

THE DINKY FUND

OPEN-ENDED INVESTMENT COMPANY

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**PROSPECTUS**

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(A Non-UCITS Retail Scheme with FCA Product Reference Number: 597590)

Valid as at 04 October 2024

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**PROSPECTUS**  
**OF**  
**THE DINKY FUND**

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

This Prospectus has been prepared solely for, and is being made available to investors for the purposes of evaluating an investment in Shares in the Fund. Investors should only consider investing in the Fund if they understand the risks involved including the risk of losing all capital invested.

The Prospectus is dated and is valid as at 04 October 2024.

Copies of this Prospectus have been sent to the FCA and the Depositary.

All communications in relation to this Prospectus shall be in English.

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

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 The Company is not bound by any out of date prospectus when it has issued a new prospectus and potential investors should check that they have the most recently published prospectus.

Evelyn Partners Fund Solutions Limited, the ACD of the Company, is the person responsible for the information contained in this Prospectus. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained herein does not contain any untrue or misleading statement or omit any matters required by the FCA Regulations to be included in it.

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

## 1. Definitions

**Accumulation Shares** means shares (of whatever class) in the Company as may be in issue from time to time in respect of which income allocated thereto is credited periodically to capital pursuant to the FCA Regulations, net of any tax deducted or accounted for by the Company.

**ACD** means Evelyn Partners Fund Solutions Limited, or any successor Authorised Corporate Director of the Company from time to time.

**ACT** means the Financial Services and Markets Act 2000 as may be amended or updated from time to time.

**AIF** means alternative investment fund.

**AIFM** means alternative investment fund manager.

**AIFMD** means the Alternative Investment Fund Managers Directive, 2011/61/EU.

**AIFMD Level 2 Regulation** means Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing the AIFMD, or the statutory equivalent thereof which forms part of UK law by virtue of the EUWA, as applicable.

**AIFM Rules** means the AIFMD, AIFMD Level 2 Regulation, and the United Kingdom implementing legislation, including the section of the FCA Handbook that deals with investment funds.

**Approved Derivative** means an approved derivative which is traded or dealt on an eligible derivatives market and any transaction in such a derivative must be effected on or under the rules of the market.

**Approved Bank** has the meaning defined in the FCA Rules, broadly an approved bank is the Bank of England or other OECD member state central bank, a bank with Part IV authorisation to accept deposits, a building society, or a bank supervised by the central bank or regulator in a member state of the OECD.

**Business Day** means a day (not being Saturday or Sunday) on which banks are open for business in London.

**Client Money** means any money that a firm receives from or holds for, or on behalf of, a shareholder in the course of, or in connection with, its business unless otherwise specified.

**Company** means The Dinky Fund, a UK authorised investment company with variable capital.

**Dealing Day** means the 14th day and the last Business Day of the month except where the 14th is not a Business Day when it shall be the next Business Day thereafter, or any other Business Day at the ACD's discretion, agreed with the Depositary.

**Depositary** means NatWest Trustee & Depositary Services Limited, the depositary of the Company.

**Efficient Portfolio Management** means techniques and instruments which relate to transferable securities and approved money-market instruments and which fulfil the following criteria:

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

**EEA State** a member state of the European Union or any other state which is within the European Economic Area.

**EMT** means the European MiFID Template.

**EUWA** the European Union Withdrawal Act 2018.

**FCA** the Financial Conduct Authority, or such successor regulatory authority as may be appointed from time to time, and (where applicable) its predecessors including the Financial Services Authority.

**FCA Regulations** means the rules contained in the Collective Investment Schemes Sourcebook (COLL) and the Investment Funds Sourcebook (FUND), as part of the FCA Rules as they may be amended or updated from time to time.

**FCA Rules** the FCA's Handbook of Rules and Guidance (including the COLL Sourcebook);

**ICVC** means investment company with variable capital.

**Income Shares** means shares (of whatever class) in the Company as may be in issue from time to time in respect of which income allocated thereto is distributed periodically to the holders thereof pursuant to the FCA Rules net of any tax deducted or accounted for by the Company.

**Instrument** means the instrument of incorporation of the Company as amended from time to time.

**Investment Adviser(s)** means Evelyn Partners Investment Management LLP of 45 Gresham Street, London, EC2V 7BG, Rothschild & Co Wealth Management UK Limited of New Court, St Swithins Lane, London EC4N 8AL and Schroder & Co. Limited of 1 London Wall Place, London EC2Y 5AU , or such successor investment adviser(s) as may be appointed from time to time.

**MiFID II** refers to the Markets in Financial Instruments Directive, effective from 3 January 2018, or the statutory equivalent thereof, which forms part of UK law by virtue of the EUWA, as applicable.

**Net Asset Value** or **NAV** means the value of the Scheme Property less the liabilities of the Company as calculated in accordance with the Company's Instrument.

**OEIC Regulations** means the Open-Ended Investment Companies Regulations 2001 as amended from time to time.

**OTC Derivative** means over-the-counter derivative.

**Prime Broker** means a credit institution, regulated investment firm or another entity subject to prudential regulation and ongoing supervision, offering services to professional clients primarily to finance or execute transactions in financial instruments as counterparty and which may also provide other services, such as clearing and settlement of trades, custodial services, stock lending, customised technology and operational support facilities. The Company does not currently require the services of a Prime Broker.

**Scheme Property** means the property of the Company to be given to the Depositary for safe-keeping, as required by the FCA Regulations.

**Share Class** means a particular class of shares in the Company as described in Section 4.

**Shareholder** means a holder of shares in the Company.

**PRN** means the product reference number assigned by the FCA to identify each authorised fund.

**UCITS** 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;

**UCITS Directive** means the EC Directive on Undertakings for Collective Investment in Transferable Securities, or the statutory equivalent thereof which forms part of UK law by virtue of the EUWA, as applicable.

**Valuation Point** means 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 5.00 p.m. London time on each Dealing Day, with the exception of the last Business Day prior to any bank holiday in England and Wales where the valuation may be carried out at a time agreed in advance between the ACD and the Depositary.

**VAT** means value added tax.



## **2. The Company**

- 2.1 The Dinky Fund is an investment company with variable capital, incorporated in England and Wales, whose effective date of authorisation by the FCA was 21 June 2013. Its registration number is IC000971.
- 2.2 The Head Office of the Company is at 45 Gresham Street, London, EC2V 7BG and is also the address of the place in the United Kingdom for service on the Company of notices or other documents required or authorised to be served on it.
- 2.3 The base currency of the Company is Pounds Sterling or such other currency or currencies as may be the lawful currency of the United Kingdom from time to time.
- 2.4 The maximum share capital of the Company is currently £10,000,000,000 and the minimum is £100. Shares in the Company have no par value and therefore the share capital of the Company at all times equals the Company's current Net Asset Value.
- 2.5 Information on the typical investor profile for the Fund is set out in Appendix 6.
- 2.6 Shareholders in the Company are not liable for the debts of the Company.
- 2.7 The Company has been established as a "Non-UCITS retail scheme" and is an AIF for the purposes of AIFMD.
- 2.8 FCA Product Reference Number: 597590

Approval by the FCA in this context refers only to approval under the OEIC Regulations 2001 (as amended) and does not in any way indicate or suggest endorsement or approval of the Fund as an investment.

## **3. Company Structure**

- 3.1 As explained above the Company is a Non-UCITS retail scheme.
- 3.2 Details of the Company, including its investment objective and policy are set out in Appendix 1. The Company may currently only invest in derivatives for Efficient Portfolio Management purposes. The Company may only use derivatives and forward transactions for investment purposes on the giving of 60 days' notice to Shareholders.

## **4. Shares**

- 4.1 The Share Classes presently available are set out in the details in Appendix 1. Further Share Classes may be made available in due course, as the ACD may decide.
- 4.2 The minimum initial investment, subsequent investment and holding requirements for each Share Class is set out in Appendix 1. These limits may be waived at the discretion of the ACD.
- 4.3 All shares issued by the Company at present will be Income Shares or Accumulation Shares.

## 5. Management and Administration

### 5.1 Authorised Corporate Director

5.1.1 The Authorised Corporate Director of the Company is Evelyn Partners Fund Solutions Limited which is a private company limited by shares incorporated in England and Wales under the Companies Act 1985. The ACD was incorporated on 30 July 1985 (Registered Company No 1934644).

5.1.2 Registered Office and Head Office:

45 Gresham Street  
London  
EC2V 7BG

Share Capital: Issued and paid up £50,000 Ordinary shares of £1 each.

5.1.3 The ACD is responsible for managing and administering the Company's affairs in compliance with the FCA Regulations.

As at the date of this Prospectus, the ACD acts as authorised fund manager or authorised corporate director of the FCA-authorized funds set out in Appendix 9.

### 5.2 Terms of Appointment

5.2.1 The ACD was appointed by an agreement between the Company and the ACD (the **ACD Agreement**). The ACD Agreement provides that the appointment of the ACD is for an initial period of two years and thereafter may be terminated upon six months' written notice by either the ACD or the Company, although in certain circumstances, as set out in the ACD Agreement, it may be terminated forthwith by notice in writing by the ACD to the Company or the Depositary, or by the Depositary or the Company to the ACD. Termination cannot take effect until the FCA has approved the appointment of another authorised corporate director in place of the retiring ACD.

5.2.2 The ACD is entitled to its pro rata fees and expenses to the date of termination and any additional expenses necessarily realised in settling or realising any outstanding obligations. No compensation for loss of office is provided for in the ACD Agreement. To the extent allowed by the FCA Regulations the ACD Agreement provides indemnities to the ACD other than for matters arising by reason of its negligence, default, breach of duty or breach of trust in the performance of its duties and obligations.

5.2.3 Upon termination of the ACD Agreement and the appointment of another ACD (the New ACD), the ACD may transfer any sums being held as client money to the New ACD, who will continue to hold the money in accordance with FCA client money rules.

5.2.4 The Shareholder will be given the opportunity, upon request, to have the proceeds returned by submitting a written request to the Transfer Agency team at 177 Bothwell Street, Glasgow, G2 7ER.

5.2.5 The ACD is under no obligation to account to the Depositary or the Shareholders for any profit it makes on the issue or re-issue of shares or cancellation of shares which it has redeemed. The fees to which the ACD is entitled are set out in

Sections 32 and 33. Copies of the ACD Agreement are available to Shareholders upon request.

- 5.2.6 The main business activities of the ACD are (i) acting as an authorised corporate director; (ii) acting as an authorised fund manager; and (iii) fund administration.
- 5.2.7 The directors of the ACD are listed in Appendix 8. None of the directors of the ACD have any business interests which are of significance to the Company's business, other than those interests connected with the business of the ACD.
- 5.2.8 The ACD holds professional indemnity insurance to cover its professional liability risks (as set out in Article 12 of the AIFMD Level 2 Regulation), has appropriate professional indemnity insurance in place and maintains an amount of own funds sufficient to meet the PII Requirements in accordance with Article 15 of the AIFMD Level 2 Regulation (professional indemnity insurance). The ACD has internal operational risk policies in place to identify, measure, manage and monitor appropriately operational risks including professional liability risks to which the ACD is or could be reasonably exposed in accordance with the requirements of Article 13 of the AIFMD Level 2 Regulation. The operational risk management activities are performed independently by the Risk Oversight function.
- 5.2.9 The Evelyn Partners Fund Solutions Limited remuneration policy is designed to be compliant with the AIFMD Remuneration Code contained in SYSC 19B of the FCA Handbook, and provides a framework to attract, retain and reward employees and partners and to maintain a sound risk management framework, with particular attention to conduct risk. The overall policy is designed to promote the long term success of the group. The policy is designed to reward partners, directors and employees for delivery of both financial and non-financial objectives which are set in line with company strategy.
- 5.2.10 Details of the Evelyn Partners Fund Solutions Limited remuneration policy are available on the website <https://www.evelyn.com/regulatory/remuneration-code-disclosure>.
- 5.2.11 A paper copy of the remuneration policy can be obtained free of charge by telephoning 0141 222 1151.
- 5.2.12 Any fees payable to the ACD may be reduced or waived by the ACD at its discretion.

## **6. The Depositary**

NatWest Trustee & Depositary Services Limited is the Depositary of the Company.

The Depositary is incorporated in England as a private limited company. Its registered office is at 250 Bishopsgate, London EC2M 4AA, which is also its head office. The ultimate holding company of the Depositary is NatWest Group plc, which is incorporated in Scotland. The principal business activity of the Depositary is the provision of trustee and depositary services.

### **Duties of the Depositary**

The Depositary is responsible for the safekeeping of scheme property, monitoring the cash flows of the Fund, and must ensure that certain processes carried out by

the ACD are performed in accordance with the applicable rules and scheme documents.

#### Conflicts of interest

The Depositary may act as the depositary of other 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 non-UCITS retail scheme or a particular Sub-fund and/or other funds managed by the ACD or other funds for which the Depositary acts as the depositary, trustee or custodian. The Depositary will, however, have regard in such event to its obligations under the Depositary Agreement and the Regulations 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.

The Depositary operates independently from the Company, Shareholders, the ACD and its associated suppliers and the Custodian. As such, the Depositary does not anticipate any conflicts of interest with any of the aforementioned parties.

#### Delegation of Safekeeping Functions

The Depositary is permitted to delegate (and authorise its delegate to sub-delegate) the safekeeping of Scheme Property.

The Depositary has delegated safekeeping of the Scheme Property to CACEIS Bank, UK Branch (“the Custodian”). In turn, the Custodian has delegated the custody of assets in certain markets in which the Fund may invest to various sub-delegates (“sub-custodians”).

### **6.1 Terms of Appointment**

6.1.1 The Depositary Agreement may be terminated on three months' written notice by the Depositary, the Company or the ACD provided that the Depositary may not retire voluntarily except upon the appointment of a new depositary.

6.1.2 It also provides that the Depositary will be entitled to be indemnified from the Scheme Property for any loss suffered in the performance or non-performance of its obligations except in the case of fraud, wilful default, negligence or failure to exercise due care and diligence on its part.

