

**IMPORTANT: IF YOU ARE IN ANY DOUBT AS TO THE CONTENTS OF THIS PROSPECTUS YOU SHOULD CONSULT YOUR FINANCIAL ADVISER**

**PROSPECTUS**

**OF**

**WORLDWIDE GROWTH TRUST**

**(A Non-UCITS Retail Scheme with FCA Product Reference Number: 596445)**

This document has been prepared in accordance with the part of the FCA Handbook of Rules and Guidance which deals with regulated collective investment schemes (the “FCA Rules”).

**This Prospectus is dated and is valid as at 8 October 2024**

## **Prospectus of Worldwide Growth Trust**

An authorised non-UCITS retail scheme unit trust.

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

Copies of this prospectus have been sent to the Financial Conduct Authority and the Trustee.

Evelyn Partners Fund Solutions Limited, the Manager of the Fund, 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 in this document does not contain any untrue or misleading statement or omit any matters required by the FCA Rules to be included in it. Evelyn Partners Fund Solutions Limited accepts responsibility accordingly.

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

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

The distribution of this prospectus and the offering of Units in certain jurisdictions may be restricted. Persons into whose possession this prospectus comes are required to inform themselves about and to observe any such restrictions. This prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such an offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

Units in the Fund are not listed or dealt on any investment exchange. Potential investors should not treat the contents of this prospectus as advice relating to legal, taxation, investment or any matters and are recommended to consult their own professional advisers concerning the acquisition, holding or disposal of Units.

The provisions of the Fund's Trust Deed are binding on each of its Unitholders (who are taken to have notice of them).

This prospectus has been approved for the purpose of section 238 of the Financial Services and Markets Act 2000 by Evelyn Partners Fund Solutions Limited. This prospectus is based on information, law and practice at the date hereof 8 October 2024.

Investors should check with Evelyn Partners Fund Solutions Limited that this is the most recently published prospectus.

The Trustee is not a person responsible for the information contained in this prospectus and accordingly does not accept any responsibility therefore under the FCA Rules or otherwise.

DEFINITIONS.....	1
SECTION 1 - GENERAL INFORMATION.....	4
A.    MANAGEMENT OF THE FUND.....	4
B.    INVESTMENT OBJECTIVE, POLICY AND RESTRICTIONS .....	9
C.    THE CHARACTERISTICS OF UNITS IN THE FUND .....	10
D.    RISK FACTORS.....	13
E.    PRICING OF UNITS.....	20
F.    BUYING AND SELLING UNITS.....	24
G.    CHARGES AND EXPENSES OF THE FUND .....	35
H.    WINDING-UP OF THE FUND.....	39
I.    OTHER INFORMATION .....	41
SECTION 2 - Typical Investor Profile(s).....	52
SECTION 3 - OTHER SCHEMES MANAGED BY THE MANAGER.....	53
SECTION 4 - INVESTMENT POWERS AND BORROWING LIMITS .....	55
SECTION 5 - VALUATION OF SCHEME PROPERTY .....	74
SECTION 6 - ELIGIBLE SECURITIES MARKETS AND ELIGIBLE DERIVATIVES MARKETS .....	77
APPENDIX A - PRINCIPAL FEATURES OF THE FUND.....	80
APPENDIX B - PAST PERFORMANCE .....	82
APPENDIX C - ESTABLISHMENT OF COLLECTIVE INVESTMENT SCHEMES.....	83

## DEFINITIONS

<b>“A Units”</b>	Units designated by the Manager as A Units as more particularly described in Section 1(C).
<b>“Act”</b>	Financial Services and Market Act 2000 as amended, extended, consolidated, substituted or re-enacted from time to time.
<b>“AIF”</b>	means alternative investment fund.
<b>“AIFM”</b>	means alternative investment fund manager.
<b>“AIFMD”</b>	means the Alternative Investment Fund Managers Directive, 2011/61/EU, or the statutory equivalent thereof which forms part of UK law by virtue of the EUWA, as applicable.
<b>“AIFMD Level 2 Regulation”</b>	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.
<b>“AIFM Rules”</b>	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.
<b>“Approved Bank”</b>	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.
<b>“Approved Derivative”</b>	means an approved derivative is one 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;
<b>“Business Day”</b>	Any day except a Saturday or Sunday or a bank holiday in England and Wales.
<b>“Class or Classes”</b>	In relation to Units, means (according to context) all the Units of the Fund or a particular Class of Unit of the Fund.
<b>“Client Money”</b>	Client money means any money that a firm receives from or holds for, or on behalf of, a unitholder in the course of, or in connection with, its business unless otherwise specified.
<b>“COLL”</b>	refers to the appropriate chapter or rule in the COLL Sourcebook.
<b>“COLL Sourcebook”</b>	the Collective Investment Schemes Sourcebook issued by the FCA as amended or re-enacted from time to time.
<b>“Dealing Day”</b>	Wednesday of each week (except for, unless the Manager otherwise decides, the last working day before Christmas; New Years Eve and bank holidays in England), the last Business Day of each month and other days at the Manager’s discretion, agreed with the Trustee.
<b>“EEA State”</b>	a member state of the European Union or any other state which is within the European Economic Area.

