opinion, the existing Shareholders (for purchases) or remaining Shareholders (for redemptions) might otherwise be adversely affected. For example, the dilution levy may be charged in the following circumstances: where the Scheme Property of the Company is in continual decline; on the Company experiencing large levels of net purchases relative to its size; on "large deals" (typically being a purchase or redemption of Shares to a size exceeding 5% of the Net Asset Value of the Company); in any case where the ACD is of the opinion that the interests of existing or remaining Shareholders require the imposition of a dilution levy.

This policy is intended to mitigate the dilutive effect of Shareholder transactions on the future growth of the Company.

Based on future projections, the ACD expects that the vast majority of sales and/or redemptions of Shares will be 'large deals' and that a dilution levy may be charged on the majority of deals.

If a dilution levy is required then, based on historical data, the estimated rate of such a levy would be up to 0.75%.

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

Name	Estimated Dilution Levy applicable for purchases (subscription) as at 31 December 2025	Estimated Dilution Levy applicable for sales (redemption) as at 31 December 2025	Number of days on which a Dilution Levy has been applied over the period 1 January 2025 to 31 December 2025
<b>The Oenoke Fund</b>	0.124	0.052	0

### 3.6.5 Stamp duty reserve tax ("SDRT")

Details of Stamp duty reserve tax ("SDRT") are set out at paragraph 9(C) below.

## 3.7 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 due has been paid.

## 3.8 Restrictions, Compulsory Transfer and Redemption and Mandatory

## Conversion

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, *inter alia*, 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;

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 own affected Shares shall immediately, unless they have already received a notice as set out above, either transfer all of 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.

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

### 3.9 **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.

### 3.10 **In specie redemptions**

If a Shareholder requests the redemption of Shares the ACD may, where it considers that deal to be substantial in relation to the total size of the Company or in some way detrimental to the Company, arrange for scheme property having the appropriate value to be transferred to the Shareholder (an 'in specie transfer'), in place of payment for the Shares in cash. Before the redemption is effected, the ACD must give written notice to the Shareholder of the intention to make an in specie transfer, so that the Shareholder can require the net proceeds from the sale of the relevant scheme property (rather than the scheme property itself) if the Shareholder so desires. The ACD will select the property to be transferred in consultation with the Depositary.

The ACD and Depositary 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.

### 3.11 **Electronic Communications**

3.11.1 The ACD will accept instructions to transfer or renunciation of title to Shares on the basis of an authority communicated by electronic means and sent by the Shareholder, or delivered on their behalf by a person that is authorised by the FCA or regulated or in another jurisdiction by an equivalent supervisory authority, subject to:

3.11.1.1 prior agreement between the ACD and the person making the communication as to:

- (a) the electronic media by which such communications may be delivered; and
- (b) how such communications will be identified as conveying the necessary authority; and

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

### 3.12 **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 and redemption of Shares in the Company where due to exceptional

circumstances it is in the interests of all the Shareholders in the Company.

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 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 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 by other general means, sufficient details to keep Shareholders appropriately informed about the suspension, including, if known, its likely 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 must 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.

### 3.13 **Client Money Rules**

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

3.13.1.1 The ACD receives the money from a client in relation to the ACD's obligation to issue shares in the fund in accordance with COLL; or

3.13.1.2 The money is held in the course of redeeming Shares, where the proceeds are paid to the client within the timeframe specified in COLL.

3.13.2 Where money is received in either of the circumstances set out in 3.13.1.1 and 3.13.1.2 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.

- 3.13.3 In order to facilitate management of the Company, the ACD makes use of the delivery versus payment exemption on the issue of shares in respect of money received other than in the form of cheques. Money received in other payment forms for the issue of shares is, therefore, not protected under the Client Money Rules until the delivery versus payment exemption period has expired. Money received by the ACD in the form of redemptions, cheques or other remittances is paid directly into a client money account maintained by the ACD with an Approved Bank, as defined in the FCA Rules, and protected in line with the Client Money Rules. No interest is payable by the ACD on monies credited to this account.
- 3.13.4 Money deposited into an account with a third party may have a security interest, lien or right of set-off in relation to the money, to the extent permitted by the Client Money Rules.
- 3.13.5 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.

### 3.14 **Governing law**

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

### 3.15 **Income Equalisation**

- 3.15.1 When an incoming Shareholder purchases a Share during an accounting period, part of the purchase price will reflect the relevant Share of accrued income in the net asset value of the Company.
- 3.15.2 The amount of income equalisation in respect of any Share shall be either:
- 3.15.2.1 the actual amount of income included in the issue price of that Share; or
  - 3.15.2.1 an amount arrived at by taking the aggregate of the amounts of income included in the price in respect of Shares of that Class issued or sold to Shareholders in the annual or interim accounting period in question and dividing that aggregate amount by the number of such Shares and applying the resultant average to each of the Shares in question.
- 3.15.3 Grouping for equalisation
- 3.15.3.1 Grouping periods are consecutive periods within each annual accounting period, being the interim accounting periods (including the period from the end of the last interim accounting period in an annual accounting period to

the end of that annual accounting period) as specified in paragraph 11.1 below. If there are no interim accounting periods the periods for grouping of shares will be annual accounting periods. Grouping is permitted by the Instrument of Incorporation for the purposes of equalisation.

#### 4. **VALUATION OF THE COMPANY**

##### 4.1 **General**

The price of a Share is calculated by reference to the Net Asset Value. The Net Asset Value per Share is currently calculated at 10.00 a.m. (London time) (this being the Valuation Point) on each Dealing Day. Shares in the Company are single priced.

The ACD may at any time during a Business Day carry out an additional valuation if it considers it desirable to do so. 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 arrangement or reconstruction which do not create a Valuation Point for the purposes of dealings. 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 price of Shares, of each Class and the amount of any dilution levy applicable 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 on that Dealing Day. A dealing request received after this time will be held over and processed on the next Dealing Day, using the Net Asset Value per Share calculated as at the Valuation Point on that next Dealing Day.

##### 4.2 **Calculation of the Net Asset Value**

The value of the Scheme Property shall be the value of its assets less the value of its liabilities determined in accordance with the following provisions:

- 4.2.1 All the Scheme Property (including receivables) is to be included, subject to the following provisions.
- 4.2.2 Scheme Property which is not cash (or other assets dealt with in paragraph 4.2.2.4 below) or a contingent liability transaction shall be valued as follows and the prices used shall (subject as follows) be the most recent prices which it is practicable to obtain:
  - 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 and redemption prices are quoted, at the average of the two prices provided the buying price has been reduced by any preliminary charge included therein

and the redemption price has been increased by any exit or redemption 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 Any other transferable security:

- (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;

4.2.2.3 Scheme Property other than that described in paragraphs 4.2.2.1 and 4.2.2.2 above, at a value which, in the opinion of the ACD, is fair and reasonable;

4.2.2.4 Cash and amounts held in current and deposit accounts and in other time related deposits shall be valued at their nominal values.

4.2.3 Scheme Property which is a contingent liability transaction shall be treated as follows:

- 4.2.3.1 if it is a written option (and the premium for writing the option has become part of the Scheme Property), deduct the amount of the net valuation of premium receivable. If the Scheme Property is an off exchange derivative the method of valuation shall be agreed between the ACD and the Depositary;
- 4.2.3.2 if it is an off exchange future, include it at the net value of closing out in accordance with a valuation method agreed between the ACD and the Depositary;
- 4.2.3.3 if it is any other form of contingent liability transaction, include it at the net value of margin on closing out (whether as a positive or negative value). If the Scheme Property is an off exchange derivative, include it at a valuation method agreed between the ACD and the Depositary.

4.2.4 In determining the value of the Scheme Property, all instructions given to issue or cancel Shares shall be assumed to have been carried out (and any cash paid or received) whether or not this is the case.

- 4.2.5 Subject to paragraphs 4.2.6 and 4.2.7 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.
- 4.2.6 Futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options shall not be included under paragraph 4.2.5.
- 4.2.7 All agreements are to be included under paragraph 4.2.5 which are, or ought reasonably to have been, known to the person valuing the Scheme Property.
- 4.2.8 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.
- 4.2.9 Deduct an estimated amount for any liabilities payable out of the Scheme Property and any tax or duty thereon, treating periodic items as accruing from day to day.
- 4.2.10 Deduct the principal amount of any outstanding borrowings whenever repayable and any accrued but unpaid interest on borrowings.
- 4.2.11 Add an estimated amount for accrued claims for tax of whatever nature which may be recoverable.
- 4.2.12 Add any other credits or amounts due to be paid into the Scheme Property.
- 4.2.13 Add a sum representing any interest or any income accrued due or deemed to have accrued but not received.
- 4.2.14 Currencies or values in currencies other than 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.

#### 4.3 **Price per Share in each Class**

The price per Share at which Shares are bought or are redeemed is the Net Asset Value per Share. Any preliminary charge or redemption charge, (or dilution levy 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 **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 single priced.

#### 4.5 **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 calling 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 following risk factors before investing in the Company.

#### 5.1 **General**

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.

The entire market of a particular asset class or geographical sector may fall, having a more pronounced effect on funds heavily invested in that asset class or region. There will be a variation in performance between funds with similar objectives due to the different assets selected.

#### 5.2 **Effect of preliminary charge or redemption charge**

Where a preliminary charge or redemption charge is imposed, an investor who realises their Shares 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.

#### 5.3 **Dilution**

The Company may suffer a reduction in the value of its Scheme Property due to dealing costs incurred when buying and selling investments. To offset this dilution effect the ACD may require the payment of a dilution levy in addition to the price of Shares when bought or as a deduction when sold.

#### 5.4 **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.

#### 5.5 **Currency Exchange Rates**

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.

#### 5.6 **Derivatives**

**The Investment Manager may employ derivatives solely for the purposes of hedging with the aim of reducing the risk profile of the Company, or reducing costs, or generating additional capital or income, in accordance with Efficient Portfolio Management.**

**To the extent that derivative instruments are utilised for hedging purposes, the risk of loss to the Company may be increased where the value of the derivative instrument and the value of the security or position which it is hedging are insufficiently correlated.**

For more information in relation to investment in derivatives please see paragraph 16 in Appendix III.

#### 5.7 **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. BBB is described as having adequate capacity to meet financial commitments. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the bond issuer to meet its financial commitments.

#### 5.8 **Counterparty and Settlement Risk**

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

#### 5.9 **Liquidity**

Depending on the types of assets the Company invests in there may be occasions where there is an increased risk that a position cannot be liquidated in a timely manner at a reasonable price.

### 5.10 **Tax**

Tax laws currently in place may change in the future which could affect the value of your investments. See the section headed 'Taxation' for further details about taxation of the Company.

### 5.11 **Inflation and Interest Rates**

The real value of any returns that an investor may receive from the Company could be affected by interest rates and inflation over time.

### 5.12 **Custody Risk**

There may be a risk of loss where the assets of the Company are held in custody that could result from the insolvency, negligence or fraudulent action of a custodian or sub-custodian.

The Depository may delegate the function of safekeeping of Financial Instruments to the Custodian, who may in turn appoint custody agents. The Depository 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.