6.1.3 The fees to which the Depositary is entitled are set out in Section 35.

## **7. The Investment Advisers**

- 7.1 The ACD has appointed Evelyn Partners Investment Management LLP, Rothschild & Co Wealth Management UK Limited and Schroder & Co. Limited to provide discretionary investment management and related advisory services to the ACD pursuant to agreements (the Investment Advisory Agreements). The Investment Advisers have the authority to make investment decisions on behalf of the Company and the ACD.
- 7.2 The Investment Advisory Agreement in respect of Evelyn Partners Investment Management LLP, Rothschild & Co Wealth Management UK Limited and Schroder & Co. Limited may be terminated by the ACD or the Investment Adviser on three months' written notice by the ACD or the Investment Adviser. Notwithstanding this, in each case the ACD may terminate the Investment Advisory Agreements with immediate effect if it is in the interests of the Shareholders.
- 7.2.1 Under the Investment Advisory Agreements, the ACD provides indemnities to the Investment Advisers, (except in the case of any matter arising as a direct result of their fraud, negligence, default or bad faith). The ACD may be entitled under the indemnities in the ACD Agreement to recover from the Company amounts paid by the ACD under the indemnities in the Investment Advisory Agreements.
- 7.2.2 The principal business activity of each of Evelyn Partners Investment Management LLP, Rothschild & Co Wealth Management UK Limited and Schroder & Co. Limited is the provision of discretionary investment management services.
- 7.2.3 The Investment Advisers are entitled to be paid its fees and expenses out of the property of the Company as set out in Section 34.
- 7.2.4 Copies of the Investment Advisers' execution policies and voting policies are available from the ACD on request.
- 7.2.5 Rothschild & Co Wealth Management UK Limited and Schroder & Co. Limited are not part of the same corporate group as the ACD.
- 7.2.6 Evelyn Partners Investment Management LLP is part of the same corporate group as the ACD.

## **8. The Auditors**

The auditors of the Company are Johnston Carmichael LLP, whose address is Bishop's Court, 29 Albyn Place, Aberdeen, AB10 1YL.

## **9. The Administrator and Register of Shareholders**

- 9.1 The ACD has not delegated the role of administrator for the Company.
- 9.2 The register of Shareholders is maintained by the ACD at its office at 177 Bothwell Street, Glasgow, G2 7ER and may be inspected at that address during normal business hours by any Shareholder or any Shareholder's duly authorised agent.

## **10. Conflicts of Interest**

- 10.1 The ACD, the Depositary and the Investment Advisers are, or may be, involved in other financial, investment and professional activities which may, on occasion,

cause conflicts of interest with the management of the Company. In addition, the Company may enter into transactions at arm's length with companies in the same group as the ACD or the Investment Adviser. Copies of the ACD's and the Investment Adviser's conflicts of interest policies are available from the ACD on request.

- 10.2 The ACD maintains a written conflict of interest policy. The ACD acknowledges that there may be some situations where the organisational or administrative arrangements in place for the management of conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the Company or its shareholders will be prevented. Should any such situations arise the ACD will, as a last resort if the conflict cannot be avoided, disclose these to shareholders in the report and accounts or otherwise an appropriate format.
- 10.3 The Depositary may, from time to time, act as depositary of other companies or funds.
- 10.4 The Custodian may, from time to time, act as custodian and hold assets of other funds and investors.
- 10.5 Each of the parties will, to the extent of their ability and in compliance with the FCA Rules, ensure that the performance of their respective duties will not be impaired by any such involvement.
- 10.6 To ensure the fair treatment of shareholders is central to all the activities of the ACD, the ACD has implemented a Treating Customers Fairly policy, against which all its policies and procedures and those of its delegates are measured and must conform. This ensures that conflicts of interest are appropriately managed in a way that is fair to investors as outlined in this section, that expenses are proportionate and allocated fairly (see Fees and Expenses), that investors can redeem their holdings (see Selling shares) and that if investors are dissatisfied with their treatment their complaints are assessed by an independent and impartial investigator (see Complaints).

## **11. Client Money**

As required by the FCA's client money rules, the ACD will hold money received from clients or on the client's behalf in accordance with those rules in a pooled client bank account, with an approved bank (as defined in the FCA Rules) in the UK.

No interest payment will be made on client money held by the ACD. Client money will be held in a designated client money account with the NatWest Group plc.

The ACD will not be liable for any acts or omissions of the approved bank. The approved bank will be responsible for any acts or omissions within its control.

In the event of the insolvency of any party, clients' money may be pooled which means that shareholders may not have a claim against a specific account and may not receive their full entitlement, as any shortfall may be shared pro rata amongst all clients.

The ACD is covered by the Financial Services Compensation Scheme (FSCS). The FSCS may pay compensation if the ACD is unable to meet its financial obligations.

For further information about the compensation provided by the FSCS (including the amounts covered and eligibility to claim) refer to the FSCS website [www.FSCS.org.uk](http://www.FSCS.org.uk) or call the FSCS on 020 7741 4100 or 0800 678 1100.

## **12. Buying, Selling and Switching Shares**

The dealing office of the ACD is open from 9.00 am until 5.00 pm on each Business Day to receive requests for the purchase, redemption and switching of shares, which will be effected at prices determined at the next Valuation Point following receipt of such request.

## **13. Buying Shares**

### **13.1 Procedure**

- 13.1.1 Where Minimum investment levels allows shares can be purchased by sending a completed application form to the ACD's Transfer Agency Team at 177 Bothwell Street, Glasgow, G2 7ER, either (i) accompanied by a cheque (up to a maximum value of £50,000), or (ii) having made a telegraphic transfer to the ACD's bank account. Application forms are available from the ACD. The ACD will accept written instructions accompanied by a cheque or on receipt of a payment by telegraphic transfer on subsequent transactions which can be carried out by writing to the ACD's Transfer Agency at the address set out in Appendix 7. The ACD will also accept telephone purchases from FCA regulated entities for subsequent investments, which may purchase shares by telephoning the ACD on 0141 222 1150. The ACD may accept applications to purchase shares by electronic communication. Subsequent transactions will be processed as at the next Dealing Day. Telephone calls may be recorded by the ACD, its delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for record keeping, security and/or training purposes, please see paragraph "Telephone Recordings" below for further information.
- 13.1.2 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. In addition the ACD may reject any application previously accepted in circumstances where the applicant has paid by cheque and that cheque subsequently fails to be cleared.
- 13.1.3 Any subscription monies remaining after a whole number of shares has been issued will not be returned to the applicant. Instead, smaller denomination shares will be issued in such circumstances.
- 13.1.4 No interest payment will be made on client money held by the ACD, prior to investment in the scheme. Client money will be held in a designated client money account with NatWest Group plc.
- 13.1.5 Shareholders have the right to cancel their transactions within 14 calendar days of receipt of their contract note. If a Shareholder cancels their contract, they will receive a refund of the amount that they invested including the initial charge either in full or less a deduction to reflect any fall in share price since the date of investment. This may result in a loss on the part of Shareholders. If Shareholders wish to exercise their right to cancel they should write to the Transfer Agency at 177 Bothwell Street, Glasgow, G2 7ER. Shareholders will not be able to exercise their cancellation rights after 14 calendar days of receipt of their contract note.

Shareholders should note that in certain circumstances, there may be a delay in returning their investment.

### **13.2 Documentation the purchaser will receive**

13.2.1 A contract note giving details of the shares purchased and the price used will be issued to the Shareholder (the first named, in the case of joint holders) by the end of the next Business Day following the Valuation Point by reference to which the purchase price is determined, together with a notice of the applicant's right to cancel.

13.2.2 Where settlement has not already been received, it (settlement) is due on receipt by the purchaser of the contract note.

13.2.3 Share certificates will not be issued in respect of shares. Ownership of shares will be evidenced by an entry on the Company's register of Shareholders. Tax vouchers in respect of half-yearly distributions of income will show the number of shares held by the recipient in respect of which the distribution is made. Individual statements of a Shareholder's (or, when shares are jointly held, the first named holder's) shares will also be issued at any time on request by the registered holder.

### **13.3 Minimum subscriptions and holdings**

13.3.1 The minimum initial and subsequent subscription levels, and minimum holdings, are set out in Appendix 1. The ACD may at its discretion accept subscriptions lower than the minimum amount.

13.3.2 If a holding is below the minimum holding the ACD has a discretion to require redemption of the entire holding.

### **13.4 In Specie Issue**

If a Shareholder requests, the ACD may, at its discretion and subject to the approval of the Investment Adviser and the Depositary, arrange for the Company to accept securities in settlement of a purchase of shares in the Company.

## **14. Selling Shares**

### **14.1 Procedure**

14.1.1 Every Shareholder has the right to require that the Company redeem his shares on any Dealing Day unless the value of shares which a Shareholder wishes to redeem will mean that the Shareholder will hold shares with a value less than the required minimum holding, in which case the Shareholder may be required to redeem his entire holding.

14.1.2 Requests to redeem shares may be made to the ACD by telephone on 0141 222 1150 or in writing to the ACD's Transfer Agency at the address set out in Appendix 7. The ACD may accept requests to sell or transfer Shares by electronic communication. Electronic communication does not include email. For details of dealing charges see paragraph 16 below. Telephone calls may be recorded by the ACD, its delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for record keeping, security and/or



training purposes, please see paragraph “Telephone Recordings” below for further information.

#### **14.2 Documents the seller will receive**

A contract note giving details of the number and price of shares sold will be sent to the selling Shareholder (the first named, in the case of joint Shareholders) or their duly authorised agents together with a form of renunciation for completion and execution by the Shareholder (and, in the case of a joint holding, by all the joint holders) not later than the end of the next Business Day following the Valuation Point by reference to which the redemption price is determined. A BACS or telegraphic transfer will be made in satisfaction of the redemption monies within four Business Days of the later of:

- (a) receipt by the ACD of the form of renunciation duly signed by all the relevant Shareholders and completed as to the appropriate number of shares, together with any other appropriate evidence of title; or
- (b) the Valuation Point following receipt by the ACD of the request to redeem.

#### **14.3 Minimum Redemption**

Part of a Shareholder's holding may be sold but the ACD reserves the right to refuse a redemption request if the value of the shares to be redeemed is less than any minimum redemption amount or would result in a Shareholder holding less than the minimum holding, as detailed in Appendix 1. In the latter case the Shareholder may be asked to redeem their entire shareholding.

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

14.4.1 If a Shareholder requests the redemption of shares, the ACD may, if it considers the deal substantial in relation to the total size of the Company, arrange for the Company to cancel the shares and transfer Scheme Property to the Shareholder instead of paying the price of the shares in cash. A deal involving shares representing 5% or more in value of the Company will normally be considered substantial, although the ACD may in its discretion agree an in specie redemption with a Shareholder whose shares represent less than 5% in value of the Company concerned.

14.4.2 Before the proceeds of cancellation of the shares become payable, the ACD will give written notice to the Shareholder that Scheme Property will be transferred to that Shareholder.

14.4.3 The ACD will select the property to be transferred (or sold) in consultation with the Depositary and the Investment Adviser. They must ensure that the selection is made with a view to achieving no greater advantage or disadvantage to the redeeming Shareholder than to continuing Shareholders, and any such redemption as set out above, shall be subject to a retention by the Company from that property (or proceeds) the value (or amount) of any stamp duty reserve tax to be paid on the cancellation of shares.

#### **14.5 Direct Issue or Cancellation of shares by an ICVC through the ACD**

The ACD may require, on agreement with the Depositary, or may permit, on the request of a Shareholder, direct issues and cancellations of shares by the Company.

#### **14.6 Initial offer**

There will be no initial offer period. The initial price of a share is £1 (shares will not be sold or issued in any other currency). Please note that if in the reasonable opinion of the ACD, the operation of the Company is not viable at the date of the launch, the ACD may, subject to compliance with the FCA Regulations and subject to the agreement of the Depositary, wind up the Company or consider any other alternative as may be appropriate in the circumstances.

#### **15. Switching**

15.1 If applicable, a holder of shares may at any time switch all or some of his shares (“Old Shares”) for shares of another Company (New Shares”). The number of New Shares issued will be determined by reference to the respective prices of New Shares and Old Shares at the valuation point applicable at the time the Old Shares are repurchased and the New Shares are issued.

15.2 Switching may be effected by writing to the ACD. The ACD may, at its sole discretion and by prior agreement, accept switching instructions by telephone from FCA regulated entities only. The ACD may accept requests to switch Shares by electronic communication. Electronic communication does not include email. Telephone calls may be recorded by the ACD, its delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for record keeping, security and/or training purposes, please see paragraph “Telephone Recordings” below for further information.

15.3 The ACD may at its discretion charge a fee on the switching of shares between funds. These fees are set out in Section 17.3.

15.4 If the switch would result in the shareholder holding a number of Old Shares or New Shares of a value which is less than the minimum holding, the ACD may, if it thinks fit, convert the whole of the applicant’s holding of Old Shares to New Shares or refuse to effect any switch of the Old Shares. No switch will be made during any period when the right of shareholders to require the redemption of their shares is suspended. The general provisions on selling shares shall apply equally to a switch.

15.5 The ACD may adjust the number of New Shares to be issued to reflect the imposition of any switching fee together with any other charges or levies in respect of the issue or sale of the New Shares or repurchase or cancellation of the Old Shares as may be permitted pursuant to the FCA Regulations.

15.6 A switch of shares between different funds is treated as a redemption and sale and will, for persons subject to United Kingdom taxation, be a realisation for the purposes of capital gains taxation.

15.7 A shareholder who switches shares in one fund for shares in any other fund will not be given a right by law to withdraw from or cancel the transaction.

## **16. Share Class Conversions**

- 16.1 If applicable, a holder of shares in a Share Class (“Old Class Shares”) of a fund may exchange all or some of his shares for shares of a different Share Class within the same fund (“New Share Class”). An exchange of Old Class Shares for New Class Shares will be processed as a conversion (“Share Class Conversion”). Unlike a Switch, a conversion of Old Class Shares into New Class Shares will not involve a redemption and issue of shares. For the purposes of Income Equalisation the New Class Shares will receive the same treatment as the Old Class Shares.
- 16.2 The number of New Class Shares issued will be determined by a conversion factor calculated by reference to the respective prices of New Shares and Old Shares at the valuation point applicable at the time the Old Class Shares are converted to New Class Shares.
- 16.3 Share Class Conversions may be effected either by telephone on 0141 222 1150 or in writing to the Transfer Agency Team (which, in the case of joint shareholders must be signed by all the joint holders). A converting shareholder must be eligible to hold the shares into which the Share Class Conversion is to be made. It is the ACD’s intention that Share Class Conversions will be processed at the next Valuation Point following receipt of the instruction, however the ACD reserves the right to defer a Share Class Conversion until no later than after the next Annual Accounting Date if it is in the interests of other Shareholders. The ACD may accept requests to convert Shares by electronic communication. Electronic communication does not include email. Telephone calls may be recorded by the ACD, its delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for record keeping, security and/or training purposes, please see paragraph “Telephone Recordings” below for further information.
- 16.4 If the Share Class Conversion would result in the Shareholder holding a number of Old Class Shares or New Class Shares of a value which is less than the minimum holding in the Share Class concerned, the ACD may, if it thinks fit, convert the whole of the applicant’s holding of Old Class Shares to New Class Shares or refuse to effect any Share Class Conversion of the Old Shares.
- 16.5 Please note that, under current tax law, a Share Class Conversion of shares between different share classes in the same Sub-fund will not be deemed to be a realisation for the purposes of capital gains taxation.
- 16.6 A shareholder who converts their shares in one share class to shares in a different share class in the same Sub-fund will not be given a right by law to withdraw from or cancel the transaction

## **17. Dealing Charges**

### **17.1 Preliminary Charge**

The ACD may impose a charge on the sale of shares to investors which is based on the amount invested by the prospective investor (though this may be waived wholly or partially at the ACD’s discretion). The preliminary charge is payable to the ACD. Full details of the current preliminary charge for each class of share are set out in 0.