<b>“EMT”</b>	European MiFID Template.
<b>“EUWA”</b>	means the European Union Withdrawal Act 2018.
<b>“FCA”</b>	The Financial Conduct Authority, of 25 The North Colonnade, Canary Wharf, London E14 5HS.
<b>“FCA Rules”</b>	The part of the FCA handbook of rules and guidance which deals with regulated collective investment schemes.
<b>“FATCA”</b>	The Foreign Account Tax Compliance Act (US).
<b>“Fund”</b>	The Worldwide Growth Trust.
<b>“Investment Manager(s)”</b>	Evelyn Partners Investment Management LLP, Rothschild & Co Wealth Management UK Limited and Charles Stanley & Co Limited are the investment managers to the Fund, or such successor investment manager(s) as may be appointed from time to time.
<b>“Manager”</b>	Evelyn Partners Fund Solutions Limited.
<b>“MiFID II”</b>	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.
<b>“Prime Broker”</b>	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 Trust does not currently require the services of a Prime Broker.
<b>“Register”</b>	The register of Unitholders of the Fund.
<b>“Registrar”</b>	Evelyn Partners Fund Solutions Limited.
<b>“Scheme Property”</b>	The capital property and the income property of the Fund.
<b>“SDRT”</b>	Stamp Duty Reserve Tax.
<b>“Trust Deed”</b>	The trust deed dated 25 March 2013 as amended and including any supplemental trust deeds under which the Fund is constituted.
<b>“Trustee”</b>	NatWest Trustee & Depositary Services Limited.
<b>“UCITS Directive”</b>	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.
<b>“Unit or Units”</b>	A unit or units in the Fund.
<b>“Unitholder”</b>	Holder(s) of registered Units in the Fund.

**“Valuation Point”** The point, whether on a periodic basis or for a particular valuation, at which the Manager carries out a valuation of the Fund for the purpose of determining the price at which Units of a Class may be issued, cancelled, sold or redeemed.

**“VAT”** Value added tax.

## SECTION 1 - GENERAL INFORMATION

This document constitutes the Prospectus for the Worldwide Growth Trust and is valid as at the date hereof 15<sup>th</sup> December 2017. The Fund is an authorised unit trust and a non-UCITS retail scheme authorised and regulated by the Financial Conduct Authority and is an AIF for the purposes of AIFMD, which received its authorisation order from the Financial Services Authority (the FCA's predecessor) on 26<sup>th</sup> March 2013. Unitholders are not liable for the debts of the Fund. The Fund is aimed at retail investors with a medium risk appetite, a longer term investment outlook over 5 or more years and who wish to invest for a total return of both capital and income.

### A. MANAGEMENT OF THE FUND

#### 1.1 Manager

The Manager, which is authorised and regulated by the FCA, is Evelyn Partners Fund Solutions Limited, a private company limited by shares incorporated in England and Wales on 30 July 1985 with registered number 1934644.

Approval by the FCA in this context refers only to approval under the Act and does not in any way indicate or suggest endorsement or approval of the Trust as an investment.

The ultimate holding company of the Manager is Evelyn Partners Group Limited, a private company limited by shares incorporated in England and Wales with registered number 08741768.

The Manager is also the authorised corporate director or manager (where relevant), of the authorised schemes set out in Section 3 of this Prospectus.

Registered Office: 45 Gresham Street, London, EC2V 7BG

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

#### **Directors:**

Brian McLean

Neil Coxhead

Andrew Baddeley

Mayank Prakash

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 of significance to the Scheme that are not connected with the business of the Manager.

The Manager 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 Manager has internal operational risk policies in place to identify, measure, manage and monitor appropriately operational risks including professional liability risks to which the Manager 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.