### 5.13 **Counterparty risk in over-the-counter markets**

The Company may enter into transactions in over-the-counter markets, which will expose the Company to the credit of its counterparties and their ability to satisfy the terms of such contracts. For example, the Company may enter into agreements or use other derivative techniques, each of which expose the Company to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, the Company could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Company seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights. There is also a possibility that the above agreements and derivative techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. In such circumstances, investors may be unable to cover any losses incurred.

### 5.14 **Legal and regulatory**

Legal and regulatory (including taxation) changes could adversely affect the Company. Regulation (including taxation) of investment vehicles such as the Company is subject to change. The effect of any future legal or regulatory (including taxation) change on the Company is impossible to predict, but could be substantial and have adverse consequences on the rights and returns of shareholders.

### 5.15 **Exchange-Traded Funds**

Exchange Traded Funds (or ETFs) are usually open-ended collective investment schemes, the units of which track an index, a commodity or a basket of assets like an index, but are traded like a stock on regulated markets and investment exchanges.

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

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

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

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

### 5.16 **Exchange Traded Notes**

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

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

The value of an ETN may also be influenced by time to maturity, level of supply

and demand for the ETN, volatility and lack of liquidity in tracked assets, and economic, legal, political, or geographic events that affect the underlying asset that is tracked.

Although most ETNs will quote an annual management charge ratio, this may not include all of the costs involved in running the investment and they do not always quote a total expense ratio figure (or referenced) in the ETN.

#### 5.17 **Conflicts Policy**

Transactions may be effected in which the ACD has, either directly or indirectly, an interest that may potentially involve a conflict of its obligations to the Company. Where a conflict cannot be avoided, the ACD will have regard to its fiduciary responsibility to act in the best interests of the Company and its investors. The ACD will ensure that investors are treated fairly and that such transactions are effected on terms which are not less favourable to the Company than if the potential conflict had not existed.

#### 5.18 **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 value of the scheme property of the Company and the value of distributions paid to investors.

### 6. **MANAGEMENT AND ADMINISTRATION**

#### 6.1 **Regulatory Status**

The ACD, the Depositary and the Investment Manager are authorised and regulated by the FCA. Further information on the regulatory status of the Investment Manager is set out at paragraph 6.4.

#### 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 ACD is, for the purposes of COLL, an authorised fund manager.

**Registered Office and Principal Place of Business:** Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP

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

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. He holds directorships of other companies within the Thesis group and performs a senior management function within Thesis Asset Management Limited, which acts as an investment manager for some authorised funds operated by the ACD.

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

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. She holds directorships of other companies within the Thesis group and performs a senior management function within Thesis Asset Management Limited, which acts as an investment manager for some authorised funds operated by the ACD.

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

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

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

The Company has no directors other than the ACD. The ACD is the authorised fund manager to other regulated collective investment schemes. Details of these schemes, as at the date of this Prospectus, are set out in Appendix V.

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 delegated the following functions to the below parties:

- a) managing and acting as the investment manager for the investment and reinvestment of the assets of the Company to Citibank, N.A. London Branch;
- b) administration, registrar and fund accountancy services to the register to Northern Trust Global Services SE, UK branch.

Further details are set out in paragraphs 6.3 and 6.4 respectively.

### 6.2.2 **Terms of Appointment:**

The appointment of the ACD has been made under an agreement 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.

The ACD Agreement may be terminated by either party after giving not less than 3 months' prior written notice. The ACD Agreement contains detailed provisions relating to the responsibilities of the ACD and excludes it from any liability to the Company or any Shareholder for any act or omission except in the case of negligence, wilful default, breach of duty or breach of trust in relation to the Company on its part. The ACD Agreement provides indemnities to the ACD to the extent allowed by the Regulations and other than for matters arising by reason of its negligence, wilful default, breach of duty or breach of trust in the performance of its duties and obligations. 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.

Details of the fees payable to the ACD are set out in paragraph 7.2 "Charges payable to the ACD" below.

In its dealings in Shares of the Company the ACD is dealing as principal; refer to paragraph 3 for details.

## 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 Appendix VII.

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

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

### **Duties of the Depositary**

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

### **Terms of Appointment**

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

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

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

Under the Depositary Agreement the Depositary has the power to appoint sub-custodians and may include in such appointment powers to sub-delegate. The Depositary has delegated custody of the Scheme Property to The Northern Trust Company (the "Custodian"). Contact details for the Custodian are set out in Appendix VII. 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 in paragraph 7.3.

### **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 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 its associated suppliers and the Custodian, the Depositary does not anticipate any conflicts of interest with any of the aforementioned parties.

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

### **Updated Information**

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

## **6.4 The Investment Manager**

### **6.4.1 General**

The ACD has appointed the Investment Manager, Citibank, N.A. London Branch, to provide investment management services to the ACD. The Investment Manager is authorised by the Prudential Regulation Authority and regulated by the FCA and the Prudential Regulation Authority.

The address of the Investment Manager's registered office is set out in Appendix VII.

The principal business activity of the Investment Manager is banking. The Investment Manager is required to comply with its own execution

policy.

A copy of the Investment Manager's execution policy may be available on the Investment Manager's website (listed in Appendix VII) or, on request, from the ACD.

The Investment Manager has sub-delegated discretionary portfolio management to BlackRock Investment Management (UK) Limited. The investment management delegation agreement may be terminated with immediate effect if the Investment Manager believes this is in the best interest of the investors. BlackRock Investment Management (UK) Limited is regulated by the FCA (Firm Reference Number 119293).

#### 6.4.2 **Terms of Appointment:**

The Investment Manager was appointed by an agreement between the ACD and the Investment Manager as amended from time to time (the "Investment Management Agreement").

The terms of the Investment Management Agreement between the ACD and the Investment Manager include the provision of discretionary investment management to attain the investment objective of the Company, the purchase and sale of investments and on the exercise of voting rights relating to such investments. The Investment Manager has authority to make decisions on behalf of the ACD on a discretionary basis in respect of day to day investment management of the Scheme Property. The Agreement may be terminated by either party on not less than three months' written notice or earlier upon the happening of certain specified events. The Investment Management Agreement may be terminated immediately by the ACD if it is in the interests of investors.

#### **Investment Manager's fee**

The Investment Manager will receive a fee paid by the ACD out of its remuneration received each month from the Company (explained in paragraph 7.4 below) and is entitled to receive dealing commissions in relation to transactions in the Scheme Property where it is permitted to do so by both the FCA Handbook and the terms of this Prospectus.

The Investment Manager will not be considered as a broker fund adviser under the FCA Handbook in relation to the Company.

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

#### 6.5.1 **General**

On behalf of the Company the ACD has appointed Northern Trust Global Services SE, UK branch to act as Registrar, Administrator and Fund Accountant to the Company.

Details of Northern Trust Global Services SE's UK branch registered office address are set out in Appendix VII.

#### 6.5.2 *The Register*

The Register is kept and maintained at the Registrar's offices at 50

Bank Street, Canary Wharf, London E14 5NT.

The Register may be inspected at this address during normal business hours by any Shareholder, or any Shareholder's duly authorised agent.

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

- 6.5.3 The duties of the Registrar and Administrator include:
- 6.5.3.1 maintaining the Register;
  - 6.5.3.2 receiving and processing requests for subscriptions for, or redemptions of, shares in the Company;
  - 6.5.3.3 administrating the payment of distributions to Shareholders in the Company;
  - 6.5.3.4 dealing with certain regulatory reporting requirements on behalf of the Company and the ACD;
  - 6.5.3.5 maintaining the accounting records of the Company;
  - 6.5.3.6 assisting in calculating the Net Asset Value of the Company, as well as to provide fund accounting services in respect of the Company.
- 6.5.4 In line with the regulations that govern such operational outsourcing the ACD retains responsibility for all work performed on its behalf and investors' rights are not affected by this delegation
- 6.5.5 There are no conflicts of interest arising through delegation of these functions by the ACD.

## 6.6 **The Auditors**

The auditors of the Company are KPMG LLP and the auditors' address is set out in Appendix VII.

## 6.7 **Conflicts of Interest**

The ACD, the Investment Manager and other companies within the ACD's group or Investment Manager'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 Manager may in the course of their business have potential conflicts of interest with the Company. Each of the ACD and the Investment Manager will, however, have regard in such event to its obligations under the ACD Agreement and the Investment Management Agreement respectively and, in particular, to its obligation to act in the best interests of the Company so far as practicable, having regard to its obligations to other clients, when undertaking any investment business where potential conflicts of interest may arise.

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

## 7. FEES AND EXPENSES

### 7.1 On-going

All costs, charges, fees or expenses, other than the charges made in connection with the subscription and redemption of Shares (see paragraph 3.6) payable by a Shareholder or out of Scheme Property are set out in this section.

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

- 7.1.1 broker's commission (excluding costs for research), fiscal charges (including stamp duty and/or stamp duty reserve tax) and other disbursements which are necessary to be incurred in effecting transactions for the Company and normally shown in contract notes, confirmation notes and difference accounts as appropriate;
- 7.1.2 any costs incurred in the incorporation and authorisation of the Company, any Offer of Shares, the preparation and printing of any Prospectus, Key Investor Information Documents or equivalent documents (and any amendments thereto) (in the case of the Key Investor Information documents or equivalent documents only preparation and not distribution may be charged) and the fees for professional services provided to the Company in connection with such offer;
- 7.1.3 fees and expenses in respect of establishing and maintaining the Register;
- 7.1.4 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;
- 7.1.5 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;
- 7.1.6 any costs incurred in producing and dispatching any payments made by the Company, or the yearly and half-yearly reports of the Company;
- 7.1.7 any reasonable general disbursements relating to postage and communication costs incurred in the proper performance of the transfer agent's duties relating to the Company, which are currently carried on by the Registrar;
- 7.1.8 any fees or costs associated with any CASS related support activity incurred by the Registrar;
- 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 borrowings and charges incurred in effecting or terminating such borrowings or in negotiating or varying the terms of such borrowings;
- 7.1.14 taxation and 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's 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 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;
- 7.1.18 any payments otherwise due by virtue of a change to the Regulations; and,
- 7.1.19 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.

### **Allocation of payments**

Expenses are allocated between capital and income 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 if and only if this is insufficient, deductions will be made from capital (save for any charge made in respect of SDRT under paragraph 3.6.5 "Stamp Duty Reserve Tax").

### **If deductions were made from capital, this may result in capital erosion or constrain growth.**

## **7.2 Charges payable to the ACD**

### *7.2.1 Annual Management 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 management charge will accrue on a daily basis in arrears by reference to the Net Asset Value of the Company on the immediately preceding Dealing Day and the amount due for each month is payable on the last Dealing Day of each month.

The current annual management charge (expressed as a percentage per annum of the Net Asset Value) is set out in Appendix I.

### **Registrar's fees**

The Registrar's fees are charged on a monthly basis and will be paid by the ACD from its Annual Management Charge. The current registration fee is £10 per annum per registered shareholder, with a minimum of £2,000 per annum.

In addition to registration charges, the ACD will pay administration and valuation fees to Northern Trust Global Services SE, UK branch from the ACD's Annual Management Charge. These fees are accrued daily and charged on a monthly basis.

### **Administration fees**

The administration fees are set percentages applied to the value of the Company's Scheme Property as follows:

0.07% per annum	on the value of the Scheme Property up to £50,000,000
0.05% per annum	on the value of the Scheme Property above £50,000,000 up to £100,000,000
0.03% per annum	on the value of the Scheme Property thereafter

The administration fee is subject to a minimum of £25,000 per annum and VAT at the standard rate is added to these fees.