## 17.2 Redemption Charge

The ACD may make a charge on the redemption of shares (though this may be waived wholly or partially at the ACD's discretion). At present no redemption charge is levied.

The ACD may not introduce a redemption charge on shares unless, not less than 60 days before the introduction, it has given notice in writing to the then current Shareholders at their registered address of that introduction and has revised and made available the Prospectus to reflect the introduction and the date of its commencement. If charged, the redemption charge will be deducted from the price of the shares being redeemed and will be paid by the Company to the ACD.

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

## 17.3 Switching Fee

On the switching of shares of one fund for shares of another fund the Instrument authorises the Company to impose a switching fee. The fee will not exceed an amount equal to the then prevailing preliminary charge for the Class into which shares are being switched. The switching fee is payable by the Company to the ACD. Currently no switching charge is levied.

## 18. Other Dealing Information

### Dilution Levy

- 18.1 The basis on which the Company's investments are valued for the purpose of calculating the issue and redemption price of shares as stipulated in the FCA Regulations and the Company's Instrument is summarised in Section 24. The actual cost of purchasing or selling investments may be higher or lower than the mid-market value used in calculating the share price - for example, due to dealing charges, or through dealing at prices other than the mid-market price. Under certain circumstances (for example, large volumes of deals) this may have an adverse effect on the Shareholders' interest. In order to prevent this effect, called "dilution", the ACD has the power to charge a "dilution levy" (as it may do as set out below) on the sale and/or redemption of shares, but does not at present intend to do so. If a dilution levy is not charged on the sale and/or redemption of shares, the cost of purchasing or selling investments for the Company subsequent to Shareholder dealing will be borne by the Company with a consequent effect on future growth. If the ACD charges a dilution levy, it will be calculated by reference to the costs of dealing in the underlying investments of the Company, including any dealing spreads, commission and transfer taxes. If charged, the dilution levy will be paid into the Company and will become part of its property.
- 18.2 The need to charge a dilution levy will depend on the volume of sales or redemptions. The ACD may charge a discretionary dilution levy on the sale and redemption of shares if, in its opinion, the existing Shareholders (for sales) or remaining Shareholders (for redemptions) might otherwise be adversely affected, and if charging a dilution levy is, so far as practicable, fair to all Shareholders and potential shareholders. In particular, the dilution levy may be charged in the following circumstances:

- (a) where over a dealing period the Company has experienced a large level of net sales or redemptions relative to its size;
- (b) on "large deals". For these purposes, a large deal means a deal worth 5% or more of the size of the Company; and
- (c) where the ACD considers it necessary to protect the interests of the Shareholders of the Company.

It is therefore not possible to predict accurately whether dilution would occur at any point in time. If a dilution levy is required then, based on future projections the estimated rate or amount of such levy will be 0.18% on sales (creations) and 0.07% on redemptions (liquidations). The actual percentages can only be accurately calculated at the time at which they are applied and, as such, these percentages are subject to change. If a dilution levy is not charged then this may restrict the future growth of the Company.

The ACD may alter its dilution policy in accordance with the FCA Regulations either by Shareholder consent pursuant to the passing of a resolution to that effect at a properly convened meeting of Shareholders and by amending this Prospectus or by giving Shareholders notice and amending the Prospectus 60 days before the change to the dilution policy is to take effect.

## **19. Money Laundering**

As a result of legislation in force in the United Kingdom to prevent money laundering, persons conducting investment business are responsible for compliance with money laundering regulations. In order to implement these procedures, in certain circumstances investors may be asked to provide proof of identity when buying shares. The ACD reserves the right to reverse the transaction, to refuse to sell shares or to refuse the release of redemption proceeds if it is not satisfied as to the identity of the applicant.

## **20. Restrictions and Compulsory Transfer and Redemption**

The ACD may from time to time impose such restrictions as it may think necessary for the purpose of ensuring that no shares are acquired or held by any person in breach of the law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory. In this connection, the ACD may, inter alia, reject in its discretion any application for the purchase, sale, transfer or switching of shares.

## **21. Suspension of Dealings in the Company**

- 21.1 The ACD may, with the prior agreement of the Depositary, or must if the Depositary so requires, temporarily suspend the issue, cancellation, sale and redemption of shares in the Company, if the ACD or the Depositary is of the opinion that due to exceptional circumstances it is in the interests of all the Shareholders. The suspension will only be permitted to continue for as long as it is justified having regard to the interests of the Shareholders. On suspension, the ACD (or the Depositary if it has required the ACD to suspend dealings in shares) must immediately notify the FCA giving reasons for the action. The ACD and the Depositary must formally review the suspension at least every 28 days and inform the FCA of the result of this review with a view to ending the suspension as soon as practicable after the exceptional circumstances have ceased.

21.2 The ACD will notify all Shareholders of the suspension in writing as soon as practicable and will publish details to keep Shareholders appropriately informed about the suspension, including its likely duration.

21.3 Re-calculation of the share price for the purpose of sales and purchases will commence on the next relevant Valuation Point following the ending of the suspension.

## **22. Governing Law**

All deals in shares are governed by the laws of England and Wales.

## **23. Valuation of the Company**

23.1 The price of a share in the Company is calculated by reference to the Net Asset Value of the Company. There is only a single price for any share as determined from time to time by reference to a particular Valuation Point. The Net Asset Value per share of the Company is currently calculated on each Dealing Day at 5.00 pm.

23.2 The ACD, with agreement from the Depositary, may at any time during a Business Day carry out an additional valuation if the ACD considers it desirable to do so.

23.3 The ACD maintains a Fair Value Pricing policy with an audit review carried out annually. The policy is detailed fully in the Fair Value Policy document.

23.4 The ACD's Transfer Agency Team may request a change to the pricing methodology in certain circumstances. The policy is detailed in the Pricing Policy document.

23.5 All asset prices from the primary price source are compared to two other sources to ensure the validity of each price. The policy is detailed in the Pricing Policy document

## **24. Calculation of the Net Asset Value**

24.1 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.

24.2 All the Scheme Property (including receivables) is to be included, subject to the following provisions:

24.2.1 Property which is not cash (or other assets dealt with in Section 24.2.2 below) shall be valued as follows and the prices used shall (subject as follows) be the most recent prices which it is practicable to obtain:

(a) units or shares in a collective investment scheme:

(i) if a single price for buying and selling units or shares is quoted, at that price; or

(ii) if separate buying and selling prices are quoted, at the average of the two prices providing the buying price has been reduced by any initial charge included therein and the selling price has been

- increased by any exit or redemption charge attributable thereto; or
    - (iii) if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no recent price exists, at a value which, in the opinion of the ACD, is fair and reasonable;
  - (b) exchange-traded derivative contracts:
    - (i) if a single price for buying and selling the exchange-traded derivative contract is quoted, at that price; or
    - (ii) if separate buying and selling prices are quoted, at the average of the two prices;
  - (c) over the counter derivative contracts shall be valued in accordance with the method of valuation as shall have been agreed between the ACD and the Depositary;
  - (d) any other investment:
    - (i) if a single price for buying and selling the security is quoted, at that price; or
    - (ii) if separate buying and selling prices are quoted, at the average of the two prices; or
    - (iii) if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if the most recent price available does not reflect the ACD's best estimate of the value, at a value which, in the opinion of the ACD, is fair and reasonable; and
  - (e) property other than that described in Sections 24.2.1(d) and 24.2.1(e): at a value which, in the opinion of the ACD, represents fair and reasonable mid-market price.
- 24.2.2 Cash and amounts held in current, deposit and margin accounts and in other time-related deposits shall be valued at their nominal values.
- 24.2.3 In determining the value of the Scheme Property, all instructions given to issue or cancel shares shall be assumed (unless the contrary is shown) to have been carried out and any cash payment made or received whether or not this is the case.
- 24.2.4 Subject to Sections 24.2.5 and 24.2.6 below, agreements for the unconditional sale or purchase of property which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the valuation takes place and, in the opinion of the ACD, their omission will not materially affect the final net asset amount.
- 24.2.5 Futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options shall not be included under Section 24.2.4.

- 24.2.6 All agreements are to be included under Section 24.2.4 which are, or ought reasonably to have been, known to the person valuing the property assuming that all other persons in the ACD's employment take all reasonable steps to inform it immediately of the making of any agreement.
- 24.2.7 Deduct an estimated amount for anticipated tax liabilities (on unrealised capital gains where the liabilities have accrued and are payable out of the Scheme Property; on realised capital gains in respect of previously completed and current accounting periods; and on income where liabilities have accrued) at that point in time including (as applicable and without limitation) capital gains tax, income tax, corporation tax, value added tax, stamp duty and stamp duty reserve tax.
- 24.2.8 Deduct an estimated amount for any liabilities payable out of the Scheme Property and any tax thereon treating periodic items as accruing from day-to-day.
- 24.2.9 Deduct the principal amount of any outstanding borrowings whenever payable and any accrued but unpaid interest on borrowings.
- 24.2.10 Add an estimated amount for accrued claims for tax of whatever nature which may be recoverable.
- 24.2.11 Add any other credits or amounts due to be paid into the Scheme Property.
- 24.2.12 Add a sum representing any interest or any income accrued due or deemed to have accrued but not received and any stamp duty reserve tax provision anticipated to be received.
- 24.2.13 Currencies or values in currencies other than the base currency shall be converted at the relevant Valuation Point at a rate of exchange that is not likely to result in any material prejudice to the interests of Shareholders or potential shareholders.

## **25. Price per Share in the Company and each Class**

The price per share at which shares are sold is the sum of the Net Asset Value per share plus any applicable preliminary charge, as described in Section 17.1 above. The price per share at which shares are redeemed is the Net Asset Value per share less any applicable redemption charge, as described in Section 17.2 above. In addition, there may, for both purchases and sales, be a dilution levy, as described in Section 18 above.

## **26. Pricing basis**

The Company deals on a forward pricing basis. A forward price is the price calculated at the next Valuation Point after the sale or redemption is agreed.

## **27. Publication of Prices**

Shareholders can obtain the price of their shares on [www.trustnet.com](http://www.trustnet.com) or by telephoning 0141 222 1151.

## **28. Mandatory Redemption of Shares**

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



- (a) constitute a breach of the law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory; or
- (b) may (or may if other shares are acquired or held in like circumstances) result in the Company incurring any liability to taxation or suffering any other adverse consequence (including a requirement to register under any securities or investment or similar laws or governmental regulation of any country or territory)

it may give notice to the holder of such shares requiring him or her to transfer them to a person who is qualified or entitled to own them, or to request the redemption of the shares by the Company. If the holder does not either transfer the shares to a qualified person or establish to the ACD's satisfaction that he or she and any person on whose behalf he or she holds the shares are qualified and entitled to hold and own them, he or she will be deemed on the expiry of a 30 day period to have requested their redemption.

## **29. Risk factors**

Potential investors should consider the following risk factors before investing in the Company. Shares in the Company should generally be regarded as a long-term investment.

In pursuing its investment objective the Company holds a number of financial instruments. These financial instruments may include but are not limited to:

- equity shares, equity related shares and non-equity shares, fixed income securities, floating rate securities;
- cash, liquid resources and short-term debtors and creditors that are directly from the Company's operations;
- derivative transactions, which the Company may also enter into, the purpose of which is to manage the market risks arising from the Company's investment activities; and
- short-term borrowings which may be used to finance investment activity.

The main risks associated with the investment activity of the Company are summarised below. Potential investors should consider the following risk factors before investing in the Company.

There is no assurance that the investment objective of the Company will actually be achieved. Past performance is not a reliable indicator of future performance.

### **29.1 General Risks**

The price of shares of the Company and any income from them may fall as well as rise and investors may not get back the full amount invested. Past performance is not a guide to future performance. There is no assurance that the investment objective of a Company will actually be achieved. The following statements are intended to summarise some of the risks, but are not exhaustive, nor do they offer advice on the suitability of investments.

## **29.2 Equities Risk**

Where investments are in the shares of companies (equities), the value of those equities may fluctuate, sometimes dramatically, in response to the activities and results of individual companies or because of general market and economic conditions or other events. Currency exchange rate movements will also cause changes in value when the currency of the investment is other than sterling.

## **29.3 Warrants Risk**

Where investments are in warrants, the price per share of the Company may fluctuate more than if the Company was invested in the underlying securities because of the greater volatility of the warrant price.

## **29.4 Bonds and Debt Instruments (including High Yielding Securities) Risk**

Where investments are in bonds or other debt instruments, the value of those investments will depend on market interest rates, the credit quality of the issuer and liquidity considerations. Investments in high yielding debt instruments where the level of income may be relatively high (compared to investment grade debt instruments); however, the risk of depreciation and realisation of capital losses on such debt instruments held will be significantly higher than on lower yielding debt instruments.

## **29.5 Lower Rated/Unrated Securities Risk**

The credit quality of debt instruments is often assessed by rating agencies. Medium and lower rated securities and unrated securities of comparable quality may be subject to wider fluctuations in yield, wider bid-offer spreads, greater liquidity premium and accentuated market expectations, and consequently greater fluctuations in market values, than higher rated securities. Changes in such ratings, or expectation of changes, will be likely to cause changes in yield and market values, at times significantly so.

## **29.6 Collective Investment Schemes Risk**

The Company may make investments in collective investment schemes. Such investments may involve risks not present in direct investments, including, for example, the possibility that an investee collective investment scheme may at any time have economic or business interests or goals which are not fully consistent with those of the Company. Moreover, many alternative investment strategies give themselves significant discretion in valuing securities. There may be liquidity constraints and the extent to which an investee fund's securities are valued by independent sources are factors which could impact on the Company's valuation.

Unregulated collective investment schemes (in which the Company may invest up to 20% of its Scheme Property) may invest in highly illiquid securities that may be difficult to value. Moreover, many alternative investment strategies give themselves significant discretion in valuing securities. You should be aware that liquidity constraints and the extent to which a fund's securities are valued by independent sources are factors which could have an impact on the Company's valuation.

## **29.7 Leverage Risk**

Leverage is where a fund borrows money in order to meet redemption requests or, through the use of derivatives, for the purpose of buying or selling assets. Where assets are bought or sold using borrowed money this increases the risk that in the case of losses that these are compounded and as a result have a material negative impact on the value of the Fund.