The Manager has delegated its investment management function to Evelyn Partners Investment Management LLP, Rothschild & Co Wealth Management UK Limited and Charles Stanley & Co Limited.

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

The Unitholder 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.

Information on the typical investor profile for the Trust is set out in Section 2.

## 2.1 Trustee

General

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

The Trustee 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 Trustee is the NatWest Group plc, which is incorporated in Scotland. The principal business activity of the Trustee is the provision of trustee and depositary services.

#### Duties of the Trustee

The Trustee is responsible for the safekeeping of scheme property, monitoring the cash flows of the Trust, and must ensure that certain processes carried out by the Manager are performed in accordance with the applicable rules and scheme documents.

#### Conflicts of interest

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

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

The Trustee operates independently from the Trust, Investors, the Manager and its associated suppliers and the Custodian. As such, the Trustee does not anticipate any conflicts of interest with any of the aforementioned parties.

#### Delegation of Safekeeping Functions

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

The Trustee 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 Trust may invest to various sub-delegates (“sub-custodians”).

The Trustee provides its services under the terms of the Trust Deed dated 25th March 2013. The Trustee is required to carry out the duties specified in the FCA Rules including responsibility for safe keeping of all the property of the Fund.

Details of the fees payable to the Trustee are given in Section G(3.1).

### **3.1 Investment Manager**

Evelyn Partners Investment Management LLP, Rothschild & Co Wealth Management UK Limited and Charles Stanley & Co Limited have been appointed as Investment Manager of the Fund. The Investment Managers are regulated and authorised by the FCA.

The principal activity of each of the Investment Managers is investment management.

Evelyn Partners Investment Management LLP has been appointed under an investment management agreement. Under the terms of this agreement, Evelyn Partners Investment Management LLP's main duties are to manage the investments of the Fund in accordance with the investment objective of the Fund, the terms of the Trust Deed, the Prospectus, and the FCA Rules. The investment management agreement in respect of Evelyn Partners Investment Management LLP may be terminated without penalty by the Manager with immediate effect if it is in the interests of the Unitholders or otherwise by either party giving three months' notice to the other party.

Rothschild & Co Wealth Management UK Limited has been appointed under an investment management agreement. Under the terms of this agreement, the Investment Manager's main duties are to manage the investments of the Fund in accordance with the investment objective of the Fund, the terms of the Trust Deed, the Prospectus, and the FCA Rules. The Investment Management Agreement between the Manager and Investment Manager may be terminated without penalty by the Manager with immediate effect if it is in the interests of the Unitholders or otherwise by either party giving 30 days' notice to the other party.

Charles Stanley & Co Limited has been appointed under an investment management agreement. Under the terms of this agreement, the Investment Manager's main duties are to manage the investments of the Fund in accordance with the investment objective of

the Fund, the terms of the Trust Deed, the Prospectus, and the FCA Rules. The Investment Management Agreement between the Manager and Investment Manager may be terminated without penalty by the Manager with immediate effect if it is in the interests of the Unitholders or otherwise by either party giving three months' written notice to the other party.

Rothschild & Co Wealth Management UK Limited is not part of the same corporate group as the Manager.

Evelyn Partners Investment Management LLP is part of the same corporate group as the Manager.

Charles Stanley & Co Limited is not part of the same corporate group as the Manager.

Details of the fees payable to the Investment Manager are given in Section G(2).

#### **4.1 Registrar**

The Manager is responsible for maintaining the register of Unitholders.

The register of Unitholders is kept at 177 Bothwell Street, Glasgow, G2 7ER and may be inspected on any Business Day between the hours of 9.00 a.m. to 5.00 p.m.

#### **5.1 Auditors**

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

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

The Manager, the Trustee and the Investment Manager are or may be involved in other financial, investment and professional activities which may, on occasion, cause conflicts of interest with the management of the Fund. In addition, the Fund may enter into transactions at arm's length with companies in the same group as the Manager.

The Trustee may, from time to time, act as Trustee of other companies or funds.

The custodian of the Fund may, from time to time, act as custodian and hold assets of other funds and investors.

To ensure the fair treatment of Unitholders is central to all the activities of the Manager, the Manager 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 "Charges and Expenses of the Fund"), that investors can redeem their holdings (see "Buying and Selling Units") and that if investors are dissatisfied with their treatment their complaints are assessed by an independent and impartial investigator (see "Complaints").