#### **7.2.2 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.

The current annual fee payable to the ACD for a Class may only be increased or a new type of remuneration introduced in accordance with the Regulations.

### **7.3 Depositary's fee and expenses**

#### **7.3.1 Periodic charge**

The Depositary is entitled to receive out of Scheme Property by way of remuneration a periodic charge, which shall accrue daily and shall be calculated reference to the value of the Company at the first valuation point on the first Business Day and shall end immediately before the next valuation point in each month. The Depositary's fee is payable on, or as soon as practicable after, the end of the month in which it accrued. The rate of the Depositary's periodic charge 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 rate of the Depositary's periodic charge is:

0.0275% p.a.	on the first £50 million value of the property of the Company;
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0.025% p.a.	on the next £50 million value of the property of the Company
	;
0.02% p.a.	on the next £100 million value of the property of the Company;
0.015% p.a.	thereafter

The annual fee is subject to a minimum fee of £7,500, applicable to the Company. VAT (at the standard rate) is added to these fees.

VAT on the amount of the periodic charge will be paid out of Scheme Property.

### 8.3.2 Transaction and Custody Charges

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

Item	Range / Fees
Transaction Charges	£7.50 to £180.00
Derivative Transaction Charges	£20 (if applicable)
Custody Charges	up to 0.9% of the value of the holding involved subject to a minimum aggregate custody charge of £7,500 per annum

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

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

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

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

On a winding up of the Company or the redemption of a class of Shares (if applicable), the Depositary will be entitled to its *pro rata* fees, charges and

expenses to the date of winding up, the termination, or the redemption (as appropriate) and any additional expenses necessarily realised in settling or receiving any outstanding obligations.

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

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

#### 7.4 **Investment Manager's fee**

The Investment Manager's fees and expenses (plus VAT thereon) for providing investment management services will be paid by the ACD out of its remuneration under the ACD Agreement. Research costs will be paid for by the Investment Manager and will not be paid out of the Scheme Property.

Further details of this agreement are summarised in paragraph "Terms of Appointment" above.

#### 7.5 **Allocation of payments**

The policy regarding the treatment of all, or part of any expense payments, is set out in Appendix I.

### 8. **SHAREHOLDER 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 Depository.
- 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 Depository, 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 If, at any time by reason of the suspension or curtailment of postal services within the United Kingdom, or any other country or territory, the Company is unable effectively to convene a general meeting or Class meeting by notices sent through the post, such a meeting may be convened by a notice advertised on the same date in at least two leading United Kingdom daily newspapers with appropriate circulation and such notice shall be deemed to have been duly served on all Shareholders entitled to receive the same at noon on the day when the advertisement appears. In any such case, the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom or such other country or territory again becomes practicable.
- 8.15 Where the notice is served by the ACD a copy shall be sent to the Depositary.
- 8.16 The accidental omission to give notice to, or the non-receipt of notice by any Shareholder will not invalidate the proceedings at any meeting.
- 8.17 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.
- 8.18 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.

- 8.19 The quorum at a meeting of Shareholders shall be two Shareholders present in person, by proxy or (where applicable) remotely using the means specified in the notice. If, after a reasonable time after the start of the meeting, a quorum is not present, the meeting:
- 8.19.1 if convened on the requisition of Shareholders, must be dissolved;
  - 8.19.2 in any other case, must stand adjourned to:
    - 8.19.2.1 a day and time which is seven or more days after the day and time of the meeting;
    - 8.19.2.2 in the case of a physical meeting or a hybrid meeting, a place to be appointed by the chair; and
  - 8.19.3 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.
- 8.20 When a meeting is adjourned for thirty days or more without date, not less than seven days; notice of the adjourned meeting shall be given in like manner as in the case of the original meeting.
- 8.21 A resolution put to the vote of a general meeting or Class meeting must be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:
- 8.21.1 the chairman of the Meeting; or
  - 8.21.2 not less than two Shareholders; or
  - 8.21.3 the Depositary.
- 8.22 The chair of a meeting which permits Shareholders to attend and vote remotely shall take reasonable care to give such Shareholders:
- 8.22.1 an adequate opportunity to be counted as present in the quorum; and
  - 8.22.2 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.
- 8.23 In the case of an equality of votes cast, the chair is entitled to a casting vote.
- 8.24 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.

- 8.25 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.
- 8.26 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.
- 8.27 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.
- 8.28 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.
- 8.29 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.
- 8.30 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).
- 8.31 Any notice or document to be served upon a Shareholder will be duly served if it is:
- 8.31.1 delivered to the Shareholder's address as appearing in the Register; or

- 8.31.2 sent using an electronic medium in accordance with paragraph 3.11 above.
- 8.32 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.
- 8.33 Any document left at a registered address or delivered other than by post is deemed to have been served on that day.
- 8.34 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.
- 8.35 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:
- 8.35.1 is consistent with the ACD's knowledge of how the recipient of the document wishes or expects to receive the document;
  - 8.35.2 is capable of being provided in hard copy by the ACD;
  - 8.35.3 enables the recipient to know or record the time of receipt; and
  - 8.35.4 is reasonable in the context.
- 8.36 Changes to the Company are classified as fundamental, significant or notifiable.
- 8.37 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:
- 8.37.1 changes the purpose or nature of the Company;
  - 8.37.2 may materially prejudice a Shareholder;
  - 8.37.3 alters the risk profile of the Company; or
  - 8.37.4 introduces a new type of payment out of the Scheme Property.
- 8.38 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:
- 8.38.1 affects a Shareholder's ability to exercise their rights in relation to their investment;

- 8.38.2 would reasonably be expected to cause the Shareholder to reconsider their participation in the Company;
- 8.38.3 results in any increased payments out of the Scheme Property to the ACD, or an associate of the ACD; or
- 8.38.4 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.

- 8.39 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.

#### 8.40 **Variation of Class rights**

The rights attached to a Class may be varied in accordance with COLL.

### 9. **TAXATION**

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

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

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**".

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

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

applicable to the Company is equal to the basic rate of income tax.

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

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

**(B) Capital gains**

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

**(C) Stamp Duty Reserve Tax**

Stamp duty reserve tax (**SDRT**) is generally charged on any agreements to transfer shares of 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 in 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

**Taxation of Shareholders**

**(A) 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.

**(B) Interest distributions**

UK resident individuals

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

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

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

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

UK corporate Shareholders

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

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

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

**(C) Dividend distributions**

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

UK resident individuals

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

UK corporate Shareholders

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

**(D) Chargeable gains**UK resident individuals

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

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

(iii) 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.

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.**

**(A) Income equalisation – Tax Implications**

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

(B) **UK information reporting regime**

Open-ended investment companies 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.

(C) **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.

(D) **International tax compliance**

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

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

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

**Shareholders should note that:**

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

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

## 10. WINDING UP OF THE COMPANY

- 10.1 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.
- 10.1 The Company must not be wound up under chapter 7.3 of COLL unless (a) effect has been given, under regulation 21 of the OEIC Regulations, to proposals to wind up the affairs of the Company and (b) a statement has been prepared, and delivered to, the FCA under COLL 7.3.5 R ("**solvency statement**") prior to satisfaction of the condition in (a).
- 10.2 Subject to the above the Company may be wound up under the COLL Sourcebook:
- 10.2.1 if an extraordinary resolution to that effect is passed by Shareholders;  
or
- 10.2.2 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 one year from the date of the first issue of Shares or at any date thereafter the Net Asset Value of the Company is less than £1 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); or
- 10.2.3 on the date stated in any agreement by the FCA in response to a request by the ACD for the Company to be wound up;
- 10.2.4 on the effective date of a duly approved scheme of arrangement which is to result in the Company ceasing to hold any scheme property; or
- 10.2.5 if the scheme is an umbrella, on the date which all of its sub-funds (where relevant) fall within sub-paragraph 10.2.4 or have otherwise ceased to hold any scheme property, notwithstanding that the scheme may have assets and liabilities that are not attributable to any particular sub-fund.
- 10.3 On the occurrence of any of the above:
- 10.3.1 COLL 6.2 (dealing), COLL 6.3 (valuation and pricing) and COLL 5 (investment and borrowing powers) will cease to apply to the Company;
- 10.3.2 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;
- 10.3.3 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;
- 10.3.4 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;
- 10.3.5 the corporate status and powers of the Company and subject to the above, the powers of the Depositary shall continue until the Company is dissolved.

- 10.4 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.

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.

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.

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 31 July (the accounting reference date) with an interim accounting period ending on 31 January. Further details of accounting and distribution dates are set out in Appendix I.

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.

Where accumulation Shares are issued, 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.

- 11.3 The amount available for 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.

#### 11.4 **Annual Reports**

The annual report of the Company will be made available and published within four months from the end of each annual accounting period. The half yearly report will be published within two months of each interim accounting period. Please refer to paragraph 11.1 for the accounting periods.

A long report containing the full accounts is available to any person free of charge on request from the ACD.

#### 11.5 **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:

- 11.5.1 the Prospectus;
- 11.5.2 the most recent annual and half yearly reports of the Company;
- 11.5.3 the Instrument of Incorporation (and any amending documents); and
- 11.5.4 the material contracts referred to below.

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

## 11.6 **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:

- 11.6.1 the ACD Agreement between the Company and the ACD; and
- 11.6.2 the Depositary Agreement between the Company, the ACD and the Depositary.

Details of the above contracts are given under paragraph 6 "Management and Administration".

## 11.7 **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.

## 11.8 **Telephone Calls**

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

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

If you ask the ACD to send you a recording of a particular call, the ACD may ask for further information to help identify the exact call to which your request relates.

## 11.9 **Complaints**

Complaints concerning the operation or marketing of the Company may be referred to the ACD at Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP. If a complaint cannot be resolved satisfactorily with the ACD, it may be referred to the Financial Ombudsman Service at Exchange Tower, London E14 9SR.

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

## 11.10 **Data Protection**

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

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

A copy of the ACD's Privacy Notice relating to investors is available at [www.tutman.co.uk](http://www.tutman.co.uk) or on request from [compliance@tutman.co.uk](mailto:compliance@tutman.co.uk).

#### 11.11 **Electronic Verification**

The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, The Proceeds of Crime Act 2002, the Senior Management Arrangements, Systems and Controls Sourcebook and Joint Money Laundering Steering Group guidance notes (which are updated from time to time) state that the ACD must check your identity and the source of the money invested. The ACD may also request verification documents from parties associated with you. In some cases, documentation may be required for officers performing duties on behalf of bodies corporate. The checks may include an electronic search of information held about you (or your associated party) on the electoral roll and using credit reference agencies. The credit reference agency may check the details you (or your associated party) supply against any particulars on any database (public or otherwise) to which they have access and may retain a record of that information although this is only to verify identity and will not affect your (or your associated party's) credit rating. They may also use your (or your associated party's) details in the future to assist other companies for verification purposes.

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

#### 11.12 **Risk Management**

The ACD will provide upon the request of a Shareholder further information relating to:

- 11.12.1 the quantitative limits applying in the risk management of the Company;
- 11.12.2 the methods used in relation to 11.12.1; and
- 11.12.3 any recent development of the risk and yields of the main categories of investment.