## **29.8 Leveraged Companies Risk**

Investments may be made in companies or collective investment schemes which borrow funds. Such companies or collective investment schemes may not be subject to any limitations on the amount of their borrowings, and the amount of borrowings that they may have outstanding at any time may be large in comparison to their capital. Furthermore, given that the Company may borrow in order to make investments, the Shareholders must be aware that they may suffer a greater risk resulting from the decline of the net asset value of the underlying investments made with this borrowing facility and therefore, risk exposure will be higher.

## **29.9 Gold and Natural Resources Risk**

The price of gold/natural resources in which the Company invests may be subject to sudden, unexpected and substantial fluctuations that may lead to significant declines in the value of its shares and hence the Net Asset Value of the Company.

## **29.10 New Issue Risk**

The Company may invest in initial public offerings, which frequently are smaller companies. Such securities have no trading history and information about these companies may only be available for limited periods. The prices of securities involved in initial public offerings may be subject to greater price volatility than more established securities.

## **29.11 Futures and Options Risk**

The Company may use, under certain conditions, options and futures on indices and interest rates, for the purposes of Efficient Portfolio Management. The use of derivatives for Efficient Portfolio Management is not intended to increase the risk profile of the Company. Also, the Company may hedge market and currency risks using futures, options and forward exchange contracts. Transactions in futures carry a high degree of risk. The amount of the initial margin is small relative to the value of the futures contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact which may work for or against the investor. The placing of certain orders which are intended to limit losses to certain amounts may not be effective because market conditions make it impossible to execute such orders. Transactions in options also carry a high degree of risk. Selling (writing) an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obliged either to settle the option in cash or acquire or deliver the underlying interest. If the option is "covered" by the seller holding

a corresponding position in the underlying interest or a future on another option, the risk may be reduced.

The Company may only use derivatives and forward transactions for investment purposes on the giving of 60 days' notice to Shareholders. The use of derivatives for investment purposes may involve additional risks for Shareholders. These additional risks include leverage factors associated with transactions in the Company. To the extent that derivatives are used for investment purposes, the overall risk of loss to the Company and hence the Company's risk profile may be increased.

#### **29.12 Foreign Currency Risk**

The Company may invest in securities denominated in a number of different currencies other than sterling in which the Company is denominated. Changes in foreign currency exchange rates may adversely affect the value of a company's investments and the income thereon.

#### **29.13 Pricing and Valuation Risk**

For quoted investments a valuation price can be obtained from an exchange or similarly verifiable source. However, investment in unquoted and/or illiquid investments which are difficult to value may increase the risk of mispricing. Furthermore, the Company will compute Net Asset Values when some markets are closed for holidays or other reasons. In these and similar cases a verifiable source of market prices will not be available and the ACD may invoke its fair value process which will determine a fair value price for the relevant investments; this fair value process involves assumptions and subjectivity.

#### **29.14 Emerging Countries and Developing Markets Risk**

The Company may invest in emerging markets which are undergoing rapid growth and regulatory change. Emerging markets present additional risks to those normally encountered in developed securities markets. These risks may be political, social and economic in nature and may be complicated by inflationary pressures and currency depreciation. The accounting and financial reporting standards, practices and disclosure requirements in some of the countries in which investments may be made may differ from those experienced in more developed markets. Similarly, reliability of the trading and settlement systems in such markets and the liquidity of these markets may not be equal to those available in more developed markets and this could lead to delays in settlement or affect the price at which investments could be realised. Government influence or control of private companies in some countries may be significant and investments may be exposed to the risks of political change, political uncertainty or governmental action. Such assets could be expropriated, nationalised, confiscated or subject to changes in legislation relating to foreign ownership. The value of investments in emerging markets may therefore be adversely affected by political and/or economic conditions, which would, in turn, adversely impact on the performance of the Company and its share price.

#### **29.15 Smaller and Unquoted Companies Risk**

Significant investments may be made in smaller companies, in which there may be no established market for the shares, or the market may be highly illiquid. Because of this potential illiquidity investment in the Company may not be

appropriate for all investors, including those who are not in a position to take a long-term view of their investment. The Company may also invest, directly and indirectly, in securities that are not listed or traded on any stock exchange. In such situations, the Company may not be able to immediately sell such securities. The purchase price and subsequent valuation of these securities may reflect a discount, which could be significant, from the market price of comparable securities for which a liquid market exists.

#### **29.16 Investment Trust Risk**

The share prices of investment trusts and closed-ended funds typically stand at a discount to their net asset value per share. Such discounts may persist for long periods and/or widen. The Company's share price, being calculated on the basis of the net asset value per share, will reflect the current market value of the shares of the investment trusts and closed-ended funds in which the Company invests. The shares of certain investment trusts and closed-ended funds in which the Company invests may be valued in a market at a premium to their own net asset value per share. In such cases the share price of such investment trusts and/or closed-ended funds may eventually decline to a discount of their net asset value per share. Investment trusts and closed-ended funds may borrow or otherwise leverage their exposure to their investments. Investments in such companies will tend to have more volatile results than investment in companies without gearing.

#### **29.17 Risk to Capital**

This includes potential risk of reduction in capital resulting from withdrawals or cancellations of shares and distributions in excess of investment returns.

#### **29.18 Liquidity Risk**

In normal market conditions a Company's assets comprise mainly realisable investments which can be readily sold. A Company's main liability is the redemption of any shares that investors wish to sell. In general the Company manages its investments, including cash, such that it can meet its liabilities. Investments held may need to be sold if insufficient cash is available to finance such redemptions. If the size of the disposals are sufficiently large, or the market is illiquid, then there is a risk that either the investments might not be sold or the price at which they are sold may adversely affect the Net Asset Value of the Company. If there were significant requests for redemption of shares in the Company at a time when a large proportion of the Company's assets was invested in illiquid investments, then the Company's ability to fund those redemptions would be impaired and it might be necessary to suspend dealings in shares in the Company.

#### **29.19 Credit Risk**

Investments may be adversely affected if any of the institutions with which money is deposited suffers insolvency or other financial difficulties (default). Credit risk also arises from the uncertainty about an issuer's ultimate repayment of principal and interest for bond or other debt instrument investments. The entire deposit or purchase price of the debt instrument is at risk of loss if there is no recovery after default. The risk of default is usually greatest with bonds and debt instruments that are classed as 'sub-investment' grade.

## 29.20 Settlement Risk

All security investments are transacted through brokers who have been approved by the Investment Advisers as an acceptable counterparty. The list of approved brokers is reviewed regularly. There is a risk of loss if a counterparty fails to perform its financial or other obligations to the Company, for example, the possibility that a counterparty may default, by failing to make payments due, or make payments in a timely manner. If settlement never occurs the loss incurred by the Company will be the difference between the price of the original contract and the price of the replacement contract, or, in the case where the contract is not replaced the absolute value of the contract at the time it is voided. Furthermore, in some markets 'Delivery versus Payment' may not be possible in which case the absolute value of the contract is at risk if the Company meets its settlement obligations but the counterparty fails before meeting its obligations.

## 29.21 Custody Risk

Assets of the Company are kept by the custodian and investors are exposed to the risk of the custodian not being able to fully meet its obligation to restate in a short time frame all of the assets of the Company in the case of bankruptcy of the custodian. Securities of the Company will normally be identified in the custodian's books as belonging to the Company and segregated from other assets of the custodian which mitigates but does not exclude the risk of non-restitution in case of bankruptcy. However, no such segregation applies to cash which increases the risk of non-restitution in case of bankruptcy. The custodian does not keep all the assets of the Company itself but uses a network of sub-custodians which are not part of the same group of companies as the custodian. Investors are exposed to the risk of bankruptcy of the sub-custodians in the same manner as they are to the risk of bankruptcy of the custodian.

A company may invest in markets where custodial and/or settlement systems are not fully developed. The assets of the Company that are traded in such markets and which have been entrusted to such sub-custodians may be exposed to risk in circumstances where the custodian will have no liability.

## 29.22 Tax Risk

Tax laws, currently in place, may change in the future which could affect the value of the Company's and therefore the Shareholder's investments. Refer to the Section headed 'Taxation' in the Prospectus for further details about the taxation of the Company.

## 29.23 Inflation Risk

Unless the performance of your investment keeps up with or beats inflation, the real value of your investments will fall over time.

## 29.24 Political and/or Environmental Risk

The investee companies may operate in countries where the ownership rights may be uncertain and development of the resources themselves may be subject to disruption due to factors including civil disturbances, industrial action, interruption of power supplies, as well as adverse climatic conditions.

## 29.25 **Market Risk**

The risk that the entire market of an asset class will decline, thus affecting the prices and the values of the assets.

## 30. **Risk Management**

30.1 Upon request to the ACD a shareholder can receive information relating to:

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

29.1.2 the methods used in relation to 29.1; and

29.1.3 any recent developments of the risk and yields of the main categories of investment in the Company.

30.2 The FCA Regulations require that authorised corporate directors maintain a liquidity risk management process.

The ACD assesses how many days are likely to be required to sell investments without negatively impacting the fund price or liquidity on a best endeavours basis i.e. a liquidity ladder. The ACD assess the bid/offer spreads and trading volumes as widening spreads and thin trading volumes give an indication that it might be more difficult to dispose of an investment. The characteristic of the Fund determines the frequency of this assessment. The main factors are:

29.2.1 Liquidity of underlying investments;

29.2.2 The size of the investment as a proportion of the Fund and also relative to the market (e.g. proportion of the holding to the average trade size); and

29.2.3 The average holding period of Shareholders in the Fund.

It is also the ACD's responsibility to ensure that the Investment Managers undertake testing of their liquidity management arrangements against various stressed liquidity arrangements on a regular basis.

## 31. **Liabilities of the Company**

Shareholders are not liable for the debts of the Company. A Shareholder is not liable to make any further payment to the Company after paying the purchase price of shares.

## 32. **Fees and Expenses**

General

- 32.1 The Company may pay out of the property of the Company charges and expenses incurred by the Company, which will include the following expenses:
- (a) the fees and expenses payable to the ACD and to the Investment Advisers;
  - (b) (broker's commission, fiscal charges (including stamp duty and/or stamp duty reserve tax)) and other disbursements which are necessarily incurred in effecting transactions for the Company and normally shown in contract notes, confirmation notes and difference accounts as appropriate;
  - (c) fees and expenses in respect of establishing and maintaining the register of Shareholders and any sub-register of Shareholders;
  - (d) 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;
  - (e) any costs incurred in producing and dispatching any payments made by the Company, or the yearly and half-yearly reports of the Company, or the Prospectus;
  - (f) any fees, expenses or disbursements of any legal or other professional adviser of the Company, including those incurred on the establishment of the Company;
  - (g) any fees, expenses or disbursements in relation to the establishment of the Company, including without limitation FCA fees and the fees of any adviser in relation to the establishment of the Company;
  - (h) any costs incurred in taking out and maintaining any insurance policy in relation to the Company;
  - (i) any costs incurred in respect of meetings of Shareholders convened for any purpose including those convened on a requisition by Shareholders not including the ACD or an associate of the ACD;
  - (j) liabilities on unitisation, amalgamation or reconstruction including certain liabilities arising after transfer of property to the Company in consideration for the issue of shares as more fully detailed in the FCA Regulations;
  - (k) interest on borrowings and charges incurred in effecting or terminating such borrowings or in negotiating or varying the terms of such borrowings;
  - (l) taxation and duties payable in respect of the property of the Company or the issue or redemption of shares including Stamp Duty Reserve Tax;
  - (m) the audit fees of the Auditors (including VAT) and any expenses of the Auditors;
  - (n) the fees of the FCA, in accordance with the chapter of the FCA Rules entitled "Fees 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;

- (o) the Depositary's fees and expenses, as detailed in Section 35 below;
- (p) 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 and any expenses incurred in distributing information regarding the prices of shares to Shareholders;
- (q) any fees or expenses incurred in the modification of the Prospectus and/or Instrument and/or simplified prospectus (or such other document which may be produced in place of the simplified prospectus, including the Key Features Document or NURS-KII document), to the extent permitted by the FCA Rules;
- (r) any expenses incurred in the printing and preparation (but not the dissemination) of the simplified prospectus (or such other document which may be produced in place of the simplified prospectus, including the Key Features Document or NURS-KII document);
- (s) any fees or expenses incurred in the winding-up of the Company, including (but not limited to) the performance of any action detailed in Section 41;
- (t) upon the retirement of the ACD, any reasonable fees or expenses incurred by the ACD in arranging for the transfer of the administration of the Company together with all books, records and other data as directed by the Company; and
- (u) any payments otherwise due by virtue of the FCA Regulations.

32.2 Value Added Tax is payable on these charges where appropriate.

32.3 Any third party research received in connection with investment advisory services that an Investment Adviser provides to the Fund will be paid for by the Investment Adviser out of its fees, as relevant in relation to the Fund, and will not be charged to the Fund.

32.4 Expenses are allocated between income and capital in accordance with the FCA Regulations and the OEIC Regulations and as specified in 0. Where expenses are allocated to income, but at the end of the accounting period there is insufficient income, the shortfall may be allocated to capital in accordance with the FCA Regulations and the OEIC Regulations. This may constrain capital growth.

### **33. Charges payable to the ACD**

33.1 In payment for carrying out its duties and responsibilities the ACD is entitled to take out of the Company an annual management charge.

33.2 The annual management charge is based on the month end valuation from the previous month, accrues daily and is payable monthly in arrears on the last Business Day of each month. The current annual management charges are set out in Appendix 1.

- 33.3 The ACD is also entitled to reimbursement of all reasonable, properly vouched, out of pocket expenses incurred in the performance of its duties, including stamp duty, stamp duty reserve tax on transactions in shares and expenses incurred in effecting regulatory changes to the Company.
- 33.4 The ACD may not introduce a new category of remuneration for its services unless the introduction has been approved by an extraordinary resolution of Shareholders in the Company.
- 33.5 The ACD may not increase the current rate or amount of its remuneration payable out of the Scheme Property or the preliminary charge unless, not less than 60 days before the introduction or increase, the ACD gives notice in writing of the introduction or increase and the date of its commencement to all Shareholders at their registered address and has revised and made available the Prospectus to reflect the introduction or new rate and the date of its commencement.

#### **34. Investment Advisers' fees**

The Investment Advisers' fees and expenses are paid out of the property of the Company.

The Investment Adviser's fee accrues daily and is calculated by reference to the value of the Company managed by the Investment Adviser on the last Business Day of the preceding month. The fee is payable monthly in arrears on receipt of the invoice from the Investment Adviser. The current annual fees are set out in Appendix 1.