The Manager maintains a written conflict of interest policy. The Manager acknowledges that there may be some situations where the organisational or administrative arrangements in place for the management of conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the Trust or its unitholders will be prevented. Should any such situations arise the Manager will, as a last resort if the conflict cannot be avoided, disclose these to unitholders in the report and accounts or otherwise an appropriate format.

Copies of the Manager's and the Investment Manager's conflicts of interest policies are available from the Manager on request.

## **B. INVESTMENT OBJECTIVE, POLICY AND RESTRICTIONS**

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

- 1.1 The objective of the Fund is to achieve a total return (capital and income) through an actively managed international portfolio, invested in equities and fixed interest securities in any economic sector. "Total return" means that returns will be sought both from investments the manager believes may offer the prospect of, but not guarantee, capital appreciation and also from income from dividends and coupons. Like all non-guaranteed investments, the capital of the fund is at risk. Whilst the Fund seeks to achieve a positive return over a five to ten year investment period, there is no guarantee that this will be achieved over that specific, or any, time period.
- 1.2 The fund will invest mainly in equities and bonds but may also utilise a range of asset classes in order to achieve its objective. These may include cash, deposits, warrants, money market instruments, derivatives and forward transactions, funds (regulated and unregulated), transferable securities and may include exposure to currencies, commodities and property.
- 1.3 Approved derivatives transactions will be used for the purpose of meeting the investment objectives of the Fund.

- 1.4 Cash and near cash will be held to enable the pursuit of the investment objectives of the Fund or, as necessary to enable redemption of Units, the efficient management of the Fund in accordance with its investment objective, and other ancillary purposes.
- 1.5 The investment policy of the Fund may mean that at times, where it is considered appropriate, the property of the Fund will not be fully invested and that prudent levels of liquidity will be maintained.
- 1.6 Changes to the Investment Objective and Policy will normally require approval by Unitholders at an EGM if the change alters the nature or risk profile of the schemes, or on giving 60 days' notice to Unitholders where these do not alter the nature or risk profile of the schemes. 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 Financial Services and Markets Act 2000 and confirmation from the FCA that these changes will not affect the ongoing authorisation of the Fund.

## 2.1 Investment Restrictions

The property of the Fund will be invested with the aim of achieving the investment objective but subject to the limits set out in the FCA Rules, and as set out in Section 4 of this Prospectus, under the heading "Investment Powers and Borrowing Limits".

## C. THE CHARACTERISTICS OF UNITS IN THE FUND

### 1.1 Classes of Units

Several Classes of Unit may be issued in respect of the Fund. The Manager may make available within each Class net income Units, gross income Units, net accumulation Units and gross accumulation Units.

A net income Unit is one in respect of which income is distributed periodically to Unitholders, in accordance with relevant tax law net of any tax deducted or accounted for in respect of the Fund. A gross income Unit is one in respect of which income is distributed periodically to Unitholders, in accordance with relevant tax law, without some or any tax being deducted or accounted for in respect of the Fund. A net accumulation Unit is one in respect of which income (net of any tax deducted or accounted for in respect of the Fund) is credited periodically to capital within the Fund. A gross accumulation Unit is one in respect of which income is credited periodically to capital of the Fund but in

accordance with relevant tax law without deduction or otherwise of some or any tax in respect of the Fund.

Holders of income Units are entitled to be paid the income attributable to such Units of the appropriate Class on the interim and annual income allocation dates.

Holders of accumulation Units are not entitled to be paid the income attributable to such Units, but that income is automatically transferred to (and retained as part of) the capital assets of the Fund at the end of the relevant distribution period and is reflected in the price of an accumulation Unit. Where there are both net accumulation Units and gross accumulation Units within one Class, the proportions within the Class will be adjusted at the end of each distribution period.

Each Class may attract different charges and expenses and so monies may be deducted from Classes in unequal proportions. In these circumstances the proportionate interests of the Classes within the Fund will be adjusted accordingly in accordance with the terms of issue of Units of those Classes. Also, each Class may have its own investment minima or other features, such as (in the case of the second or further Class of Units in the Fund) restricted access, at the discretion of the Manager. Details are set out in Appendix A.

## 2.1 The characteristics of Units

The Unit Classes currently available for purchase are set out in the table below:

Class A 2000 Net Income Units
Class A 2006 Net Income Units

The nature of the right represented by Units is that of a beneficial interest under a trust.

## 3.1 Meetings of Unitholders and Voting Rights

A meeting of Unitholders duly convened may by resolution require, authorise or approve any act, matter or document in respect of which any such resolution is required or expressly contemplated by the FCA Rules, but shall not have any other powers.