#### 11.13 **Risk Management Process**

11.14 The ACD uses a risk management process (including a risk management policy) in accordance with COLL, as reviewed by the Depositary and filed with the FCA, enabling it to monitor and measure at any time the risk of the Company's positions and their contribution to the overall risk of the Company.

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

- 11.15.1 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;

- 11.15.2 the methods for estimating risks in derivative and forward transactions.
- 11.16 The ACD must assess, monitor and periodically review:
  - 11.16.1 the adequacy and effectiveness of the risk management policy and of the arrangements, processes and techniques referred to in COLL 6.12.15R
  - 11.16.2 the level of compliance by the ACD with the risk management policy and with those arrangements, processes and techniques referred to in COLL 6.12.15R; and
  - 11.16.3 the adequacy and effectiveness of measures taken to address any deficiencies in the performance of the risk management process.

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

#### 11.18 **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.

#### 11.19 **Summary of the ACD's Haircut Policy**

The ACD may have to provide or receive collateral in entering into certain derivative transactions for the Company. In doing so, the ACD may apply a haircut to that collateral. A "haircut" is a percentage that is subtracted from the market value of an asset that is being used as collateral.

The ACD will judge, on a case-by-case basis, the extent and type of collateral to use when negotiating with counterparties and clearing houses and the haircut policy which it will apply.

Where cash is received as collateral it will not be invested in anything other than cash or short-term deposit accounts.

Cash, and specific types of collateral will be deemed to be permitted for the purposes of the Company's collateral policy (at the ACD's discretion).

#### 11.20 **Remuneration**

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

Details of the up-to-date Remuneration Policy including, but not limited to, a

description of how remuneration and benefits are calculated and the identity of persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee, are available on [www.tutman.co.uk](http://www.tutman.co.uk) and a paper copy of such information can be obtained, free of charge, upon request at the offices of the ACD.

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

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

- 11.22.1 dealings in the Shares of the Company;
- 11.22.2 any transaction in the Scheme Property; or
- 11.22.3 the supply of services to the Company.

## APPENDIX I

### COMPANY DETAILS

<b>Name:</b>	<b>The Oenoke Fund</b>
<b>Type of Scheme:</b>	UK UCITS
<b>Investment Objective:</b>	The investment objective of the Company is to achieve a combination of capital growth and income, net of fees, over a rolling 5 year period.
<b>Investment Policy:</b>	<p>The Company will invest in a global portfolio, managed to a target allocation of 70% in equities and 30% in fixed income and other assets (for example, corporate and government bonds). Whilst exposure to equities will typically be around 70%, equities exposure may fluctuate between 60% and 80% depending on investment opportunities, market movements and the economic environment. However, during difficult markets, exposure to equities may fall below 60%.</p> <p>In addition to equities and fixed income assets, the Company may also invest in other transferable securities, cash and money market instruments.</p> <p>The above exposure will be gained either directly or through the use of collective investment vehicles (including investment trusts and exchange traded vehicles) which may include collective investment vehicles managed by the ACD or its associates or the Investment Manager or its associates.</p> <p>There will be no emphasis placed on particular economic or industrial sectors with the objective of spreading risk both geographically and by industrial sector.</p> <p><b>Derivatives may be used for the purpose of hedging, although use is expected to be limited.</b></p> <p>The Investment Manager will actively manage the Company. This means the Investment Manager actively makes decisions about how to invest the Scheme Property (and which investments to buy and sell) instead of simply following a market index.</p>
<b>Performance Comparator:</b>	<p>The Company uses the Investment Association Mixed Investment 40-85% Shares peer group for performance comparison purposes. This peer group is not a target and the Company is not constrained by it. The peer group has been selected as a comparator for performance because the parameters for this peer group of between 40 and 85% exposure to equities are closely aligned with the policy of the Company.</p> <p>The ACD reserves the right to change the peer group following consultation with the Depositary and in</p>

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>	31 July
<b>Interim accounting date:</b>	31 January
<b>Income distribution dates:</b>	30 September (final) 31 March (interim)
<b>Shares Classes and type of Shares:</b>	Income Accumulation
<b>Preliminary charge:</b>	7.5%
<b>Redemption charge:</b>	Nil
<b>Switching charge:</b>	Nil
<b>Annual Management Charge:</b>	1.02%
<b>Charge for investment research</b>	Nil
<b>Charges taken from Income:</b>	Yes (except those charges and expenses relating directly to the purchase and sale of investments**)
<b>Investment minima:*</b>	
Lump sum	£100,000
Holding	£100,000
Top-up	N/A (provided minimum holding is maintained)
Redemption	N/A (provided minimum holding is maintained)
<b>Past performance:</b>	Past performance information is set out in Appendix VI

\* The ACD may waive the minimum levels at its discretion.

**\*\*It should be noted that, where fees are charged to capital, this may result in capital erosion or constrain capital 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 UK or an EEA State which is regulated, operates regularly and is open to the public;
- c) a market which the ACD, after consultation with, 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 the COLL Sourcebook, such a market must be regulated; operate regularly; recognised as a market or exchange or as a self-regulating organisation by an overseas regulator; open to the public; be adequately liquid; and have adequate arrangements for unimpeded transmission of income and capital to, or to the order of, investors.

The Company may also deal through the (eligible markets) securities markets and derivatives markets indicated below:

#### Eligible Securities Markets:

United States of America	NYSE Euronext NASDAQ Stock Market (NASDAQ) NYSE MKT LLC
Australia	ASX Group
Canada	Toronto Stock Exchange TSX Venture Exchange Montreal Exchange
Hong Kong	Hong Kong Stock Exchanges
Japan	Tokyo Stock Exchange Osaka Securities Exchange Nagoya Stock Exchange
Korea	Korea Composite Stock Price Index
Mexico	Bolsa Mexicana de Valores (BMV)
New Zealand	New Zealand Stock Exchange (NZX)
Singapore	Singapore Exchange (SGX)
South Africa	JSE Limited

Switzerland

SIX Swiss Exchange AG

Thailand

Stock Exchange of Thailand (SET)

**Eligible Derivatives Markets:**

UK

The London International Financial  
Futures and Options Exchange  
(LIFFE)

## **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 of the Company but subject to the limits set out in the Company's investment policy and the limits set out in COLL 5 and this Prospectus.

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

The Company will not maintain an interest in immovable property or tangible moveable property.

#### **1.1 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.

#### **1.2 Cover**

1.2.1 Where the COLL Sourcebook allows a transaction to be entered into or an investment to be retained only (for example, investment in 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.

1.2.2 Where 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:

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

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

#### **2. UK UCITS – general**

2.1 Subject to the investment objective and policy of the Company, the Scheme Property must, except where otherwise provided in COLL 5, only consist of any or all of:

2.1.1 transferable securities;

2.1.2 approved money-market instruments;

2.1.3 units in collective investments schemes;

2.1.4 derivatives and forward transactions; and

2.1.5 deposits.

### 3. **Transferable Securities**

- 3.1 A transferable security is an investment which is any of the following: 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).
- 3.2 An investment is not a transferable security if the title to it cannot be transferred, or can be transferred only with the consent of a third party.
- 3.3 In applying paragraph 3.2 of this Appendix to an investment which is issued by a body corporate, and which is a share or a debenture (as such terms as defined in the FCA Glossary) the need for any consent on the part of the body corporate or any members or debenture holders of it may be ignored.
- 3.4 An investment is not a transferable security unless the liability of the holder of it to contribute to the debts of the issuer is limited to any amount for the time being unpaid by the holder of it in respect of the investment.
- 3.5 The Company may invest in a transferable security only to the extent that the transferable security fulfils the following criteria:
- 3.5.1 the potential loss which the Company may incur with respect to holding the transferable security is limited to the amount paid for it;
  - 3.5.2 its liquidity does not compromise the ability of the ACD to comply with its obligation to redeem Shares at the request of any qualifying Shareholder;
  - 3.5.3 reliable valuation is available for it as follows:
    - 3.5.3.1 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;
    - 3.5.3.2 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;
  - 3.5.4 appropriate information is available for it as follows:
    - 3.5.4.1 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;
    - 3.5.4.2 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;
  - 3.5.5 it is negotiable; and

- 3.5.6 its risks are adequately captured by the risk management process of the ACD.
- 3.6 Unless there is information available to the ACD that would lead to a different determination, a transferable security which is admitted to or dealt in on an eligible market shall be presumed:
  - 3.6.1 not to compromise the ability of the ACD to comply with its obligation to redeem Shares at the request of any qualifying Shareholder; and
  - 3.6.2 to be negotiable.
- 3.7 No more than 5% of the Scheme Property may be invested in warrants.

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

- 4.1 A unit or a share 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 in paragraph 3.5 and either:
  - 4.1.1 where the closed end fund is constituted as an investment company or a unit trust:
    - 4.1.1.1 it is subject to corporate governance mechanisms applied to companies; and
    - 4.1.1.2 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
  - 4.1.2 where the closed end fund is constituted under the law of contract:
    - 4.1.2.1 it is subject to corporate governance mechanisms equivalent to those applied to companies; and
    - 4.1.2.2 it is managed by a person who is subject to national regulation for the purpose of investor protection.

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

- 5.1 The Company may invest in any other investment which shall be taken to be a transferable security for the purposes of investment by the Company provided the investment:
  - 5.1.1 fulfils the criteria for transferable securities set out in 3.5 above; and
  - 5.1.2 is backed by or linked to the performance of other assets, which may differ from those in which the Company can invest.
- 5.2 Where an investment in 5.1 contains an embedded derivative component, the requirements of this section, and the COLL Sourcebook, with respect to derivatives and forwards will apply to that component.

#### **Approved Money-Market Instruments**

- 5.3 An approved money-market instrument is a money-market instrument which is normally dealt in on the money-market, is liquid and has a value which can be accurately determined at any time.

- 5.4 A money-market instrument shall be regarded as normally dealt in on the money-market if it:
- 5.4.1 has a maturity at issuance of up to and including 397 days;
  - 5.4.2 has a residual maturity of up to and including 397 days;
  - 5.4.3 undergoes regular yield adjustments in line with money-market conditions at least every 397 days; or
  - 5.4.4 has a risk profile, including credit and interest rate risks, corresponding to that of an instrument which has a maturity as set out in 5.4.1 or 5.4.2 or is subject to yield adjustments as set out in 5.4.3.
- 5.5 A money-market instrument shall be regarded as liquid if it can be sold at limited cost in an adequately short time frame, taking into account the obligation of the ACD to redeem Shares at the request of any qualifying Shareholder.
- 5.6 A money-market instrument shall be regarded as having a value which can be accurately determined at any time if accurate and reliable valuations systems, which fulfil the following criteria, are available:
- 5.6.1 enabling the ACD to calculate a net asset value in accordance with the value at which the instrument held in the Scheme Property could be exchanged between knowledgeable willing parties in an arm's length transaction; and
  - 5.6.2 based either on market data or on valuation models including systems based on amortised costs.
- 5.7 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.

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

- 6.1 Subject to paragraph 6.3, Transferable securities and approved money-market instruments held within the Company must be:
- 6.1.1 admitted to or dealt in on an eligible market as described in 7.3.1; or
  - 6.1.2 dealt in on an eligible market as described in 7.3.2; or
  - 6.1.3 admitted to or dealt in on an eligible market as described in 7.4; or
  - 6.1.4 for an approved money-market instrument not admitted to or dealt in on an eligible market, within 8.1; or
  - 6.1.5 recently issued transferable securities provided that:
    - 6.1.5.1 the terms of issue include an undertaking that application will be made to be admitted to an eligible market; and
    - 6.1.5.2 such admission is secured within a year of issue.