#### **35. Depositary's Fee**

- 35.1 The Depositary receives for its own account a periodic fee which will accrue daily from the last Business Day in the preceding month to the last Business Day in each month. It is payable within seven days after the last Business Day in each month. The fee is calculated by reference to the value of the Company on the last Business Day of the preceding month except for the first accrual, which is calculated by reference to the first Valuation Point of the Company. The fee is payable out of the property attributable to the Company. The rate of the periodic fee is agreed between the ACD and the Depositary and is subject to a current minimum of £7,500 per annum. The current charge is 0.0275% per annum plus VAT on Scheme Property below £50,000,000, 0.025% per annum plus VAT on Scheme Property between £50,000,000 and £100,000,000, and 0.02% per annum plus VAT on Scheme Property above £100,000,000.
- 35.2 These rates can be varied from time to time in accordance with the FCA Regulations.
- 35.3 The first accrual in relation to the Company will take place in respect of the period beginning on the day on which the first valuation of that Company is made and ending on the last Business Day of the month in which that day falls.
- 35.4 In addition to the periodic fee referred to above, the Depositary shall also be entitled to be paid transaction and custody charges in relation to transaction handling and safe-keeping of the Scheme Property as follows:

Item	Range
Transaction Charges	Between £1.96 and £75.65 per transaction
Safe Custody Charges	Between 0.001% and 0.5525% of the value of investments being held per annum

- 35.5 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 Depositary and the ACD. Custody charges accrue and are payable as agreed from time to time by the ACD and the Depositary.
- 35.6 Where relevant, the Depositary may make a charge for its services in relation to: distributions, the provision of banking services, holding money on deposit, lending money, or engaging in stock lending or derivative transactions, in relation to the Company and may purchase, sell or deal in the purchase or sale of Scheme Property, provided always that the services concerned and any such dealing are in accordance with the provisions of the Regulations.
- 35.7 The Depositary will also be entitled to payment and reimbursement of all costs, liabilities and expenses properly incurred in the performance of, or arranging the performance of, functions conferred on it by the Instrument, the FCA Rules, the OEIC Regulations or by the general law.
- 35.8 On a winding up of the Company or the redemption of a class of shares, 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. No compensation for loss of office is provided for in the agreement with the Depositary.
- 35.9 Any value added tax on any fees, charges or expenses payable to the Depositary will be added to such fees, charges or expenses.
- 35.10 In each such case such expenses and disbursements will also be payable if incurred by 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 Regulations by the Depositary.

## **36. Shareholder Meetings and Voting Rights**

### **36.1 Annual General Meeting**

The Company will not hold annual general meetings.

### **36.2 Requisitions of Meetings**

- 36.2.1 The ACD may requisition a general meeting at any time.

36.2.2 Shareholders may also requisition a general meeting of the Company. A requisition by Shareholders must state the objects of the meeting, be dated, be signed by Shareholders who, at the date of the requisition, are registered as holding not less than one-tenth in value of all shares then in issue and the requisition must be deposited at the head office of the Company. The ACD must convene a general meeting no later than eight weeks after receipt of such requisition.

### 36.3 Notice of Quorum

Shareholders will receive at least 14 days' notice of a Shareholders' meeting and are entitled to be counted in the quorum and vote at such meeting either in person or by proxy. The quorum for a meeting is two Shareholders, present in person or by proxy. The quorum for an adjourned meeting is also two Shareholders present in person or by proxy, however if a quorum is not present from a reasonable time from the time appointed for the meeting then one person entitled to be counted in a quorum shall be a quorum. Notices of meetings and adjourned meetings will be sent to Shareholders at their registered addresses.

### 36.4 Voting Rights

36.4.1 At a meeting of Shareholders, on a show of hands every Shareholder who (being an individual) is present in person or (being a corporation) is present by its representative properly authorised in that regard, has one vote. For joint Shareholders, the vote of the first Shareholder, or the proxy of the first Shareholder, stated in the register of Shareholders will be accepted to the exclusion of the votes of other joint Shareholders.

36.4.2 On a poll vote, a Shareholder may vote either in person or by proxy. The voting rights attaching to each share are such proportion of the voting rights attached to all the shares in issue that the price of the share bears to the aggregate price(s) of all the shares in issue at the date seven Business Days before the notice of meeting is deemed to have been served.

36.4.3 A Shareholder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

36.4.4 Except where the FCA Regulations or the Instrument of the Company require an extraordinary resolution (which needs 75% of the votes cast at the meeting to be in favour if the resolution is to be passed) any resolution will be passed by a simple majority of the votes validly cast for and against the resolution.

36.4.5 The ACD may not be counted in the quorum for a meeting and neither the ACD nor any associate (as defined in the FCA Rules) of the ACD is entitled to vote at any meeting of the Company except in respect of shares which the ACD or associate holds on behalf of or jointly with a person who, if the registered Shareholder, would be entitled to vote and from whom the ACD or associate has received voting instructions. Where every Shareholder within the Company is prohibited under COLL 4.4.8R (4) of the FCA Rules from voting, a resolution may, with the prior written agreement of the Depositary, instead be passed with the written consent of Shareholders representing 75% of the shares of the Company in issue.

36.4.6 **Shareholders** in this context means Shareholders on the date seven Business Days before the notice of the relevant meeting was deemed to have been served but

excludes holders who are known to the ACD not to be Shareholders at the time of the meeting.

### **37. Class Meetings**

The above provisions, unless the context otherwise requires, apply to Share Class meetings as they apply to general meetings of Shareholders. However, an extraordinary resolution will be required to sanction a variation of class rights where the change is deemed "Fundamental" by the ACD in accordance with COLL 4.3.4 under the FCA Rules.ACD

### **38. Taxation**

**38.1** The following summary is only intended as a general summary of United Kingdom ("UK") tax law and HM Revenue & Customs practice, as at the date of this Prospectus, applicable to the Fund and to individual and corporate investors who are the absolute beneficial owners of a holding in the fund which is held as an investment. The summary's applicability to, and the tax treatment of, investors will depend upon the particular circumstances of each investor (and it will not apply to persons, such as certain institutional investors, who are subject to a special tax regime). It should not be treated as legal or tax advice. Accordingly, if investors are in any doubt as to their taxation position, they should consult their professional adviser. Levels and bases of, and reliefs from, taxation are subject to change in the future.

**38.2** The following is divided into sections relating to "Bond Fund" and "Equity Fund". A "Bond Fund" is a fund which invests more than 60% of its market value in "Qualifying Investments" (at all times in each accounting period). The term "Qualifying Investments" includes money placed at interest and securities that are not shares, including but not limited to government and corporate debt securities and cash on deposit. The tax issues relating to the fund and the investors within it are treated separately in this section. It is anticipated that the fund will for most periods be an Equity Fund for these purposes, but that depending on how it is invested it may constitute a Bond Fund for some periods.

#### **38.3 Taxation of an Equity Fund**

#### **38.4 Taxation of Capital Gains**

**38.5** An Equity Fund is not subject to UK taxation on capital gains arising on the disposal of its investments. In the unlikely event that the Fund be considered to be trading in securities under tax law, and to the extent an investment is disposed in a non-distributor/reporting fund, any gains made will be treated as taxable income and not exempt gains.

#### **38.6 Tax on income**

**38.7** An Equity Fund will be liable to corporation tax at a rate equal to the lower rate of income tax, currently 20%, on its income after relief for expenses (which include fees payable to the ACD and to the Depositary). Dividends and similar income distributions from UK and non-UK resident companies are generally exempt from corporation tax. Dividends and similar income distributions from UK authorised unit trusts and UK ICVCs are also generally exempt from corporation tax to the extent the underlying income derives from dividends.

- 38.8 Foreign dividends and similar income are generally treated as exempt for the purposes of UK corporation tax. This income may be subject to withholding tax in certain jurisdictions.
- 38.9 Dividend income received from certain countries are likely to be elected to be treated as taxable income in the UK in order to obtain a beneficial rate of withholding tax in the source country. This is based on guidance provided to the investment fund industry by the Investment Association.
- 38.10 Profits from loan relationships are treated as taxable income, as for a Bond Fund.
- 38.11 **Taxation of a Bond Fund**
- 38.12 Taxation of Capital Gains
- 38.13 Bonds or loan relationships held are taxable as income (see below) and are not subject to capital gains tax. Capital gains, for example on investment in equities, (except insofar as treated as income gains - see below) accruing to a Bond Fund will be exempt from UK tax on chargeable gains.
- 38.14 Tax on Income
- 38.15 A Bond Fund will be liable to UK corporation tax at 20% on income, translated (where appropriate) into Sterling, from investments in debt, debt-related securities and cash deposits less deductible expenses. Such income will be computed according to the generally accepted accounting practice relevant to the Fund.
- 38.16 The total will be taxed under the Loan Relationship rules. Any income received from UK equities will be exempt from UK corporation tax.
- 38.17 A Bond Fund would generally be entitled to make up distribution accounts in such a way that the income distribution (including accumulations of income, which are deemed to be paid and reinvested as capital) to shareholders is treated as if it were interest for UK tax purposes. If so entitled, the Fund intends that distributions will be made in this way.
- 38.18 - The treatment of distributions as interest distributions for UK tax purposes is significant because:
- 38.19 - distributions made should be deductible for corporation tax purposes against UK taxable income.
- 38.20 The income, less interest distributions, expenses (including the ACD's and Depositary's fees) and any non-UK withholding taxes, is subject to UK corporation tax at a rate equal to the basic rate of income tax (currently 20%). Any corporation tax charge should not be significant.
- Capital gains (except insofar as treated as accrued income gains - see above) accruing to a Bond Fund will be exempt from UK tax on chargeable gains.
- 38.21 **Stamp Duty Reserve Tax (SDRT)**
- 38.22 On 30 March 2014, Schedule 19 Stamp Duty Reserve Tax (SDRT) ceased to be chargeable on dealings in an shares in an OEIC. As such, the provisions relating to

SDRT no longer apply. However, investors should note that should SDRT or a similar tax relating to dealings on shares in OEICs be reintroduced in the future, all such costs will be paid out of the fund's Scheme Property and charged to capital.

- 38.23 However it should be noted that in the unlikely event of either of (i) third party transfer of shares or (ii) non-pro rata in specie redemptions, occurring within the fund, SDRT may still be triggered and where applicable be charged to the investor.

## **39. Automatic Exchange of Financial Account Information**

### **39.1 US Foreign Account Tax Compliance Act (FATCA)**

- 39.2 The US Foreign Account Tax Compliance Act (FATCA) is designed to help the Internal Revenue Service (the IRS) combat US tax evasion. It requires financial institutions, such as the Fund, to report on US investors or US holdings, whether or not this is relevant. Failure to comply (or be deemed compliant) with these requirements will subject the Fund to US withholding taxes on certain US-sourced income and gains. Under an intergovernmental agreement between the US and the United Kingdom, the Fund may be deemed compliant, and therefore not subject to the withholding tax, if it identifies and reports US taxpayer information directly to HMRC.

- 39.3 Shareholders may be asked to provide additional information to the ACD to enable the Fund to satisfy these obligations. Institutional Shareholders may be required to provide a Global Intermediary Identifications Number (GIIN). Failure to provide requested information may subject a Shareholder to liability for any resulting US withholding taxes, US tax information reporting and/or mandatory redemption, transfer or other termination of the Shareholder's interest in its Shares. The Global Intermediary Identification Number for the Fund is available on request.

### **39.4 Common Reporting Standard**

- 39.5 The Common Reporting Standard (CRS) is the reporting standard approved and developed by the Organisation of Economic Co-operation and Development (OECD) in 2014, and came into force with effect from 1st January 2016. This requires financial institutions such as the Company, to report non-UK resident investors, other than US Persons, to other agreed jurisdictions on an annual basis. The objective of this reporting is the same as the FATCA regulations but on a worldwide basis and is based on Residency rather than citizenship as with the US model, and will encompass natural persons and legal entities.

## **40. Income equalisation**

- 40.1 Income equalisation, as explained below, may apply in relation to the Company, as detailed in Appendix 1.
- 40.2 Part of the purchase price of a share reflects the relevant share of accrued income received or to be received by the Company. This capital sum is returned to a Shareholder with the first allocation of income in respect of a share issued during an accounting period.
- 40.3 The amount of income equalisation is either (i) the actual amount of income included in the issue price of that share; or (ii) is calculated by dividing the

aggregate of the amounts of income included in the price of shares issued or sold to Shareholders in an annual or interim accounting period by the number of those shares and applying the resultant average to each of the shares in question.

40.4 The ACD currently uses the method outlined in (ii) in Section 40.3 to apply income equalisation.

#### **41. Winding up of the Company**

41.1 The Company shall not be wound up except as an unregistered company under Part V of the Insolvency Act 1986 or under the FCA Regulations.

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

41.3 The Company may be wound up under the FCA Regulations if:

41.3.1 an extraordinary resolution to that effect is passed by Shareholders; or

41.3.2 the period (if any) fixed for the duration of the Company by the Instrument expires, or an event (if any) occurs on the occurrence of which the Instrument provides that the Company is to be wound up (for example, if the share capital of the Company is below its prescribed minimum); or

41.3.3 on the date of effect stated in any agreement by the FCA to a request by the ACD for the revocation of the authorisation order in respect of the Company.

41.4 On the occurrence of any of the above:

41.4.1 the parts of the FCA Regulations and the Instrument relating to pricing and dealing and investment and borrowing will cease to apply to the Company;

41.4.2 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 (except in respect of final cancellation);

41.4.3 no transfer of a share shall be registered and no other change to the register shall be made without the sanction of the ACD;

41.4.4 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;

41.4.5 the corporate status and powers of the Company and, subject to the provisions of Sections 41.4.1 to 41.4.4 above, the powers of the ACD shall remain until the Company is dissolved.

41.5 The ACD shall, as soon as practicable after the Company falls to be wound up, arrange for all shares in issue to be cancelled, 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 remaining (if any) to Shareholders proportionately to their rights to participate in the Scheme Property. 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 also make a final distribution to Shareholders (if any Scheme Property remains to be distributed) 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.

- 41.6 As soon as reasonably practicable after completion of the winding up of the Company the ACD or the Company shall notify the FCA.
- 41.7 On completion of a winding up of the Company, the Company will be dissolved and any money (including unclaimed distributions) standing to the account of the Company, will be paid into court within one month of dissolution.
- 41.8 Following the completion of the winding up of the Company, the ACD shall notify the Registrar of Companies and shall notify the FCA that it has done so.
- 41.9 Following the completion of the 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, to each Shareholder and, in the case of the winding up of the Company, to the Registrar of Companies within four months of the termination of the winding up.

## **42. General Information**

### **42.1 Accounting Periods**

The annual accounting period of the Company ends each year on 31 October (the first annual accounting period ended on 31 October 2014) (the accounting reference date). The interim accounting period of the Company ends each year on 30 April (the first interim accounting period ended on 30 April 2014).