Unitholders will receive at least 14 days' written notice of any meeting of Unitholders, inclusive of the day on which the notice is first served and the day of the meeting, and

are entitled to be counted in the quorum and vote at any such meeting either in person or by proxy or in the case of a body corporate by a duly authorised representative.

At any meeting of holders, on a show of hands every holder who (being an individual) is present in person or (being a corporation) is present by its representative properly authorised in that regard, shall have one vote. On a poll, every holder who is present in person or by proxy shall have one vote for every complete undivided Unit in the property of the Fund and a further part of one vote proportionate to any fraction of such an undivided Unit of which he is the holder. A holder 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.

To be passed as an extraordinary resolution, a resolution must be carried by a majority of not less than 75 per cent. of the votes cast at a meeting. Except where an extraordinary resolution is specifically required or permitted, any resolution of Unitholders will be passed by a simple majority of the votes validly cast.

The Manager is only entitled to be counted in a quorum and vote at a meeting (and any adjournment thereof) in respect of Units which they hold on or on behalf of or jointly with a person who, if himself the registered Unitholder would be entitled to vote and from whom they have received voting instructions. Associates of the Manager are entitled to be counted in the quorum but are only entitled to vote in respect of Units held by them on behalf of or jointly with a person who if himself the registered holder would be entitled to vote and from whom they have received voting instructions.

Where the Manager and its Associates hold all the Units and therefore every Unitholder is prohibited by the above provision from voting, it shall not be necessary to convene such a meeting and a resolution may, with the prior written agreement of the Trustee to the process, instead be passed with the written consent of Unitholders representing 50% or more, or for an extraordinary resolution 75% or more, as the Units of the Fund in issue.

In the context of despatch of notice and voting, “Unitholders” and “holders” means the persons who were entered on the register of holders seven days before the notice of meeting was sent out but excluding persons who are known to the Manager not to be Unitholders at the time of the meeting. Where any Unit is a participating security a Unitholder means a person entered on the register at the close of business on a day to be determined by the Manager which must not be more than 21 days before the notices of the meeting are sent out.



The above provisions, unless the context requires otherwise, apply to Class meetings as they apply to general meetings of the Fund, but by reference to the Units of the Class concerned and the holders and prices of such Units.

#### **D. RISK FACTORS**

*Investment in the Fund is suitable for investment only by those persons and institutions who understand the degree of risk involved and believe that the investment is suitable based upon investment objectives and financial needs. The following are important warnings and potential investors should consider the following risk factors before investing in the Fund.*

##### **1. General**

There are inherent risks in investment markets. Security prices are subject to market fluctuations and can be unpredictably affected by many and various factors including political and economic events and rumours. There can be no assurance that any appreciation in value of investments will occur. The value of investments and the income derived from them may go down as well as up and investors may receive less than the original amount invested.

There is no guarantee that the investment objective of the Fund will be achieved. It is important to note that past performance is not necessarily a guide to future returns or growth.

Investors will need to decide whether or not an investment vehicle of this nature is appropriate for their requirements.

##### **2. Investment in Emerging Markets**

Investors should be aware that some of the markets in which the Fund may invest are emerging markets which are undergoing a period of growth and change. Custodian practices are not as developed within emerging markets, which may lead to difficulties in the settlement and recording of transactions. The stock markets involved are smaller and more volatile than the securities markets in more developed countries and a large proportion of the market capitalisation and trading value on such stock exchanges may be represented by a small number of issuers. In the past, some of the exchanges have experienced substantial price volatility and closure. There can be no assurance that such circumstances will not recur.

In emerging markets there may be a risk of political or economic change which could adversely affect the value of the Fund's investments.

Accounting, auditing and financial reporting standards in some of the countries in which the Fund may invest may be lower than those applicable in other more developed countries and investment decisions may be required to be made on less complete information than is customarily available.

### **3. Currency Exchange Rates**

Investments may be made in assets denominated in various currencies and exchange rate movements may affect the value of an investment favourably or unfavourably, separately from the gains or losses otherwise made by such investments.

### **4. SDRT**

Investors should note that in certain circumstances a provision for SDRT may be applied on the purchase, sale or transfer of Units.

### **5. Dilution levy**

Investors should note that in certain circumstances a dilution levy may be applied on their purchase or redemption of Units (see "Dilution" under the heading "Buying and Selling Units" below).