6.2 However, the Company may invest no more than 10% of the Scheme Property in transferable securities and approved money-market instruments other than those referred to in 6.1.

6.3 Shares in a Pisces company (as defined in the FCA Glossary) do not fall within paragraph 6.1.

## 7. **Eligible markets regime: purpose and requirements**

7.1 To protect Shareholders 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.

7.2 Where a market ceases to be eligible, investments on that market cease to be approved securities. The 10% restriction in 6.2 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.

7.3 A market is eligible for the purposes of the rules if it is:

7.3.1 a regulated market as defined in the FCA Glossary; or

7.3.2 a market in the UK or an EEA State which is regulated, operates regularly and is open to the public; or

7.3.3 a market in paragraph 8.4 of this Appendix.

7.4 A market falling within paragraph 8.3.3 of this Appendix is eligible for the purposes of COLL 5 if:

7.4.1 the ACD, after consultation with and notification to the Depositary, decides that market is appropriate for investment of, or dealing in, the Scheme Property;

7.4.2 the market is included in a list in the prospectus; and

7.4.3 the Depositary has taken reasonable care to determine that:

7.4.3.1 adequate custody arrangements can be provided for the investment dealt in on that market; and

7.4.3.2 all reasonable steps have been taken by the ACD in deciding whether that market is eligible.

7.5 In paragraph 7.4.1, 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 Shareholders.

7.6 The Eligible Markets for the Company are set out in Appendix II.

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

8.1 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 following requirements:

- 8.1.1 the issue or the issuer is regulated for the purpose of protecting Shareholders and savings; and
  - 8.1.2 the instrument is issued or guaranteed in accordance with paragraph 9 (Issuers and guarantors of money-market instruments) below.
- 8.2 The issue or the issuer of a money-market instrument, other than one dealt in on an eligible market, shall be regarded as regulated for the purpose of protecting Shareholders and savings if:
- 8.2.1 the instrument is an approved money-market instrument;
  - 8.2.2 appropriate information is available for the instrument (including information which allows an appropriate assessment of the credit risks related to investment in it), in accordance with paragraph 10 (Appropriate information for money-market instruments) below; and
  - 8.2.3 the instrument is freely transferable.

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

- 9.1 The Company may invest in an approved money-market instrument if it is:
- 9.1.1 issued or guaranteed by any one of the following:
    - 9.1.1.1 a central authority of the UK or an EEA State or, if the EEA State is a federal state, one of the members making up the federation;
    - 9.1.1.2 a regional or local authority of the UK or an EEA State;
    - 9.1.1.3 the Bank of England, the European Central Bank or a central bank of an EEA State;
    - 9.1.1.4 the European Union or the European Investment Bank;
    - 9.1.1.5 a non-EEA State or, in the case of a federal state, one of the members making up the federation;
    - 9.1.1.6 a public international body to which the UK or one or more EEA States belong; or
  - 9.1.2 issued by a body, any securities of which are dealt in on an eligible market; or
  - 9.1.3 issued or guaranteed by an establishment which is:
    - 9.1.3.1 subject to prudential supervision in accordance with criteria defined by the UK or EU law; or
    - 9.1.3.2 subject to and complies with prudential rules considered by the FCA to be at least as stringent as those laid down by the UK or EU law.
- 9.2 An establishment shall be considered to satisfy the requirement in 9.1.3.2 if it is subject to and complies with prudential rules, and fulfils one or more of the following criteria:

- 9.2.1 it is located in the European Economic Area;
- 9.2.2 it is located in an OECD country belonging to the Group of Ten;
- 9.2.3 it has at least investment grade rating;
- 9.2.4 on the basis of an in-depth analysis of the issuer, it can be demonstrated that the prudential rules applicable to that issuer are at least as stringent as those laid down by the UK or EU law.

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

- 10.1 In the case of an approved money-market instrument within 9.1.2 or issued by a body of the type referred to in COLL 5.2.10EG, or which is issued by an authority within 9.1.1.2 or a public international body within 9.1.1.6 but is not guaranteed by a central authority within 9.1.1.1, the following information must be available:
  - 10.1.1 information on both the issue or the issuance programme, and the legal and financial situation of the issuer prior to the issue of the instrument, verified by appropriately qualified third parties not subject to instructions from the issuer;
  - 10.1.2 updates of that information on a regular basis and whenever a significant event occurs; and
  - 10.1.3 available and reliable statistics on the issue or the issuance programme.
- 10.2 In the case of an approved money-market instrument issued or guaranteed by an establishment within 9.1.3, the following information must be available:
  - 10.2.1 information on the issue or the issuance programme or on the legal and financial situation of the issuer prior to the issue of the instrument;
  - 10.2.2 updates of that information on a regular basis and whenever a significant event occurs; and
  - 10.2.3 available and reliable statistics on the issue or the issuance programme, or other data enabling an appropriate assessment of the credit risks related to investment in those instruments.
- 10.3 In the case of an approved money-market instrument:
  - 10.3.1 within 9.1.1.1, 9.1.1.4 or 9.1.1.5; or
  - 10.3.2 which is issued by an authority within 9.1.1.2 or a public international body within 9.1.1.6 and is guaranteed by a central authority within 9.1.1.1;

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

## 11. **Spread: general**

- 11.1 This paragraph 11 does not apply in respect of a transferable security or an approved money-market instrument to which paragraph 12 applies.
- 11.2 For the purposes of this paragraph 11 companies included in the same group for the purposes of consolidated accounts as defined in accordance with section 399 of

Companies Act 2006, Directive 2013/37/EU or in the same group in accordance with international accounting standards are regarded as a single body.

- 11.3 Not more than 20% in the value of the Scheme Property is to consist of deposits with any single body.
- 11.4 Not more than 5% in value of the Scheme Property is to consist of transferable securities or approved money-market instruments issued by any single body, except that the limit of 5% is raised to 10% in respect of up to 40% in value of the Scheme Property (covered bonds need not be taken into account for the purposes of applying the limit of 40%). For these purposes certificates representing certain securities are treated as equivalent to the underlying security.
- 11.5 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. The Company does not currently invest in covered bonds.
- 11.6 The exposure to any one counterparty in an OTC derivative transaction must not exceed 5% in value of the Scheme Property. This limit is raised to 10% where the counterparty is an Approved Bank.
- 11.7 Not more than 20% in value of the Scheme Property is to consist of transferable securities and approved money-market instruments issued by the same group.
- 11.8 Not more than 20% in value of the Scheme Property is to consist of the units of any one collective investment scheme.
- 11.9 The COLL Sourcebook provides that in applying the limits in 11.3, 11.4 and 11.6 and subject to 11.5, not more than 20% in value of the Scheme Property is to consist of any combination of two or more of the following:
- 11.9.1 transferable securities (including covered bonds) or approved money-market instruments issued by; or
  - 11.9.2 deposits made with; or
  - 11.9.3 exposures from OTC derivatives transactions made with
- a single body.
- 11.10 The ACD must ensure that the counterparty risk arising from an OTC derivative transaction is subject to the limits set out in paragraphs 12.6 and 12.9 above.
- 11.11 When calculating the exposure of the Company to a counterparty in accordance with the limits set out in paragraph 12.6, the ACD must use the positive mark-to-market value of the OTC derivative contract for that counterparty.
- 11.12 The ACD may net the OTC derivative positions for the Company with the same counterparty, provided:
- 11.12.1 it is able legally to enforce netting arrangements with the counterparty on behalf of the Company; and
  - 11.12.2 the netting agreements referred to above do not apply to any other exposures the Company may have with that same counterparty.

- 11.13 The ACD may reduce the exposure of the Scheme Property to a counterparty to an OTC derivative transaction through the receipt of collateral. Collateral received must be sufficiently liquid so that it can be sold quickly at a price that is close to its pre-sale valuation.
- 11.14 The ACD must take collateral into account in calculating exposure to counterparty risk in accordance with the limits set out in paragraph 12.16 when it passes collateral to the counterparty to an OTC derivative transaction on behalf of the Company.
- 11.15 Collateral passed in accordance with paragraph 12.14 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.
- 11.16 The ACD must calculate the issuer concentration limits referred to in the paragraphs above on the basis of the underlying exposure created through the use of OTC derivatives in accordance with the commitment approach.
- 11.17 In relation to exposures arising from OTC derivative transactions, as referred to in paragraph 12.16, the ACD must include in the calculation any counterparty risk relating to the OTC derivative transactions.

## 12. **Spread: government and public securities**

- 12.1 This paragraph 12 applies in respect of transferable securities or approved money-market instruments ("such securities") that are issued or guaranteed by:

- 12.1.1 the UK or an EEA State
- 12.1.2 a local authority of the UK or an EEA State
- 12.1.3 a non-EEA State; or
- 12.1.4 a public international body to which the UK or one or more EEA States belong.

- 12.2 Where no more than 35% in value of the Scheme Property is invested in such securities issued by any one body, there is no limit on the amount which may be invested in such securities or in any one issue.

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

- 12.3.1 **the ACD has before any such investment is made consulted with the Depositary and as a result considers that the issuer of such securities is one which is appropriate in accordance with the investment objective of the Company;**
- 12.3.2 **no more than 30% in value of the Scheme Property consists of such securities of any one issue;**
- 12.3.3 **the Scheme Property includes such securities issued by that or another issuer, of at least six different issues;**
- 12.3.4 **the disclosures required by the FCA have been made.**

- 1.1 For the purpose of this rule in relation to such securities:

- 1.1.1 issue, issued and issuer include guarantee, guaranteed and guarantor; and
- 1.1.2 an issue differs from another if there is a difference as to repayment date, rate of interest, guarantor or other material terms of the issue.

12.4 **The Company does not currently invest more than 35% in value of the Scheme Property in government and public securities issued by any one body.**

- 12.5 Notwithstanding 11.1 and subject to 11.3 and 11.2 above, in applying the 20% limit in paragraph 11.3 with respect to a single body, government and public securities issued by that body shall be taken into account.

13. **Investment in collective investment schemes**

- 13.1 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 the Second Scheme satisfies all of the following conditions and provided that no more than 30% in value of the Company is invested in Second Schemes within 13.1.1.1 to 13.1.1.5 below.

13.1.1 The Second Scheme must:

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

- 13.1.2 The Second Scheme must comply, where relevant, with COLL 5.2.15R (Investment in associated collective investment schemes) and COLL 5.2.16R (Investment in other group schemes).

- 13.1.3 The Second Scheme must have terms which prohibit it from having more than 10% in value of the Scheme Property consisting of units in collective investment schemes.

- 13.1.4 Where the Second Scheme is an umbrella, the provisions in paragraph

13.1.2 and 13.1.3 and COLL 5.2.11R (Spread: General) apply to each sub fund as if it were a separate scheme.