### **42.2 Income Allocations**

- 42.2.1 Allocations of income are made on both an interim basis and an annual basis in respect of the income available for allocation in each accounting period.
- 42.2.2 Distributions of income in respect of Income Shares are paid by BACS, in accordance with Section 42.2.3, on or before the annual income allocation date of 31 December (commencing 31 December 2014) and the interim income allocation date of 30 June (commencing 30 June 2014).
- 42.2.3 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 Depositary as appropriate) in relation to taxation, income equalisation, income unlikely to be received within 12 months following the relevant income

allocation date, transfers between the income and capital account and any other adjustments which the ACD considers appropriate after consulting the auditors.

42.2.4 The Authorised Corporate Director and the Depositary have agreed a de minimis amount of £20 in respect of distribution of income payments made by cheque.

42.2.5 If a distribution remains unclaimed for a period of six years after it has become due, it will be forfeited and will revert to the Company.

42.2.6 Income will be distributed as a dividend payment where the Company is deemed to be an Equity Fund or as an interest payment where the Company is deemed to be a Bond Fund over the relevant accounting period (please see Section 38 (Taxation) for further details). The treatment of income anticipated by the ACD is given in Appendix 1, although Shareholders are advised the treatment of income will depend on the composition of assets over the accounting period. Income can only be distributed as an interest payment if the Company has held the minimum Qualifying Investments over the accounting period. Details of the treatment of income for taxation purposes over an accounting period will be given in a tax voucher sent to all Shareholders when the income is allocated.

### 42.3 Annual and half-yearly reports

42.3.1 An Annual report of the Company will be published within four months of each annual accounting period and a half-yearly report will be published within two months of the end of each half-year accounting period. The annual and half-yearly reports are available upon request.

42.3.2 The annual and half-yearly reports will include disclosures on the following:

- (a) The percentage of the Company's assets that are subject to special arrangements arising from their illiquid nature;
- (b) Any new arrangements for managing the liquidity of the Company;
- (c) The current risk profile of the Company and the risk management systems employed by the ACD to manage those risks;
- (d) Any changes to the maximum level of leverage that the ACD may employ on behalf of the Company;
- (e) Any changes to any right of reuse of collateral or any guarantee granted under the leveraging arrangement; and
- (f) The total amount of leverage employed by the Company.

42.3.3 The first report covered for the period from launch to 30 April 2014.

### 42.4 Documents of the Company

42.4.1 The following documents may be inspected free of charge between 9.00 a.m. and 5.00 p.m. every Business Day at the offices of the ACD at 45 Gresham Street, London, EC2V 7BG:

- (a) the most recent annual and half-yearly reports of the Company;

- (b) the Prospectus; and
- (c) the Instrument (and any amending instrument).

42.4.2 The ACD may make a charge at its discretion for copies of the Instrument; however, the reports and the Prospectus are available free of charge.

42.4.3 Copies of the ACD agreement or any contract of service between the Company and its directors can be obtained free of charge on request from the ACD.

#### 42.5 Notices

42.5.1 Notices and Documents will be sent by post to the Shareholder's registered address.

42.5.2 Notwithstanding the above, where shares are jointly held by two or more persons, in accordance with the FCA Regulations certain documents may be sent by post only to the first named holder at his or her registered address.

#### 42.6 Telephone Recording

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

#### 42.7 Complaints

42.7.1 Complaints concerning the operation or marketing of the Company should be referred to the compliance officer of the ACD at 45 Gresham Street, London, EC2V 7BG, in the first instance. If the complaint is not dealt with satisfactorily then it can be made direct to The Financial Ombudsman Service at Exchange Tower, Harbour Exchange Square, London E14 9SR, telephone number 0800 023 4 567 .

42.7.2 A copy of the ACD's complaints handling procedure is available on request.

42.7.3 Making a complaint will not prejudice your rights to commence legal proceedings.

42.7.4 Further information regarding any compensation scheme or any other investor-compensation scheme of which the ACD or the Fund is a member (including, if relevant, membership through a branch) or any alternative arrangement provided, are also available on request.

#### 42.8 Best Execution

42.8.1 The ACD must act in the best interests of the Fund when executing decisions to deal on behalf of the Fund. The ACD's order execution policy sets out the (i) systems and controls that have been put in place and (ii) the factors which the ACD expects the Investment Adviser to consider when effecting transactions and placing orders in relation to the Fund. This policy has been developed in

accordance with the ACD's obligations under the Regulations to obtain the best possible result for the Company.

42.8.2 Details of the order execution policy are available from the ACD on request. If you have any questions regarding the policy please contact the ACD or your professional adviser.

#### **42.9 Inducements and Soft Commission**

42.9.1 When executing orders, or placing orders with other entities for execution, that relate to financial instruments for, or on behalf of, the Fund, an Investment Adviser or the ACD (as relevant) will not accept and retain any fees, commissions or monetary benefits; or accept any non-monetary benefits, where these are paid or provided by any third party or a person acting on behalf of a third party.

42.9.2 The Investment Adviser or ACD will return to the Fund as soon as reasonably possible after receipt any fees, commissions or any monetary benefits paid or provided by any third party or a person acting on behalf of a third party in relation to the services provided to the Fund, and disclose in the annual report the fees, commissions or any monetary benefits transferred to them.

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

#### **42.10 Distribution Channels**

Shares in, and information on, the Company are and will continue to be marketed and made easily and widely available to reach the intended categories of investors and in a manner appropriate to attract those categories of investors. The intended categories of investors are retail and institutional investors.

#### **42.11 Compensation**

42.11.1 Under the Financial Services Compensation Scheme (FSCS), in the event of firm default your investment is protected up to the value of £85,000 per person per firm.

## **Appendix 1**

### **Investment objective, policy and other details of the Company**

Investment of the assets of the Company must comply with the FCA Regulations and its own investment objective and policy. Details of the investment objective and policy are set out overleaf together with other information including available Share Classes, charges, minimum investment levels and distribution dates. A detailed statement of the investment and borrowing restrictions applicable to the Company is contained in Appendix 2. Lists of the eligible securities and derivatives markets on which the Company may invest are contained in Appendix 4 and Appendix 5. A list of the locations of the establishment of any second schemes which the Company may invest in from time to time is shown in Appendix 10.

Changes to the Investment Objective and Policy will normally require approval by shareholders at an EGM if the change alters the nature or risk profile of the scheme, or on giving 60 days notice to shareholders where these do not alter the nature or risk profile of the scheme. In exceptional circumstances, changes may be made to the Investment Objective and Policy with no minimum period of notice where these are for clarification purposes only. In all cases, changes may only be made to the Investment Objective and Policy following notification to the FCA pursuant to the OEIC regulations and confirmation from the FCA that these changes will not affect the ongoing authorisation of the Company.

#### **Ongoing Charges Figure (OCF)**

The OCF provides investors with a clearer picture of the total annual costs in running a collective investment scheme and is based on the previous year's expenses. The figure may vary from year to year and it excludes the costs of buying or selling assets for the Fund (but includes transaction charges incurred by investing in any other collective investment schemes). Where there is not enough historic data available, or when historic data will not provide a reliable indication of future costs, an estimated OCF will be calculated based on the most reliable information available (OCF (Estimated)). The OCF is displayed in the Key Investor Information Document (KIID). A copy of the KIID can be provided free of charge on request.

## **THE DINKY FUND**

### **1. Investment Objective and Policy**

The investment objective of the Company is to achieve a balance between capital growth and income returns by employing a medium risk strategy and investing in any country and in any economic sector of the world.

The Company will seek to achieve this objective by investing directly or indirectly in a range of asset classes, geographical and economic sectors. The Company may invest in both regulated and unregulated collective investment schemes, transferable securities, approved money market instruments, deposits and cash or near cash investments, warrants and gold. The Company may also use derivatives for the purpose of Efficient Portfolio Management only. The proportion of the property of the Company which may be held in the different permitted asset classes, including cash and near cash, may vary from time to time at the Investment Advisers' discretion subject to the limitations on investment set out in the FCA Regulations. There may be circumstances when due to market conditions

the property of the Company may be invested primarily or solely in one asset type or solely in cash.

Please be aware that there is no guarantee that capital will be preserved.

**It is the ACD's intention that derivatives and forward transactions will only be used for Efficient Portfolio Management. The Company may use derivatives and forward transactions for investment purposes on the giving of 60 days' notice to Shareholders. The use of derivatives for investment purposes may alter the risk profile of the Company.**

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

Benchmark	<p>Shareholders may compare the performance of the Company against the ARC Sterling Steady Growth PCI.</p> <p>Comparison of the Company's performance against this benchmark will give Shareholders an indication of how the Company is performing against an index based on the real performance numbers delivered to discretionary private clients by participating investment managers.</p> <p>The benchmark is not a target for the Company, nor is the Company constrained by the benchmark.</p>
Classes of shares available	<p>Income Shares</p> <p>Accumulation Shares</p>
Currency of denomination	Pounds Sterling
Minimum initial investment*	£1,000,000
Minimum subsequent investment*	£100,000
Minimum withdrawal	None, provided the minimum holding is maintained
Minimum holding*	£1,000,000
ACD's preliminary charge*	7%
Charge for investment research	None
Redemption charge*	None

Annual management charge	0.15% per annum of funds under management subject to a minimum of £35,000 per annum
Evelyn Partners Investment Management LLP's fee	0.5% for all assets under their management
Rothschild & Co Wealth Management UK Limited's fee	0.8% for all assets under their management
Schroder & Co. Limited's fee	0.6% for all assets under their management
Annual accounting date	31 October
Interim accounting date	30 April
Annual income allocation date	31 December
Interim income allocation date	30 June
Invest in any Securities Market of the UK or a Member State of the EU or states within the EEA on which securities are admitted to Official Listing	Yes
Invest in Eligible Markets	As listed in Appendices 4 and 5
Income Equalisation	Yes, averaged.
Charges taken from income or capital	Other than those relating directly to the purchase and sale of investments, all charges are taken from income. If at the end of an accounting period there is insufficient income, the shortfall may be allocated to capital.
Income to be distributed as a dividend or interest?	The Company may distribute income in the form of a dividend or interest depending on the composition of the assets held over the accounting period.

*\*Minimum initial and subsequent investment amounts, minimum holding requirements and the preliminary and redemption charges may be waived by the ACD at its discretion.*

## 2. Investor Profile

Whether an investment in the Company is appropriate will depend on the investor's own requirements and attitude to risk. The Company is designed for high-net-worth retail investors (although it may be promoted to all types of investor) who:

- want to achieve a balance between capital growth and income returns over the medium to longer term through direct and indirect exposure to a range of asset classes, geographic sectors and economic sectors with the expertise of the Investment Advisers;
- can meet the minimum investment levels;
- are able to commit to a long-term investment in the Company and take the risk of losing part or all of their investment capital;
- who understand and are willing to take the risks involved in investing in the Company (as detailed under "Risk Factors" set out in Section 29 of the Prospectus).

**If you have any doubts as to whether the investment is suitable for you, please contact a financial adviser.**



## **Appendix 2**

### Investment and borrowing powers of the Company

#### **1. Investment and borrowing powers of the Company**

These restrictions apply to the Company.

##### Investment restrictions

The Company will be invested with the aim of achieving the investment objective of the Company but subject to the limits on investment set out in the FCA Regulations and the Company's investment policy.

Generally the Company will invest in the investments to which it is dedicated including approved securities which are transferable securities admitted to or dealt on a regulated market or in a market in UK or an EEA State which is regulated, operates regularly and is open to the public, units in collective investment schemes, warrants, derivatives and forward transactions, money market instruments and deposits. The Company may also invest in physical gold. Derivatives and forward transactions will only be used by the Company for Efficient Portfolio Management purposes and the Company may only use derivatives and forward transactions for investment purposes on the giving of 60 days' notice to Shareholders.

The investment objective and policy of the Company are subject to the limits on investment under chapter 5 of the FCA Regulations applicable to non-UCITS Retail Schemes, which are summarised below. The ACD must ensure that, taking account of the investment objective and the investment policy of the Company, the Company's investments provide a prudent spread of risk.

#### **2. Transferable securities and money market instruments**

##### **2.1 Types of transferable security**

- (a) A transferable security is an investment which is a share, a debenture, an alternative debenture, a government and public security, a warrant, or a certificate representing certain securities (as such terms are defined in the FCA Regulations).
- (b) 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.
- (c) In applying paragraph 2.1(b) to an investment which is issued by a body corporate, and which is a share or a debenture (as such terms are defined in the FCA Handbook), the need for any consent on the part of the body corporate or any members or debenture holders of it may be ignored.
- (d) 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.

##### **2.2 Criteria for investment in transferable securities**

- (a) The Company may invest in a transferable security only to the extent that the transferable security fulfils the following criteria:
  - (i) the potential loss which the Company may incur with respect to holding the transferable security is limited to the amount paid for it;
  - (ii) its liquidity does not compromise the ACD's ability to comply with its obligations to redeem shares at the request of any qualifying shareholder;
  - (iii) reliable valuation is available for it as follows:
    - (aa) in the case of a transferable security admitted to or dealt in on an eligible market (see further paragraph 2.11 below for an explanation of 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;
    - (bb) 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;
  - (iv) appropriate information is available for it as follows:
    - (aa) 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;
    - (bb) 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;
  - (v) it is negotiable; and
  - (vi) its risks are adequately captured by the risk management process of the ACD.
- (b) 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:
  - (i) not to compromise the ability of the ACD to comply with its obligations to redeem shares at the request of any qualifying shareholder; and
  - (ii) to be negotiable.

### 2.3 Closed-ended funds constituting transferable securities

A unit in a closed-ended 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 2.2 above and either:

- (a) where the closed-ended fund is constituted as an investment company or a unit trust:
  - (i) it is subject to corporate governance mechanisms applied to companies; and
  - (ii) 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
- (b) where the closed-ended fund is constituted under the law of contract:
  - (i) it is subject to corporate governance mechanisms equivalent to those applied to companies; and
  - (ii) it is managed by a person who is subject to national regulation for the purpose of investor protection.

### 2.4 Transferable securities linked to other assets

- (a) 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:
  - (i) fulfils the criteria for transferable securities set out in paragraph 2.2 above; and
  - (ii) is backed by or linked to the performance of other assets which may differ from those in which the Company can invest.
- (b) Where an investment in paragraph 2.4(a) contains an embedded derivative component, the requirements of this Appendix and the FCA Regulations with respect to derivatives and forwards will apply to that component.

### 2.5 Approved money market instruments

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.