### **6. Effect of Preliminary charge**

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

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

### **7. Investment in Collective Investment Schemes**

By operating within its objective and approach, the Fund will assume any specific risks associated with any investment in another collective investment scheme (including any unregulated collective investment scheme). In addition there are certain risks of more general application associated with such investments. For example, it is possible that it may be difficult to value an investment in a particular collective investment scheme made on behalf of the Fund, where the net asset value thereof is not easily ascertainable due

to suspension. Moreover, a particular fund may have liquidity problems and thus the Fund may not be able to liquidate its holdings in a particular fund from time to time. The lack of liquidity of such collective investment schemes may also give rise to problems in providing an accurate or up-to-date valuation of the Units of the Fund. Furthermore there may be additional costs to an investor with this strategy arising out of the double charging incurred on the realisation of an investment due to the charges levied by both the Fund and the underlying funds in which it invests.

Any second schemes in which the Fund invests will be established in the locations listed in Appendix C. The Fund may invest in second schemes established in locations not currently listed in Appendix C provided the second scheme satisfies the requirements of this clause 7 and the FCA Rules, where this occurs the list in Appendix C will be updated and an updated prospectus issued.

## **8. Investment in Unregulated Collective Investment Schemes**

- 8.1 The Fund may, subject to the FCA Rules, invest in unregulated collective investment schemes. Such schemes are subject to less onerous regulatory supervision than regulated schemes, and therefore may be considered higher risk.
- 8.2 These unregulated schemes may include hedge funds which may be illiquid, i.e. difficult to sell, and may also borrow to meet their objectives. This borrowing is likely to lead to volatility in the value of the scheme, meaning that a relatively small movement either down or up in the value of the scheme's total assets will result in a magnified movement in the same direction of scheme's net asset value.

## **9. Derivatives: general**

**The Investment Manager may employ derivatives for the purposes of meeting the investment objectives of the Fund. The use of derivatives in this manner may increase the risk profile of the Fund and may increase volatility in the Unit price of the Fund.**

**The value of these investments may fluctuate significantly. By holding these types of investments there is a risk of capital depreciation in relation to certain Fund assets. There is also the potential for capital appreciation of such assets.**

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

- 9.1 A transaction in derivatives or a forward transaction must not be effected for the Fund unless the transaction is of a kind specified in paragraph 10 (Permitted transactions (derivatives and forwards)) below, and the transaction is covered.
- 9.2 Where the Fund invests in derivatives, the exposure to the underlying assets must not exceed the limits set out in the FCA Rules relating to “Spread: general” and “Spread: government and public securities” except for index based derivatives where the rules below apply.
- 9.3 Where a transferable security or approved money-market instrument embeds a derivative, this must be taken into account for the purposes of complying with this section.
- 9.4 A transferable security or an approved money-market instrument will embed a derivative if it contains a component which fulfils the following criteria:
- 9.4.1 by virtue of that component some or all of the cash flows that otherwise would be required by the transferable security or approved money-market instrument which functions as host contract can be modified according to a specified interest rate, financial instrument price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, and therefore vary in a way similar to a stand-alone derivative;
  - 9.4.2 its economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract; and
  - 9.4.3 it has a significant impact on the risk profile and pricing of the transferable security or approved money-market instrument.
- 9.5 A transferable security or an approved money-market instrument does not embed a derivative where it contains a component which is contractually transferable independently of the transferable security or the approved money-market instrument. That component shall be deemed to be a separate instrument.
- 9.6 Where the Fund invests in an index based derivative, provided the relevant index falls within paragraph 15 (Financial Indices underlying derivatives), the underlying constituents of the index do not have to be taken into account for the purposes of the FCA Rules relating to “OTC transactions in derivatives”.
10. **Permitted transactions (derivatives and forwards)**