- 13.1.5 Investment may only be made in other collective investment schemes managed by the ACD or an associate of the ACD if the Company's Prospectus clearly states that it may enter into such investments and the rules on double charging contained in the COLL Sourcebook are complied with, and subject to the rules in the FCA Handbook.
- 13.2 The Company may, subject to the limits set out in 13.1 above, invest in collective investment schemes managed or operated by, or whose authorised corporate director is, the ACD of the Company or one of its associates.
- 13.3 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).
- 13.4 The requirements of COLL 5.2.13AR are that:
- 13.4.1 the second scheme is an undertaking:
- 13.4.1.1 with the sole objective of collective investment in transferable securities or in other liquid financial assets, as referred to in Section 5 of the COLL Sourcebook, of capital raised from the public and which operate on the principle of risk spreading;
- 13.4.1.2 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);
- 13.4.2 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:
- 13.4.2.1 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 asset segregation, borrowing, lending and uncovered sales of transferable securities and approved money market instruments are equivalent to the requirements of Section 5 of the COLL Sourcebook; and
- 13.4.2.2 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.
- 13.4.3 The second scheme must comply, where relevant, with COLL 5.2.15R (Investment in associated collective investment schemes) and COLL 5.2.16R (Investment in other group schemes).
- 13.4.4 Where the Company makes an investment in, or disposal of, units or shares of a second scheme detailed in paragraph 13.2, and there is a charge in respect of such investment or disposal, the ACD must pay the

Company the amount referred to in either paragraph 13.4.5 or paragraph 13.4.6 within four Business Days following the date of the agreement to invest or dispose.

- 13.4.5 When an investment is made, the amount referred to in paragraph 13.4.4 is either:
- 13.4.5.1 any amount by which the consideration paid by the Company for the units or shares in the second scheme exceeds the price that would have been paid for the benefit of the second scheme had the units or shares been newly issued or sold by it; or
  - 13.4.5.2 if such price cannot be ascertained by the ACD, the maximum amount of any charge permitted to be made by the seller of units or shares in the second scheme.
- 13.4.6 When a disposal is made, the amount referred to in paragraph 13.4.5 is any charge made for the account of the authorised fund manager or operator of the second scheme or an Associate of any of them in respect of the disposal.
- 13.4.7 In paragraph 13.4.5 and paragraph 13.4.6 above:
- 13.4.7.1 any addition to or deduction from consideration paid on the acquisition or disposal of units in the second scheme, which is applied for the benefit of the second scheme and is, or is like, a dilution levy or dilution adjustment, is to be treated as part of the price of the units and not as part of any charge; and
  - 13.4.7.2 any charge made in respect of an exchange of units in one sub-fund or separate part of the second scheme for units in another sub-fund or separate part of that scheme is to be included as part of the consideration paid for the units.

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

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

#### 15. **Derivatives: general**

**The Investment Manager may employ derivatives for the purposes of hedging, with the aim of reducing the risk profile of the Company, in accordance with Efficient Portfolio Management.**

**The Company is not expected to have high volatility owing to its portfolio composition or the portfolio management techniques used over and above the general market volatility of the markets of its underlying investments.**

- 15.1 A transaction in derivatives or a forward transaction must not be effected for the Company unless the transaction is of a kind specified in paragraph 18 (Permitted transactions (derivatives and forwards)) below, and the transaction is covered, as required by paragraph 27 (Cover for transactions in derivatives and forward transactions) of this Appendix and the transaction is made in accordance with COLL

## 5.3.11(G).

- 15.2 Where the Company invests in derivatives, the exposure to the underlying assets must not exceed the limits set out in the COLL Sourcebook in relation to COLL 5.2.11R (Spread: general) and COLL 5.2.12R (Spread: government and public securities) except for index based derivatives where the rules below applies.
- 15.3 Where a transferable security or approved money-market instrument embeds a derivative, this must be taken into account for the purposes of complying with this Appendix.
- 15.4 A transferable security or an approved money-market instrument will embed a derivative if it contains a component which fulfils the following criteria:
- 15.4.1 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;
  - 15.4.2 its economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract; and
  - 15.4.3 it has a significant impact on the risk profile and pricing of the transferable security or approved money-market instrument.
- 15.5 A transferable security or an approved money-market instrument does not embed a derivative where it contains a component which is contractually transferable independently of the transferable security or the approved money-market instrument. That component shall be deemed to be a separate instrument.
- 15.6 Where the Company invests in an index based derivative, provided the relevant index falls within paragraph 18 (Financial Indices underlying derivatives) and the FCA Rules at COLL 5.2.20, 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 of COLL for the prudent spread of risk.

## 16. **Efficient Portfolio Management**

- 16.1 The Company may utilise the Scheme Property to enter into transactions for the purposes of Efficient Portfolio Management ("EPM"). Permitted EPM transactions (excluding stock lending arrangements) are transactions in derivatives e.g. to hedge against price or currency fluctuations, dealt with or traded on an eligible derivatives market; off-exchange options or contracts for differences resembling options; or synthetic futures in certain circumstances. The ACD must take reasonable care to ensure that the transaction is economically appropriate to the reduction of the relevant risks (whether in the price of investments, interest rates or exchange rates) or to the reduction of the relevant costs and/or to the 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 laid down in COLL. The exposure must be fully "covered" by cash and/or other property sufficient to meet any obligation to pay or deliver that could arise.
- 16.2 Permitted transactions are those that the Company reasonably regards as economically appropriate to EPM, that is:
- 16.2.1 Transactions undertaken to reduce risk or cost in terms of fluctuations in

prices, interest rates or exchange rates where the ACD reasonably believes that the transaction will diminish a risk or cost of a kind or level which it is sensible to reduce; or

- 16.2.2 Transactions for the generation of additional capital growth or income for the Company by taking advantage of gains which the ACD reasonably believes are certain to be made (or certain, barring events which are not reasonably foreseeable) as a result of:
- 16.2.2.1 pricing imperfections in the market as regards the property which the Company holds or may hold; or
  - 16.2.2.2 receiving a premium for the writing of a covered call option or a cash covered put option on property of the Company which the Company is willing to buy or sell at the exercise price, or
  - 16.2.2.3 stock lending arrangements.

A permitted arrangement in this context may at any time be closed out.

- 16.3 Transactions may take the form of "derivatives transactions" (that is, transactions in options, futures or contracts for differences) or forward currency transactions. A derivatives transaction must either be in a derivative which is traded or dealt in on an eligible derivatives market (and effected in accordance with the rules of that market), or be an off-exchange derivative which complies with the relevant conditions set out in the COLL Sourcebook, or be a "synthetic future" (i.e. a composite derivative created out of two separate options). Forward currency transactions must be entered into with counterparties who satisfy the COLL Sourcebook. A permitted transaction may at any time be closed out.

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

- 17.1 A transaction in a derivative must be in an approved derivative; or be one which complies with paragraph 21 (OTC transactions in derivatives).
- 17.2 A transaction in a derivative must have the underlying consisting of any one or more of the following to which the Company is dedicated:
- 17.2.1 transferable securities;
  - 17.2.2 approved money-market instruments permitted under paragraphs 6.1.1 to 6.1.4;
  - 17.2.3 deposits and derivatives permitted under this paragraph;
  - 17.2.4 collective investment scheme units permitted under paragraph 13 (Investment in collective investment schemes);
  - 17.2.5 financial indices which satisfy the criteria set out in paragraph 18 (Financial indices underlying derivatives);
  - 17.2.6 interest rates;
  - 17.2.7 foreign exchange rates; and
  - 17.2.8 currencies.
- 17.3 A transaction in an approved derivative must be effected on or under the rules of an

eligible derivatives market.

- 17.4 A transaction in a derivative must not cause the Company to diverge from its investment objective as stated in the Instrument of Incorporation and the most recently published version of this Prospectus.
- 17.5 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.
- 17.6 Any forward transaction must be with an Eligible Institution or an Approved Bank.
- 17.7 A derivative includes an investment which fulfils the following criteria:
- 17.7.1 it allows transfer of the credit risk of the underlying independently from the other risks associated with that underlying;
  - 17.7.2 it does not result in the delivery or the transfer of assets other than those referred to in COLL 5.2.6AR, including cash;
  - 17.7.3 in the case of an OTC derivative, it complies with the requirements in paragraph 21; and
  - 17.7.4 its risks are adequately captured by the risk management process of the ACD and by its internal control mechanisms in the case of risk asymmetry of information between the ACD and the counterparty to the derivative resulting from the potential access of the counterparty to non-public information on persons whose assets are used as the underlying by that derivative.
- 17.8 The Company may not undertake transactions in derivatives on commodities.

## 18. **Financial Indices underlying derivatives**

- 18.1 The financial indices referred to in 17.2 are those which satisfy the following criteria:
- 18.1.1 the index is sufficiently diversified;
  - 18.1.2 the index represents an adequate benchmark for the market to which it refers; and
  - 18.1.3 the index is published in an appropriate manner.
- 18.2 A financial index is sufficiently diversified if:
- 18.2.1 it is composed in such a way that price movements or trading activities regarding one component do not unduly influence the performance of the whole index;
  - 18.2.2 where it is composed of assets in which the Company is permitted to invest, its composition is at least diversified in accordance with the requirements with respect to spread and concentration set out in this Appendix; and
  - 18.2.3 where it is composed of assets in which the Company cannot invest, it is diversified in a way which is equivalent to the diversification achieved by

the requirements with respect to spread and concentration set out in this Appendix.

- 18.3 A financial index represents an adequate benchmark for the market to which it refers if:
- 18.3.1 it measures the performance of a representative group of underlyings in a relevant and appropriate way;
  - 18.3.2 it is revised or rebalanced periodically to ensure that it continues to reflect the markets to which it refers, following criteria which are publicly available; and
  - 18.3.3 the underlyings are sufficiently liquid, allowing users to replicate it if necessary.
- 18.4 A financial index is published in an appropriate manner if:
- 18.4.1 its publication process relies on sound procedures to collect prices, and calculate and subsequently publish the index value, including pricing procedures for components where a market price is not available; and
  - 18.4.2 material information on matters such as index calculation, rebalancing methodologies, index changes or any operational difficulties in providing timely or accurate information is provided on a wide and timely basis.
- 18.5 Where the composition of underlyings of a transaction in a derivative does not satisfy the requirements for a financial index, the underlyings for that transaction shall where they satisfy the requirements with respect to other underlyings pursuant to 17.2, be regarded as a combination of those underlyings.

## 19. **Transactions for the purchase of property**

- 19.1 A derivative or forward transaction which will or could lead to the delivery of property for the account of the Company may be entered into only if that property can be held for the account of the Company, and the ACD having taken reasonable care determines that delivery of the property under the transaction will not occur or will not lead to a breach of the COLL Sourcebook.

## 20. **Requirement to cover sales**

- 20.1 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.
- 20.2 The above does not apply where:
- 20.2.1 the risks of the underlying financial instrument of a derivative can be appropriately represented by another financial instrument and the underlying financial instrument is highly liquid; or
  - 20.2.2 the ACD or the Depositary has the right to settle the derivative in cash and cover exists within the Scheme Property which falls within one of the following asset classes:
    - 20.2.2.1 cash;

- 20.2.2.2 liquid debt instruments (e.g. government bonds of first credit rating) with appropriate safeguards (in particular, haircuts); or
- 20.2.2.3 other highly liquid assets having regard to their correlation with the underlying of the financial derivative instruments, subject to appropriate safeguards (e.g. haircuts where relevant).