### 2.6 A money market instrument shall be regarded as normally dealt in on the money market if it:

2.6.1 has a maturity at issuance of up to and including 397 days;

2.6.2 has a residual maturity of up to and including 397 days;

- 2.6.3 undergoes regular yield adjustments in line with money market conditions at least every 397 days; or
- 2.6.4 has a risk profile, including credit and interest rate risks, corresponding to that of an instrument which has a maturity as set out in 2.6.1 or 2.6.2 or is subject to yield adjustments as set out in 2.6.3.
- 2.7 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.
- 2.8 A money market instrument shall be regarded as having a value which can be accurately determined at any time if accurate and reliable valuation systems, which fulfil the following criteria, are available:
  - 2.8.1 enabling the ACD to calculate a net asset value in accordance with the value at which the instrument held in the portfolio could be exchanged between knowledgeable willing parties in an arm's length transaction; and
  - 2.8.2 based either on market data or on valuation models including systems based on amortised costs.
- 2.9 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.
- 2.10 Transferable securities and money market instruments generally to be admitted to or dealt in on an eligible market
  - (a) Transferable securities and money market instruments held within the Company must be:
    - (i) admitted to or dealt in on an eligible market (as described in paragraph 2.11); or
    - (ii) recently issued transferable securities, provided that the terms of issue include an undertaking that application will be made to be admitted to an eligible market; and such admission is secured within a year of issue;
    - (iii) an approved money market instrument not admitted to or dealt in on an eligible market, within paragraph 2.12 or 2.13 subject to paragraph 2.14.
  - (b) The Company may invest up to 20% of the Company's investments in transferable securities not within paragraph 2.10(a) or money market instruments other than those referred to in paragraph 2.10(a) which are liquid and have a value which can be determined accurately at any time.
- 2.11 Eligible markets regime
  - (a) To protect investors the markets in 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. Where a market ceases to be eligible, investments on that market cease to be approved securities. The 20% restriction in paragraph 2.10(b) above on investment in non-approved securities applies and exceeding this limit because a market ceases to be eligible will generally be regarded as an inadvertent breach.

- (b) A market is eligible for the purposes of the FCA Handbook if it is:
  - (i) a regulated market (as defined in the FCA Handbook); or
  - (ii) a market in the UK or an EEA state which is regulated, operates regularly and is open to the public.
- (c) A market not falling within paragraph 2.11(b) is eligible for the purposes of the FCA Handbook if:
  - (i) the ACD after consultation with and notification to the Depositary decides that market is appropriate for investment of, or dealing in the Company's property;
  - (ii) the market is included in a list in the Prospectus; and
  - (iii) the Depositary has taken reasonable care to determine that adequate custody arrangements can be provided for the investment dealt in on that market; and all reasonable steps have been taken by the ACD in deciding whether that market is eligible.
- (d) In paragraph 2.11(c)(i) 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 to the order of investors.
- (e) The eligible securities and derivatives markets for the Company are set out in Appendices 4 and 5. New eligible securities markets may be added to the existing list in accordance with the FCA Regulations governing approvals and notifications.

## 2.12 Money market instruments with a regulated issuer

- (a) 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:
  - (i) the issue or the issuer is regulated for the purposes of protecting investors and savings; and
  - (ii) the instrument is issued or guaranteed in accordance with paragraph 2.13.

- (b) 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 purposes of protecting investors and savings if:
  - (i) the instrument is an approved money market instrument;
  - (ii) appropriate information is available for the instrument (including information which allows an appropriate assessment of the credit rates risks related to investments in it) in accordance with paragraph 2.14 below; and
  - (iii) the instrument is freely transferable.

### 2.13 Issuers and guarantors of money market instruments

- (a) The Company may invest in an approved money market instrument if it is:
  - (i) issued or guaranteed by any one of the following:
    - (aa) a central authority the UK or of an EEA state or if the EEA state is a federal state, one of the members making up the federation;
    - (bb) a regional or local authority of the UK or an EEA state;
    - (cc) the Bank of England, European Central Bank or a central bank of an EEA state;
    - (dd) the EU or the European Investment Bank;
    - (ee) a non-EEA state other than the UK, or in the case of a federal state one of the members making up the federation; or
    - (ff) a public international body to which the UK or one or more EEA states belong; or
  - (ii) issued by a body, any securities of which are dealt in on an eligible market; or
  - (iii) issued or guaranteed by an establishment which is:
    - (aa) subject to prudential supervision in accordance with criteria defined by UK or EU law; or
    - (bb) an establishment which is subject to and complies with prudential rules considered by the FCA to be at least as stringent as those laid down by UK or EU law.
- (b) An establishment shall be considered to satisfy the requirement in paragraph 2.13(a)(iii)(bb) if it is subject to and complies with prudential rules, and fulfils one or more of the following criteria:
  - (i) it is located in the UK or the EEA;

- (ii) it is located in an OECD country belonging to the Group of Ten;
- (iii) it has at least one investment grade rating;
- (iv) on the basis of an in-depth analysis of the issuer, it can be demonstrated that the prudential rules applicable to that issuer are at least as stringent as those laid down by UK or EU law.

#### 2.14 Appropriate information for money market instruments

- (a) In the case of an approved money market instrument within paragraph 2.13(a)(ii) or issued by a body referred to in the FCA Regulations at COLL 5.2.10EG; or which is issued by an authority within paragraph 2.13(a)(i)(bb) or a public international body within paragraph 2.13(a)(i)(ff), but is not guaranteed by a central authority within paragraph 2.13(a)(i)(aa), the following information must be available:
  - (i) 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;
  - (ii) updates of that information on a regular basis and whenever a significant event occurs; and
  - (iii) available and reliable statistics on the issue or the issuance programme.
- (b) In the case of an approved money market instrument issued or guaranteed by an establishment within paragraph 2.13(a)(iii) the following information must be available:
  - (i) 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;
  - (ii) updates of that information on a regular basis and whenever a significant event occurs; and
  - (iii) 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.
- (c) In the case of an approved money market instrument within paragraph 2.13(a)(i)(aa), (dd) or (ee) or which is issued by an authority within paragraph 2.13(a)(i)(bb) or a public international body within paragraph 2.13(a)(i)(ff) and is guaranteed by a central authority within paragraph 2.13(a)(i)(aa) 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.

### 3. Spread limits

- 3.1 Not more than 20% in value of the Company's investments can consist of deposits with a single body. In applying this limit, all uninvested cash comprising capital

property held by the Depositary should be included in calculating the total sum of the deposits held by it on behalf of the Company.

- 3.2 Not more than 10% in value of the Company's investments can consist of transferable securities or money market instruments issued by a single body. This limit of 10% is raised to 25% in value of the Company in respect of covered bonds. In applying the increased limit of 25% certificates representing certain securities are to be treated as equivalent to the underlying security.
- 3.3 The exposure to any one counterparty in an OTC derivative transaction must not exceed 10% in value of the Company's property.
- 3.4 Not more than 20% in value of the Company's investments can consist of transferable securities which are not approved securities and unregulated schemes.
- 3.5 Not more than 35% in value of the Company's property is to consist of the units of any one collective investment scheme.
- 3.6 For the purpose of calculating the limit at paragraph 3.3 above, the rules and conditions set out referred to in COLL 5.6.7R(7) to (11) inclusive apply.
- 3.7 Not more than 10% in value of the Company's investments can consist of gold.
- 3.8 The limits in this Section 3 do not apply in respect of a transferable security or an approved money-market instrument to which COLL 5.6.8R (Spread: government and public securities) applies, for which please see Section 4 below.

#### **4. Government and Public Securities**

- 4.1 This section applies in respect of a transferable security or an approved money-market instrument ("such securities") that is issued or guaranteed by:
  - (i) the UK or an EEA State; or
  - (ii) a local authority of the UK or an EEA State; or
  - (iii) a non-EEA State other than the UK; or
  - (iv) a public international body to which the UK or one or more EEA States belong.
- 4.2 More than 35% of the Scheme Property may be invested in such securities issued by or on behalf of or guaranteed by a single named issuer which may be one of the following: the Governments of the United Kingdom and of a member state of the European Union or EEA (i.e. Austria, Belgium, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden); or by or on behalf of the Governments of Australia, Canada, Japan, New Zealand, Switzerland or the United States of America.
- 4.3 The ACD has consulted with the Depositary and considers that the issuers named in 4.1 above are ones which are appropriate in accordance with the investment objectives of the Company set out in 0. If more than 35% in value of the Scheme



Property of the Company is invested in such securities issued by any one issuer, no more than 30% in value of the Scheme Property of the Company may consist of such securities of any one issue and the Scheme Property must include at least six different issues whether of that issuer or another issuer.

## 5. Collective Investment Schemes

5.1 Except where the investment policy of the Company is inconsistent with this, up to 100% in value of the property of the Company may be invested in units in other collective investment schemes (hereafter a **second scheme**) although not more than 35% in value of the Scheme Property is to consist of the units of any one second scheme. Investment may be made in a second scheme managed by the ACD or an associate of the ACD.

5.2 Any second scheme must either:

- (a) be a UK UCITS scheme or satisfy the conditions necessary for it to enjoy the rights conferred by the UCITS Directive as implemented in the EEA; or
- (b) be authorised as a non-UCITS retail scheme;
- (c) be a recognised scheme under the provisions of Section 272 of the Financial Services and Markets Act 2000; or;
- (d) be constituted outside the United Kingdom and the investment and borrowing powers of which are the same or more restrictive than those of a non-UCITS retail scheme; or
- (e) be a scheme not falling within (a) - (d) and in respect of which no more than 20% in value of the Scheme Property (including any transferable securities which are not approved securities) is invested.

5.3 The second scheme must also operate on the basis of the prudent spread of risk, be prohibited from having more than 15% in value of the property of that scheme consisting of units in collective investment schemes (unless COLL 5.6.10AR applies) and the participants in the second scheme must be entitled to have their units redeemed in accordance with the scheme at a price related to the net value of the property to which the units relate and determined in accordance with the scheme.

5.4 Where the second scheme is an umbrella collective investment scheme the above provisions apply to each Sub-fund as if it were a separate scheme.

5.5 The Company may invest in units of other eligible collective investment schemes which are managed or operated by the ACD (or one of its associates). However, where such an investment or disposal of units is made 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 5.6 or paragraph 5.7 within four Business Days following the date of the agreement to invest or dispose.

5.6 When an investment is made, the amount referred to in paragraph 5.5 is either:

- (a) any amount by which the consideration paid by Company for the units in the second scheme exceeds the price that would have been paid for the

benefit of the second scheme had the units been newly issued or sold by it; or

- (b) if such price cannot be ascertained by the ACD, the maximum amount of any charge permitted to be made by the seller of units in the second scheme.

5.7 When a disposal is made, the amount referred to in paragraph 5.5 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.

5.8 Any second schemes in which the Company invests will be established in the locations listed in Appendix 10. The Company may invest in second schemes established in locations not currently listed in Appendix 10 provided the second scheme satisfies the requirements of this clause 5 and the FCA Regulations, where this occurs the list in Appendix 10 will be updated and an updated Prospectus issued.

## 6. Feeder Schemes

6.1 A non-UCITS retail scheme that is not a feeder NURS may, if the following conditions are met, invest in units of:

- (i) a feeder UCITS; or
- (ii) a feeder NURS; or
- (iii) a scheme dedicated to units in a single property authorised investment fund; or
- (iv) (d) a scheme dedicated to units in a recognised scheme

6.2 The relevant master UCITS must comply with COLL 5.2.13R(2), (3) and (4) as if it were the second scheme for the purpose of that rule.

6.3 The relevant qualifying master scheme, property authorised investment fund or recognised scheme must comply with COLL 5.6.10R(2) to (5) as if it were the second scheme for the purpose of that rule.

6.4 Not more than 35% in value of the scheme property of the non-UCITS retail scheme may consist of units of one or more schemes permitted under (6.1)(i) to (iv).

6.5 The non-UCITS retail scheme must not invest directly in units of the relevant master UCITS, qualifying master scheme, property authorised investment fund or recognised scheme.

6.6 The authorised corporate director of the non-UCITS retail scheme must be able to show on reasonable grounds that an investment in one or more schemes permitted under (6.1)(i) to (iv) is:

- (a) in the interests of investors; and
- (b) no less advantageous than if the non-UCITS retail scheme had held units directly in the relevant:

- (i) master UCITS; or
- (ii) qualifying master scheme; or
- (iii) property authorised investment fund; or
- (iv) recognised scheme.

## **7. Warrants and nil and partly paid securities**

- 7.1 Up to 5% in value of the Scheme Property may consist of warrants, provided that warrants may only be held if it is reasonably foreseeable there will be no change to the Scheme Property between the acquisition of the warrant and its exercise and the rights conferred by the proposed warrant and all other warrants forming part of the Scheme Property at the time of the acquisition of the proposed warrant will be exercised and that the exercise of the rights conferred by the warrants will not contravene the FCA Regulations.
- 7.2 Securities on which any sum is unpaid may be held provided that it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by the Company at any time when the payment is required without contravening the FCA Regulations.
- 7.3 A warrant may not be included in the Scheme Property unless it is listed on an eligible securities market.

## **8. Deposits**

Up to 20% in value of the Scheme Property can consist of deposits with a single body. A Company may only invest in deposits with an Approved Bank and which are repayable on demand, or have the right to be withdrawn, and maturing in no more than 12 months.

## **9. Derivatives: General**

- 9.1 **Derivatives may be used by the Company for Efficient Portfolio Management purposes only. Derivatives and forward transactions may be used for investment purposes on providing Shareholders with 60 days' notice. As a result, the NAV of the Company could potentially be more volatile, however, it is the Investment Adviser's intention that the Company, owing to its portfolio composition or the portfolio management techniques used, will not have volatility over and above the general market volatility of the markets of their underlying investments.**

The use of derivatives for Efficient Portfolio Management is not intended to increase the risk profile of the Company. However to the extent that derivatives are used for investment purposes, the overall risk of loss to the Company may be increased. Please also see "Risk Factors" above.