- 10.1 A transaction in a derivative must be in an approved derivative; or be one which complies with the FCA Rules relating to “OTC transactions in derivatives”.
- 10.2 A transaction in a derivative must have the underlying consisting of any one or more of the following to which the Fund is dedicated:
  - 10.2.1 transferable securities;
  - 10.2.2 approved money-market instruments permitted under the FCA Rules;
  - 10.2.3 deposits permitted derivatives under this paragraph;
  - 10.2.4 collective investment scheme units permitted under paragraph 7 (Investment in collective investment schemes);
  - 10.2.5 financial indices which satisfy the criteria set out in paragraph 12 (Financial indices underlying derivatives);
  - 10.2.6 interest rates;
  - 10.2.7 foreign exchange rates; and
  - 10.2.8 currencies.
- 10.3 A transaction in an approved derivative must be effected on or under the rules of an eligible derivatives market.
- 10.4 A transaction in a derivative must not cause the Fund to diverge from its investment objectives as stated in the Instrument of Incorporation and the most recently published version of this Prospectus.
- 10.5 A transaction in a derivative must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more, transferable securities, approved money-market instruments, units in collective investment schemes, or derivatives.
- 10.6 Any forward transaction must be with an Eligible Institution or an Approved Bank.
- 10.7 A derivative includes an investment which fulfils the following criteria:
  - 10.7.1 it allows transfer of the credit risk of the underlying independently from the other risks associated with that underlying;

10.7.2 it does not result in the delivery or the transfer of assets other than those referred to in the FCA Rules on “Investment Powers: general”, including cash;

10.7.3 in the case of an OTC derivative, it complies with the requirements in the FCA Rules on “OTC transactions in derivatives” and

10.7.4 its risks are adequately captured by the risk management process of the Manager and by its internal control mechanisms in the case of risk asymmetry of information between the Manager and the counterparty to the derivative resulting from the potential access of the counterparty to non-public information on persons whose assets are used as the underlying by that derivative.

## 11. Risk Management

11.1 Upon request to the Manager, Unitholders can receive information relating to:

11.1.1 the quantitative limits applying in the risk management of the Fund;

11.1.2 the methods used in relation to 11.1.1; and

11.1.3 any recent developments of the risk and yields of the main categories of investment in the Fund.

11.2 The FCA Rules require that Managers maintain a liquidity risk management process.

The Manager 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 Manager assesses 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:

11.2.1 liquidity of underlying investments;

11.2.2 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

11.2.3 the average holding period of unitholders in the Fund.

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

**12. Fixed Interest Securities**

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates increase, capital values may fall and vice versa. Inflation will erode the real value of capital. In addition, Companies may not be able to honour repayment on bonds they issue.

**13. Early Redemption**

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

**14. Other Risks**

Adverse changes in market and economic conditions, tax or other laws or regulations or accounting standards may have an adverse effect on the Fund's investments and on the value and consequences of holding the Units. However, it cannot be predicted whether such changes will occur or to what extent these changes may adversely affect the business of the Fund or the value of the Units.

**15. Suspension of Dealings**

In certain circumstances the right to redeem Units may be suspended (see "Suspension" on page 20).

**16. Smaller Companies**

Smaller companies can be subject to certain specific risks not normally associated with larger, more mature companies. These risks mainly relate to lack of product depth, limited geographical diversification and greater sensitivity to economic conditions. Furthermore, the marketability of shares in smaller companies is often restricted.

**17. Leverage Risk**

Leverage is where a Trust 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 Trust.

## **E. PRICING OF UNITS**

The Manager deals on a forward price basis, that is to say at the price for each Class of Unit in the Fund as at the next Valuation Point following the Manager's agreement to issue or redeem Units.

Units will be "single priced", with the same price for buying or selling on any particular day. A preliminary charge payable to the Manager may increase the amount the investor pays when buying Units, and redemption charges (likewise payable to the Manager) may reduce the amount an investor receives on selling his Units.

### **1.1 Valuation of Property**

Valuations of the Fund will take place at the Valuation Point on each Dealing Day, which shall be 12.00 noon.

The property of a Fund is valued in accordance with the FCA Rules and the provisions of the Trust Deed, and as set out in Section 5 hereto. Where mid-market valuations are not available, assets will to be valued on a fair value basis.

The Manager may carry out additional valuations of the Fund if it considers it desirable. The Manager shall inform the Trustee of any decision to carry out such additional valuations. Valuations may also be carried out for effecting a scheme of arrangement or reconstruction, which do not create a Valuation Point for the purposes of dealings.

The Manager will, forthwith upon completing each valuation, notify the Trustee of the price of a Unit of each Class.

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

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

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.

### **2.1 Publication of Prices**



The most recent prices will appear daily on the Financial Express website at [www.trustnet.com](http://www.trustnet.com) and can also be obtained by telephone on 0141 222 1150.

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

### **3.1 Equalisation**

When a Unit is issued to an incoming holder, part of the purchase price will reflect the relevant share of accrued income of the Fund. The first allocation of income in respect of a Unit issued during an accounting period includes a capital sum by way of income equalisation. The amount of income equalisation is calculated by dividing the aggregate of the amounts of income included in the creation price of income Units issued or reissued in an accounting period by the number of those Units and applying the resulting average to each of the Units in question.