20.3 In the asset classes referred to in paragraph 20.2.2, an asset may be considered as liquid where the instrument can be converted into cash in no more than seven Business Days at a price closely corresponding to the current valuation of the financial instrument on its own market.

## 21. **OTC transactions in derivatives**

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

- 21.1.1 in a future or an option or a contract for differences;
- 21.1.2 with an approved counterparty; a counterparty to a transaction in derivatives is approved only if the counterparty is
  - 21.1.2.1 an Eligible Institution or an Approved Bank;
  - 21.1.2.2 a person whose permission (including any requirements or limitations), as published in the Financial Services Register provided by the FCA, permits it to enter into the transaction as principal off-exchange;
  - 21.1.2.3 a CCP that is authorised in that capacity for the purposes of EMIR;
  - 21.1.2.4 a CCP that is recognised in that capacity in accordance with the process set out in article 25 of EMIR; or
  - 21.1.2.5 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.
- 21.1.3 on approved terms; the terms of the transaction in derivatives are approved only if, before the transaction is entered into, the Depositary is satisfied that the counterparty has agreed with the Company or the ACD: to provide at least daily and at any other time at the request of the Company or the ACD a reliable and verifiable valuation in respect of that transaction corresponding to its fair value (being the amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction) and which does not rely only on market quotations by the counterparty; and that it or an alternative counterparty will, at the request of the Company or the ACD, enter into a further transaction to sell, liquidate or close out that transaction at any time, at a fair value arrived at under the reliable market value basis or

pricing model agreed under the following paragraph; and

- 21.1.4 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:
  - 21.1.4.1 on the basis of an up-to-date market value which the ACD and the Depositary have agreed is reliable; or
  - 21.1.4.2 if the value referred to in 21.1.4.1 is not available, on the basis of a pricing model which the ACD and the Depositary have agreed uses an adequate recognised methodology; and
- 21.1.5 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:
  - 21.1.5.1 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
  - 21.1.5.2 a department within the ACD which is independent from the department in charge of managing the Company and which is adequately equipped for such a purpose.

The Depositary must take reasonable care to ensure that the ACD has systems and controls that are adequate to ensure compliance with paragraphs 22.1.2 to 22.1.5 above.

The following additional provisions apply:

- 21.2 The ACD must:
  - 21.2.1 establish, implement and maintain arrangements and procedures which ensure appropriate, transparent and fair valuation of the exposure of the Company to OTC derivatives; and
  - 21.2.2 ensure that the fair value of the OTC derivatives is subject to adequate, accurate and independent assessment;
  - 21.2.3 Where the arrangements and procedures referred to in paragraph 22.2 involve the performance of certain activities of third parties, the ACD must comply with the requirements of SYSC 8.1.13R and COLL 6.6AR(5) and (6).
  - 21.2.4 The Company may invest in derivatives and forward transactions as part of its investment policy provided:
    - 21.2.4.1 its global exposure relating to derivatives and forward transactions held in the Company does not exceed the net value of the Scheme Property; and
    - 21.2.4.2 its global exposure to the underlying assets does not exceed in aggregate the investment limits as laid down below.
  - 21.2.5 The ACD must calculate the global exposure of the Company on at least a daily basis.

- 21.2.6 For the purposes of this section, 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.
- 21.2.7 The ACD must calculate the global exposure of the Company either as:
- 21.2.7.1 the incremental exposure and leverage generated through the use of derivatives and forward transactions (including embedded derivatives as referred to in COLL 5.2.19(R)(3A), which may not exceed 10% of the net value of the Scheme Property of the Company by way of the commitment approach; or
  - 21.2.7.2 the market risk of the Scheme Property of the Company by way of the value risk approach.
- 21.2.8 The ACD must ensure that the method selected above is appropriate, taking into account:
- 21.2.8.1 the investment strategy pursued by the Company;
  - 21.2.8.2 the types and complexities of the derivatives and forward transactions used; and
  - 21.2.8.3 The proportion of the Scheme Property comprising derivatives and forward transactions.
- 21.2.9 Where the Company employs techniques and instruments including repo contracts or stock lending transactions in order to generate additional leverage or exposure to market risk, the ACD must take those transactions into consideration when calculating global exposure.
- 21.2.10 For the purposes of this section, value at risk means a measure of the maximum expected loss at a given confidence level over the specific time period.
- 21.2.11 Where the ACD must use the commitment approach for the calculation of global exposure, it must:
- 21.2.11.1 ensure that it applies this approach to all derivative and forward transactions (including embedded derivatives as referred to in COLL 5.2.19(R)(3A) ), 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; and
  - 21.2.11.2 convert each derivative or forward transaction into the market value of and equivalent position in the underlying asset of that derivative or forward (standard commitment approach).
- 21.2.12 The ACD may apply other calculation methods which are equivalent to the standard commitment approach.
- 21.2.13 For the commitment approach, 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.

21.2.14 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.

21.2.15 Where the commitment approach is used, temporary borrowing arrangements entered into on behalf of the Company need not form part of the global exposure calculation.

## 22. **Risk management**

22.1 The ACD uses a risk management process, enabling it to monitor and measure as frequently as appropriate the risk of the Company's positions and their contribution to the overall risk profile of the Company. Before using the process, the ACD will notify the FCA of the details of the risk management process. The risk management process is set out in paragraph 11.13.

## 23. **Investment in deposits**

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

## 24. **Significant influence**

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

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

24.1.2 the acquisition gives the Company that power.

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

## 25. **Concentration**

The Company:

25.1 must not acquire transferable securities other than debt securities which:

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

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

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

25.3 must not acquire units representing more than 25% in value of the scheme property

in:

- 25.3.1 a collective investment scheme that is not an umbrella or a sub-fund; or
- 25.3.2 a sub-fund of an umbrella;
- 25.4 must not acquire more than 10% of the approved money-market instruments issued by any single body; and
- 25.5 need not comply with the limits in paragraphs 25.2, 25.3 and 25.4 if, at the time of the acquisition, the net amount in issue of the relevant investment cannot be calculated; and
- 25.6 need not comply with the limit in (c) where both the investing UCITS scheme and the collective investment scheme in which units are acquired (the "second scheme") are authorised funds managed by the same authorised fund manager, and the authorised fund manager:
  - 25.6.1 performs portfolio management and risk management for both the investing UCITS scheme and the second scheme without delegation of those functions;
  - 25.6.2 delegates portfolio management and/or risk management for both the investing UCITS scheme and the second scheme to the same person; or
  - 25.6.3 delegates portfolio management and/or risk management for either the investing UCITS scheme or the second scheme to another person but performs portfolio management and/or risk management in relation to the other scheme without delegation of those functions.

## 26. **Derivative exposure**

- 26.1 The Company may invest in derivatives and forward transactions as long as the exposure to which the Company is committed by that transaction itself is suitably covered from within the Scheme Property. Exposure will include any initial outlay in respect of that transaction.
- 26.2 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 Scheme Property. Therefore, the Company must hold Scheme Property sufficient in value or amount to match the exposure arising from a derivative obligation to which the Company is committed. Paragraph 27 (Cover for transactions in derivatives and forward transactions) below sets out detailed requirements for cover of the Company.
- 26.3 A future is to be regarded as an obligation to which the Company is committed (in that, unless closed out, the future will require something to be delivered, or accepted and paid for); a written option as an obligation to which the Company is committed (in that it gives the right of potential exercise to another thereby creating exposure); and a bought option as a right (in that the purchaser can, but need not, exercise the right to require the writer to deliver and accept and pay for something).
- 26.4 Cover used in respect of one transaction in derivatives or forward transaction must not be used for cover in respect of another transaction in derivatives or a forward

transaction.

**27. Cover for transactions in derivatives and forward transactions**

- 27.1 A transaction in derivatives or a forward transaction is to be entered into only if the maximum exposure, in terms of the principal or notional principal created by the transaction to which the Company is or may be committed by another person is covered globally.
- 27.2 The ACD must calculate the Company's global exposure on at least a daily basis, in accordance with the methods described in COLL 5.3.7R to COLL 5.3.10R. Exposure is covered globally if adequate cover from within the Scheme Property is available to meet the Company's total exposure, taking into account the value of the underlying assets, any reasonably foreseeable market movement, counterparty risk, and the time available to liquidate any positions.
- 27.3 Cash not yet received into the Scheme Property but due to be received within one month is available as cover.
- 27.4 Scheme Property the subject of a stock lending transaction is only available for cover if the ACD has taken reasonable care to determine that it is obtainable (by return or re-acquisition) in time to meet the obligation for which cover is required.
- 27.5 The global exposure relating to derivatives held in the Company may not exceed the Net Asset Value of the Scheme Property.

**28. Cover and Borrowing**

- 28.1 Cash obtained from borrowing, and borrowing which the ACD reasonably regards an Eligible Institution or an Approved Bank to be committed to provide, is not available for cover under paragraph 27 (Cover for transactions in derivatives and forward transactions) except where 28.2 below applies.
- 28.2 Where, for the purposes of this paragraph the Company borrows an amount of currency from an Eligible Institution or an Approved Bank; and keeps an amount in another currency, at least equal to such borrowing for the time being in 28.1 on deposit with the lender (or their agent or nominee), then this paragraph 28.2 applies as if the borrowed currency, and not the deposited currency, were part of the Scheme Property.

**29. Cash and near cash**

- 29.1 Cash and near cash must not be retained in the Scheme Property except to the extent that, where this may reasonably be regarded as necessary in order to enable:
- 29.1.1 the pursuit of the Company's investment objective; or
  - 29.1.2 redemption of Shares; or
  - 29.1.3 efficient management of the Company in accordance with its investment objective; or
  - 29.1.4 other purposes which may reasonably be regarded as ancillary to the investment objective of the Company.

### 30. **General**

- 30.1 It is envisaged that the Company will normally be fully invested but there may be times that it is appropriate not to be fully invested when the ACD reasonably regards this as necessary in pursuit of the investment objective and policy, redemption of Shares, efficient management of the Company or any one purpose which may reasonably be regarded as ancillary to the investment objective of the Company.
- 30.2 Where the Company invests in or disposes of units or shares in another collective investment scheme which is managed or operated by the ACD or an associate of the ACD, the ACD must pay to the Company by the close of business on the fourth Business Day the amount of any preliminary charge in respect of a purchase, and in the case of a sale, any charge made for the disposal.
- 30.3 A potential breach of any of these limits does not prevent the exercise of rights conferred by investments held by the Company but, in the event of a consequent breach, the ACD must then take such steps as are necessary to restore compliance with the investment limits as soon as practicable having regard to the interests of Shareholders.
- 30.4 The COLL Sourcebook permits the ACD to use certain techniques when investing in derivatives in order to manage the Company's exposure to particular counterparties and in relation to the use of collateral to reduce overall exposure with respect to over-the-counter ("OTC") derivatives; for example the Company may take collateral from counterparties with whom they have an OTC derivative position and use that collateral to net off against the exposure they have to the counterparty under that OTC derivative position, for the purposes of complying with counterparty spread limits. The COLL Sourcebook also permits the Company to use derivatives to effectively short sell (agree to deliver the relevant asset without holding it in the Company) under certain conditions.