- 9.2 The Company may make use of a variety of derivative instruments in accordance with the FCA Regulations.
- 9.3 A transaction in derivatives or a forward transaction cannot be effected for the Company unless:

- 9.3.1 it is a permitted derivatives and forward transaction (broadly a derivative must be effected on or under the rules of any eligible derivatives market and have underlying consisting of any or all of the following; transferable securities, approved money market instruments, deposits, permitted derivatives, permitted collective investment schemes, permitted financial indices, interest rates, foreign exchange rates, currencies); and
- 9.4 it is covered as required by the FCA Regulations at COLL 5.3.3AR.
- 9.5 The exposure to the underlying assets must not exceed the limits in the FCA Regulations for the class of underlying asset concerned.
- 9.6 Where a transferable security or approved money market instrument embeds a derivative this must be taken into account for the purposes of complying with this Section.
- 9.7 If the Company invests in an index-based derivative provided the relevant index falls within the FCA Regulations at COLL 5.6.23R the underlying constituents of the index do not have to be taken into account for the purposes of paragraphs 3 and 4 above, provided the ACD takes account of the requirements for a prudent spread of risk.
- 9.8 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:
  - 9.8.1 that property can be held for the account of the Company; and
  - 9.8.2 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 FCA Rules.
- 10. Permitted Transactions (Derivatives and Forwards)**
  - 10.1 A transaction in a derivative must:
    - 10.1.1 be in an Approved Derivative; or
    - 10.1.2 be an OTC derivative which complies with paragraph 10.5:
  - 10.2 In addition:
    - 10.2.1 the underlying must consist of any or all of the following to which the scheme is dedicated: transferable securities; money-market instruments; permitted deposits; permitted derivatives; permitted collective investment scheme units gold; certain financial indices; interest rates; foreign exchange rates and currencies; and
    - 10.2.2 the exposure to the underlying must not exceed the limits set out at paragraphs 2.10(b), 3 and 4 above.
  - 10.3 A transaction in an Approved Derivative must be effected on or under the rules of an eligible derivatives market. A derivative transaction must not cause the Company to diverge from its investment objectives as stated in the Instrument of Incorporation and the most recently published prospectus and must not be entered into if the intended effect is to create the potential for an uncovered

sale of one or more transferable securities, approved money market instruments, collective investment scheme units or derivatives.

- 10.4 Any forward transaction must be with an eligible institution or an Approved Bank.
- 10.5 OTC transactions in derivatives
- 10.5.1 A transaction in an OTC derivative under paragraph 10.5 must be:
- 10.5.2 with an approved counterparty; a counterparty to a transaction in derivatives is approved only if the counterparty is:
- (a) an eligible institution or an Approved Bank; or
  - (b) a person whose permission (including any requirements or limitations), as published in the FCA Register, or whose Home State authorisation, permits it to enter into the transaction as principal off-exchange;
- 10.5.3 on approved terms; the terms of the transaction in derivatives are approved only if the ACD:
- (a) carries out, at least daily, a reliable and verifiable valuation in respect of that transaction corresponding to its fair value and which does not rely only on market quotations by the counterparty; and
  - (b) can enter into one or more further transactions to sell, liquidate or close out that transaction at any time, at its fair value;
- 10.5.4 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:
- (a) on the basis of an up-to-date market value which the ACD and the Depositary have agreed is reliable; or
  - (b) if the value referred to in (a) is not available, on the basis of a pricing model which the ACD and the Depositary have agreed uses an adequate recognised methodology; and
- 10.5.5 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:
- (a) an appropriate third party which is independent from the counterparty of the derivative, at an adequate frequency and in such a way that the ACD is able to check it; or
  - (b) a department within the ACD which is independent from the department in charge of managing the Scheme Property and which is adequately equipped for such a purpose.

## **11. Immovable Property**

The Company does not currently intend to have an interest in any immovable or movable property.

## **12. General**

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

12.2 Cash or near cash may be retained in the Scheme Property to enable the pursuit of the investment objective; or for redemption of shares in the Company; or efficient management of the Company in accordance with its investment objective or for a purpose which may reasonably be regarded as ancillary to the investment objective of the Company.

12.3 The Company may invest in gold up to a limit of 10% of Scheme Property.

## **13. Stocklending**

The Company may not enter into stocklending transactions.

## **14. Borrowing and lending powers**

14.1 The Company may, subject to the FCA Regulations, borrow money from an eligible institution or an Approved Bank for the use of the Company on the terms that the borrowing is to be repayable out of the Scheme Property.

14.2 The ACD must ensure that borrowing does not, on any Business Day, exceed 10% of the value of the Scheme Property.

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

14.4 The Company will not issue any debenture unless it acknowledges or creates a borrowing that complies with COLL 5.5.4(1) to (6) inclusive.

14.5 The Company will not lend any money which forms part of the Scheme Property.

## **15. Leverage**

15.1 Transactions introducing leverage are generally undertaken to reduce risk or cost in terms of fluctuations in prices, interest rates or exchange rates or involve receiving a premium for the writing of a covered call option or cash covered put option on the property of the Company which the Company is willing to buy or sell at the exercise price. The fund may also borrow up to 10% of its net asset value; as a result of actively invested borrowing the fund would display leveraged characteristics.

15.2 The types and sources of leverage and risks the Company may employ are as follows:

- i) The Company may borrow up to 10% of its net asset value from an Approved Bank, and

ii) Through the use of derivatives. Any exposure by the Company through the use of derivatives must be covered by cash or readily realisable assets held by the Company. Restrictions on the use of derivatives are outlined in the Investment Objective and Policy in Appendix 1 and detailed in the Investment and Borrowing Powers in Appendix 2.

Please refer to the Risk Factors for details of the risks associated with these types of leverage.

15.3 The following restrictions apply to the use of leverage:

i) Leverage through Borrowing: The Fund may borrow from Eligible Institutions or Approved Banks only.

ii) Leverage through the Use of Derivatives: Derivatives may be used for the purposes of Efficient Portfolio Management only. No current collateral or asset reuse arrangements are currently in place. Should the Fund enter into any contracts that require the use of collateral in future, collateral will be managed in accordance with FCA Regulations and Guidelines issued from time to time by the European Securities and Markets Authority. A Collateral Management Policy will be implemented by the ACD before the Company enters into any transactions which require it to hold collateral from a counterparty.

15.4 Under AIFMD, it is necessary for AIFs to disclose their leverage in accordance with prescribed calculations. The two types of leverage calculations defined are the gross and commitment methods. These methods summarily express leverage as a ratio of the exposure of the AIF against its net asset value. 'Exposure' typically includes debt, the value of any physical properties subject to mortgage, non sterling currency, equity or currency hedging (even those held purely for risk reduction purposes, such as forward foreign exchange contracts held for currency hedging) and derivative exposure (converted into the equivalent underlying positions). The commitment method nets off derivative instruments, while the gross method aggregates them.

The maximum level of leverage for the Company expressed as a ratio of the Company's total exposure to its Net Asset Value:

(a) under the Gross Method is 200 per cent; and

(b) under the Commitment Method is 130 per cent.

The limits have been set for the investment policy of the AIF under AIFMD and have been set to accommodate the maximum level of leverage conceivable.

## Appendix 3

### Historical Performance Data



Source: Fund - FE fundinfo 2024  
Benchmark - Morningstar

Mid to mid, net of tax and charges, with net income reinvested. Performance does not include the effect of any initial or redemption charges.

Performance is shown from 31 December to 31 December for each full calendar year that the Company has been in existence.

**Past performance should not be seen as an indication of future performance**



## Appendix 4 Eligible Securities Markets

The Company may deal through securities markets established in the UK or an EEA states on which transferable securities admitted to official listing in these states are dealt in or traded. In addition, up to 20% in value of the Company may be invested in transferable securities which are not approved securities.

The Company may also deal in certain of the securities markets listed below and those derivatives markets indicated in Appendix 5.

1.	Australia	Australian Securities Exchange
2.	Bermuda	Bermuda Stock Exchange
3.	Brazil	BM&FBOVESPA S.A.
4.	Canada	TSX Venture Exchange Toronto Stock Exchange
5.	China	Shanghai Stock Exchange Shenzhen Stock Exchange
6.	Hong Kong	Hong Kong Exchanges & Clearing Company
7.	India	BSE Limited
8.	Indonesia	Indonesia Stock Exchange
9.	Israel	Tel Aviv Stock Exchange
10.	Japan	Osaka Securities Exchange Tokyo Stock Exchange
11.	Republic of Korea	Korea Exchange
12.	Malaysia	Bursa Malaysia
13.	New Zealand	New Zealand Exchange Ltd
14.	Peru	Lima Stock Exchange (Bolsa de Valores de Lima)
15.	Philippines	Philippine Stock Exchange
16.	Singapore	Singapore Exchange
17.	South Africa	JSE Limited
18.	Switzerland	SIX Swiss Exchange
19.	Taiwan	Taiwan Stock Exchange
20.	Thailand	Stock Exchange of Thailand
21.	Turkey	Borsa Istanbul
22.	United States	NASDAQ New York Stock Exchange NYSE Arca NYSE LIFFE US

## Appendix 5

### Eligible Derivatives Markets

<b>Hong Kong</b>	Hong Kong Exchanges and Clearing Company
<b>Japan</b>	Tokyo Financial Exchange
<b>Japan</b>	Tokyo Stock Exchange
<b>Singapore</b>	Singapore Exchange
<b>South Africa</b>	JSE Limited
<b>Switzerland</b>	Eurex Zurich
<b>United States of America</b>	Chicago Board Options Exchange
<b>United States of America</b>	CME Group
<b>United States of America</b>	ICE Futures U.S.
<b>United States of America</b>	New York Stock Exchange
<b>United States of America</b>	NYSE Arca
<b>United States of America</b>	NYSE LIFFE US

## Appendix 6

### Typical Investor Profile(s)

Below is an indication of the target market of the Fund as required under MiFID II and its supplementing regulations, or the statutory equivalent thereof which forms part of UK law by virtue of the EUWA, as applicable. This is fully detailed in the EMT which should be made available to you before making an investment. If you do not believe you fit the target market of this Fund please seek advice from your professional adviser.

This Fund is suitable for all investor types of all levels of knowledge and experience coming into the fund from all available distribution channels.

Investors should be seeking no capital guarantee and be able to bear losses up to their full investment.

The Fund seeks to increase capital and grow income over a long time period.

Please refer to the latest EMT or KIID for the Synthetic Risk Reward Indicator (SRRI).

## Appendix 7 Directory

### **The Company and Head Office**

The Dinky Fund  
45 Gresham Street  
London  
EC2V 7BG

### **Authorised Corporate Director**

Evelyn Partners Fund Solutions Limited  
45 Gresham Street  
London  
EC2V 7BG

### **Investment Advisers**

Evelyn Partners Investment Management LLP  
45 Gresham Street  
London  
EC2V 7BG

Rothschild & Co Wealth Management UK Limited  
New Court  
St Swithins Lane  
London  
EC4N 8AL

Schroder & Co. Limited  
1 London Wall Place  
London  
EC2Y 5AU

### **Transfer Agency**

Evelyn Partners Fund Solutions Limited  
177 Bothwell Street  
Glasgow  
G2 7ER

Telephone:

Dealing only: 0141 222 1150  
Registration and Enquiries: 0141 222 1151

### **Depository**

Registered Office

NatWest Trustee & Depository Services Limited  
250 Bishopsgate  
London

EC2M 4AA

Principal Place of Business:  
NatWest Trustee & Depositary Services Limited  
House A, Floor 0  
Gogarburn  
175 Glasgow Road  
Edinburgh  
EH12 1HQ

**Auditor**

Johnston Carmichael LLP  
Bishop's Court  
29 Albyn Place  
Aberdeen  
AB10 1YL

**Appendix 8**  
List of Directors of Evelyn Partners Fund Solutions Limited

**Name of Director**

Andrew Baddeley

Brian McLean

Mayank Prakash

Neil Coxhead

Dean Buckley (Independent Non-Executive Director)

Linda Robinson (Independent Non-Executive Director)

Victoria Muir (Independent Non-Executive Director)

Sally Macdonald (Independent Non-Executive Director)

Guy Swarbreck (Non-Executive Director)

**None of the directors have any business activities which are of significance to the Company's business, other than those connected with the business of the ACD.**

## Appendix 9

List of Authorised Funds for which Evelyn Partners Fund Solutions Limited acts as authorised fund manager or authorised corporate director

Authorised Unit Trusts	Investment Companies with Variable Capital
Dragon Trust	Bute Fund
Eagle Fund	Earlstone Fund
Evelyn Witch General Trust	Evelyn Partners Funds
Langham Trust	Evelyn Partners Investment Funds ICVC
Magnum Trust	Forest Fund ICVC
Marathon Trust	Ganymede Fund
Orchard Fund	GFS Investments Fund
Ourax Unit Trust	Glairnox Fund
Spenser Fund	Gryphon Investment Funds
SVS DW Asia Income & Growth Fund	Hercules Managed Funds
SVS Dowgate Wealth UK New Economies Fund	Issodola Fund
SVS Sanlam European Equity Fund	JC Investments Fund
SVS Sanlam Fixed Interest Fund	Kanthaka Fund
SVS Sanlam North American Equity Fund	Moorgate Funds ICVC
The Acorn Trust	New Square Investment Funds
The Alkerton Trust	Pendennis Fund ICVC
The Barro II Trust	Pharaoh Fund
The Capital Balanced Fund	Pityoulish Investments Fund
The Dream Trust	Quercus Fund
The Enterprise Trust	Sardasca Fund
The Global Opportunities Fund	Sherwood Fund
The Ilex Fund	Smithfield Funds
The Jetwave Trust	Starhunter Investments Fund
The Lancaster Trust	Stratford Place Fund
The Millennium Fund	Sussex Fund
The Plain Andrews Unit Trust	SVS AllianceBernstein UK OEIC
The Securities Fund	SVS Aubrey Capital Management Investment Funds
Worldwide Growth Trust	SVS Baker Steel Global Investors OEIC
	SVS Baker Steel Gold and Precious Metals Fund
	SVS Brooks Macdonald Fund
	SVS Brown Shipley Multi Asset Portfolio
	SVS Cornelian Investment Funds
	SVS Dowgate Cape Wrath Focus Fund
	SVS Dowgate Wealth Funds ICVC
	SVS Heritage Investment Fund
	SVS Kennox Strategic Value Fund
	SVS RM Funds ICVC
	SVS Saltus Onshore Portfolios
	SVS WAM Investment Funds
	SVS Zeus Investment Funds ICVC
	Sylvan Funds
	Taber Investments Fund
	The Air Pilot Fund
	The Aurinko Fund
	The Blu-Frog Investment Fund
	The Brighton Rock Fund

	<p>The Cheviot Fund The Daisybelle Fund The Dinky Fund The Dunninger Fund The Folla Fund The Galacum Fund The Global Balanced Strategy Fund The Gloucester Portfolio The Headspring Fund The Headway Fund The Jake Fund The Jay Fund The Kingfisher Fund The Loch Moy Fund The Magpie Fund The MF Fund The Milne Fund The Nectar Fund The Norton Fund The Prinedale Fund The Rosslyn Fund The SBB Fund The Staffordshire Portfolio The Stellar Fund The SVS Levitas Funds The Touchstone Investment Fund The Tully Fund The Westhill Investment Fund TS Campana Fund Vagabond Investment Fund White Oak Fund</p>
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## Appendix 10

### Establishment of Collective Investment Schemes

Any second schemes in which the Fund may invest will be established in the locations listed below. This list is not restrictive and may be amended from time to time where the Fund invests in second schemes established in new locations.

Any member state of the UK or the European Economic Area

Australia  
Bermuda  
Canada  
Cayman Islands  
Channel Islands  
Isle of Man  
Japan  
Singapore  
Switzerland  
United States