### 31. **Underwriting**

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

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

- 32.1 The Company or the ACD, on the instructions of the Company, may and subject to the COLL Sourcebook and this paragraph, borrow money from an Eligible Institution or an Approved Bank for the use of the Company on terms that the borrowing is to be repayable out of the Scheme Property. This power to borrow is subject to the obligation of the Company to comply with any restriction in Instrument of Incorporation.
- 32.2 Borrowing must be on a temporary basis, must not be persistent, and in any event must not exceed three months without the prior consent of the Depositary, which may be given only on such conditions as appear appropriate to the Depositary to ensure that the borrowing does not cease to be on a temporary basis. For this purpose the ACD must have regard in particular to the duration of any period of borrowing and the number of occasions on which it has resorted to borrowing any period.
- 32.3 The ACD must ensure that borrowing does not, on any Business Day, exceed 10% of the value of the Scheme Property.

- 32.4 These borrowing restrictions do not apply to “back to back” borrowing for currency hedging purposes (i.e. borrowing permitted in order to reduce or eliminate risk arising by reason of fluctuations in exchange rates).
- 33. Restrictions on lending of money**
- 33.1 None of the money in the Scheme Property may be lent and, for the purposes of this paragraph, money is lent by the Company if it is paid to a person (“the payee”) on the basis that it should be repaid, whether or not by the payee.
- 33.2 Acquiring a debenture is not lending for the purposes of paragraph 33.1, nor is the placing of money on deposit or in a current account.
- 33.3 Nothing in paragraph 33.1 prevents the Company from providing an officer of the Company with funds to meet expenditure to be incurred by them for the purposes of the Company (or for the purposes of enabling them properly to perform their duties as an officer of the Company) or from doing anything to enable an officer to avoid incurring such expenditure.
- 34. Restrictions on lending of property other than money**
- 34.1 Scheme Property other than money must not be lent by way of deposit or otherwise.
- 34.2 Transactions permitted by paragraph 37 (Stock lending) are not to be regarded as lending for the purposes of paragraph 34.1.
- 34.3 The Scheme Property must not be mortgaged.
- 34.4 Nothing in this paragraph prevents the Company or the Depositary of the Company at the request of the Company, from lending, depositing, pledging or charging Scheme Property for margin requirements where transactions in derivatives or forward transactions are used for the account of the Company in accordance with COLL 5.
- 35. General power to accept or underwrite placings**
- 35.1 Any power in COLL 5 to invest in transferable securities may be used for the purpose of entering into transactions to which this section applies, subject to compliance with any restriction in the Instrument of Incorporation. This section applies, to any agreement or understanding: which is an underwriting or sub-underwriting agreement, or which contemplates that securities will or may be issued or subscribed for or acquired for the account of the Company.
- 35.2 This ability does not apply to an option, or a purchase of a transferable security which confers a right to subscribe for or acquire a transferable security, or to convert one transferable security into another.
- 35.3 The exposure of the Company to agreements and understandings as set out above, on any Business Day be covered and be such that, if all possible obligations arising under them had immediately to be met in full, there would be no breach of any limit in the COLL Sourcebook.
- 36. Guarantees and indemnities**
- 36.1 The Company or the Depositary for the account of the Company must not provide any guarantee or indemnity in respect of the obligation of any person.
- 36.2 None of the Scheme Property may be used to discharge any obligation arising under

a guarantee or indemnity with respect to the obligation of any person.

36.3 Paragraphs 36.1 and 36.2 do not apply to in respect of the Company:

36.3.1 any indemnity or guarantee given for margin requirements where the derivatives or forward transactions are being used in accordance with COLL 5; and

36.3.2 an indemnity falling within the provisions of regulation 62(3) (Exemptions from liability to be void) of the OEIC Regulations;

36.3.3 an indemnity (other than any provision in it which is void under regulation 62 of the OEIC Regulations) given to the Depositary against any liability incurred by it as a consequence of the safekeeping of any of the Scheme Property by it or by anyone retained by it to assist it to perform its function of the safekeeping of the Scheme Property; and

36.3.4 an indemnity given to a person winding up a scheme if the indemnity is given for the purposes of arrangements by which the whole or part of the property of that scheme becomes the first property of the Company and the holders of units in that scheme become the first Shareholders in the Company.

### 37. **Stock lending**

37.1 The entry into stock lending transactions or repo contracts for the account of the Company is permitted for the generation of additional income for the benefit of the Company, and hence for its investors. The Company may only enter into stock lending transactions or repo contracts in accordance with the rules in COLL 5.4 if the arrangement or contract is for the account of, and benefit, of the Company and in the interests of its shareholders.

37.2 The specific method of stock lending permitted in this section is in fact not a transaction which is a loan in the normal sense. Rather it is an arrangement of the kind described in section 263B of the Taxation of Chargeable Gains Act 1992, under which the lender transfers securities to the borrower otherwise than by way of sale and the borrower is to transfer those securities, or securities of the same type and amount, back to the lender at a later date. In accordance with good market practice, a separate transaction by way of transfer of assets is also involved for the purpose of providing collateral to the "lender" to cover them against the risk that the future transfer back of the securities may not be satisfactorily completed.

37.3 The stock lending permitted by this section may be exercised by the Company when it reasonably appears to the Company to be appropriate to do so with a view to generating additional income for the Company with an acceptable degree of risk.

37.4 The Company or the Depositary at the request of Company may enter into a stock lending arrangement of the kind described in section 263B of the Taxation of Chargeable Gains Act 1992 (without extension by section 263C), but only if:

37.4.1 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;

37.4.2 the counterparty is:

37.4.2.1 an authorised person; or

- 37.4.2.2 a person authorised by a home state regulator;
  - 37.4.2.3 or a person registered as a broker-dealer with the Securities and Exchange Commission of the United States of America; or
  - 37.4.2.4 a bank or a branch of a bank supervised and authorised to deal in investments as principal with respect to OTC derivatives by at least one of the following federal banking supervisory authorities of the United States of America: the Office of the Comptroller of the Currency; the Federal Deposit Insurance Corporation; the Board of Governors of the Federal Reserve System; and the Office of Thrift Supervision; and
  - 37.4.2.5 high quality and liquid collateral is obtained to secure the obligation of the counterparty under the terms referred to in paragraph 37.4.1 and collateral must be acceptable to the Depositary, adequate (within the meaning of COLL) and sufficiently immediate.
- 37.4.3 The counterparty for the purpose of paragraph 37.4.2 is the person who is obliged under the agreement referred to in paragraph 37.4.1 to transfer to the Depositary the securities transferred by the Depositary under the stock lending arrangement or securities of the same kind.
- 37.4.4 Paragraph 37.4.2.5 does not apply to a stock lending transaction made through Euroclear Bank S.A./N.V.'s Securities Lending and Borrowing Programme.
- 37.5 The Depositary must ensure that the value of the collateral at all times is at least equal to the value of the securities transferred by the Depositary. This duty may be regarded as satisfied in respect of collateral the validity of which is about to expire or has expired where the Depositary takes reasonable care to determine that sufficient collateral will again be transferred at the latest by the close of business on the day of expiry.
- 37.6 Any agreement for transfer at a future date of securities or of collateral (or of the equivalent of either) may be regarded, for the purposes of valuation under the COLL Sourcebook, as an unconditional agreement for the sale or transfer of property, whether or not the property is part of the property of the Company.
- 37.7 There is no limit on the value of the Scheme Property which maybe the subject of stock lending transactions or repo contracts.

**APPENDIX IV****LIST OF SUB-CUSTODIANS**

As appropriate in line with the Eligible Markets listed in 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>Egypt</b>	Citibank N.A., Cairo Branch	

<b>Jurisdiction</b>	<b>Sub-custodian</b>	<b>Sub-custodian Delegate</b>
<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>Oman</b>	First Abu Dhabi PJSC, Oman Branch	

<b>Jurisdiction</b>	<b>Sub-custodian</b>	<b>Sub-custodian Delegate</b>
<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>United Kingdom</b>	Euroclear UK and Ireland Limited (Northern Trust self-custody)	
<b>United States</b>	The Northern Trust Company	

<b>Jurisdiction</b>	<b>Sub-custodian</b>	<b>Sub-custodian Delegate</b>
<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

**APPENDIX V****LIST OF OTHER REGULATED 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 Mazener Fund  
The MCMLXIII Fund  
The Motim Fund  
The Northern Funds  
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

**Authorised Unit Trusts**

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

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

TM Balanced Growth Fund  
 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 Investment Exposures Fund  
 TM James Hambro Umbrella Fund  
 TM Lansdowne OEIC  
 TM Lime Fund  
 TM Natixis Investment Funds U.K. 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  
 TM Navera Investment ICVC  
 Trowbridge Investment Funds  
 Vastata Fund

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

## APPENDIX VI

### PAST PERFORMANCE AND INVESTOR PROFILE

The comparisons in the table below are based on performance over a five year period 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.

Up to and including 16 October 2023, the Company made use of a constraining benchmark which was a composite of 30% Citi World Broad Investment Grade Index excluding Japan and excluding Mortgage Backed Securities (hedged to GBP) and 70% Morgan Stanley Capital International (MSCI) All Country World Index (unhedged in GBP). The performance table displays historical performance compared against this previous benchmark. Please note that the Company no longer makes use of this constraining benchmark and the information below is included for information only.

<b>Benchmark</b>	<b>2021</b> (%)	<b>2022</b> (%)	<b>2023</b> (%)	<b>2024</b> (%)	<b>2025</b> (%)
<b>Composite benchmark</b> consisting of:  30% Citi World Broad Investment Grade Index ex-Japan & ex-mortgage backed securities (hedged to GBP)  70% MSCI All Country World Index (unhedged in GBP)	12.70	-9.01	12.87	N/A	N/A
<b>IA Mixed Investment 40-85% Shares</b>	N/A	N/A	8.12	5.50	11.10
<b>The Oenoke Fund</b>	14.84	-8.79	10.86	11.56	13.37

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

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

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

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

**NOTE: Past performance should not be taken as a guide to the future. Please**

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**see Appendix I 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 Oenoke Fund may be suitable for those investors wanting to achieve capital growth and to generate income principally through investment in a diversified portfolio of global equities and bonds.

## APPENDIX VII

### DIRECTORY

<b>The Company and Head Office:</b>	<b>The Oenoke Fund</b> Exchange Building, St John's Street, Chichester, est Sussex PO19 1UP
<b>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> House A, Floor 0, Gogarburn, 175 Glasgow Road Edinburgh EH12 1HQ
<b>Investment Manager:</b>	<b>Citibank, N.A. London Branch</b> Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB <a href="http://www.citibank.co.uk">www.citibank.co.uk</a>
<b>Sub-Delegate:</b>	<b>BlackRock Investment Management (UK) Limited</b> 12 Throgmorton Avenue, London EC2N 2DL <a href="http://www.blackrock.com">www.blackrock.com</a>
<b>Registrar, Fund Accountant, Administrator:</b>	<b>Northern Trust Global Services SE, UK branch</b> 50 Bank Street, Canary Wharf, London E14 5NT
<b>Dealing Office:</b>	<b>Thesis Unit Trust Management Limited</b> Sunderland SR43 4AZ  Tel: 0333 300 0375
<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
<b>Auditors:</b>	<b>KPMG LLP</b> 8 Salisbury Square, London EC4Y 8BB
<b>The Financial Conduct Authority (FCA)</b>	12 Endeavour Square, London E20 1JN