Due to the complexity of assessing equalisation, the Trust Deed for the Fund allows all the payments in respect of Units in the same Class for each allocation period to be grouped together and for the refund to each holder of an equal amount in respect of each of these Units.

### **4.1 Accounting Reference Dates and Distributions**

The annual accounting period of the Fund ends on 31 March in each year.

There is an interim accounting period which ends on 30 September and half-yearly consolidated accounts will be made up to such date each year.

Distributions of income for the Fund are made on or before the annual distribution date of 30 June and on or before the interim allocation date of 30 November each year. All distributions will be paid to Unitholders electronically to their bank.

Income is allocated to holders of the income Units at the end of each accounting period, including an interim accounting period, and is automatically paid to Unitholders unless a Unitholder elects in his application form or otherwise requests in writing, giving 30 days' notice prior to a distribution date, to receive all the income allocated to his Units by way of reinvestment to acquire further Units in the Fund. Note that where an election for re-investment of income is made the resulting new Units will be of the then current open Class in the Fund.

Holders of accumulation Units are not entitled to be paid the income attributable to such Units; the income is automatically transferred to (and retained as part of) the capital assets of the Fund on the relevant interim and annual accounting date. The price of the accumulation Units increases to reflect this.

The amount available for the Fund in any accounting period is calculated by taking the aggregate of the income received or receivable by the Fund in respect of that period, deducting the aggregate of the Manager's and Trustee's remuneration and other payments properly paid or payable from the Fund out of the income account in respect of that accounting period, and adding the Manager's best estimate of any relief from tax on that remuneration and those other payments. The Manager then makes such other adjustments as it considers appropriate (and after consulting the auditors as appropriate) in relation to taxation, the proportion of the prices received or paid for Units that is related to income (taking into account any provision in the Trust Deed relating to income equalisation), potential income which is unlikely to be received until 12 months after the income allocation date, income which should not be accounted for on an accrual basis because of lack of information as to how it accrues, transfers between the income and capital account, and other matters.

The Manager and the Trustee have agreed a de minimis amount of £20 in respect of distribution of income payments made by cheque.

If a distribution remains unclaimed for a period of 6 years after it has become due it will be forfeited and will revert to the Fund.

## **5.1 Client Money**

As required by the FCA's client money rules, the Manager 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 Manager. Client money will be held in a designated client money account with NatWest Group plc.

The Manager 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 unitholders 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 Manager is covered by the Financial Services Compensation Scheme (FSCS). The FSCS may pay compensation if the Manager 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.

## **F. BUYING AND SELLING UNITS**

The dealing office of the Manager is open from 9.00 am until 5.00 pm on each Business Day to receive requests for the purchase, redemption and switching of Units, which will be effected at prices determined at the next Valuation Point following receipt of such request. Telephone calls may be recorded for training and monitoring purposes. The Manager may also, at its discretion, introduce further methods of dealing in Units in the future.

### **1.1 Buying**

#### **Procedure**

Units can be purchased by sending a completed application form to the Manager'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 Manager's bank account. Application forms are available from the Transfer Agency Team. The Manager will accept written instructions accompanied by payment for subsequent transactions which can be carried out by writing to the Transfer Agency Team at 177 Bothwell Street, Glasgow, G2 7ER. The Manager will also accept telephone purchases from FCA regulated entities for subsequent investments, which may purchase Units by telephoning the Manager on 0141 222 1150. Where an instruction has been received by telephone, settlement is due within 4 Business Days of the Valuation Point. Purchases made by telephone are subject to risk limits at the Manager's discretion, and the Manager may at its discretion reject or defer an instruction to purchase Units until it is in receipt of cleared funds for the purchase (when the purchase of Units will be placed at the next Valuation Point following receipt of cleared funds). An order for the purchase of Units will only be deemed to have been accepted by the Manager once it is in receipt of cleared funds for the application.

Telephone calls may be recorded by the Manager, 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.

The Manager, at its discretion has the right to cancel a purchase deal if settlement is materially overdue (being more than 5 Business Days of receipt of an application form or other instruction) and any loss arising on such cancellation shall be the liability of the

applicant. The Manager is not obliged to issue Units unless it has received cleared funds from an investor.

The Manager reserves the right to charge interest at 4% per annum above the prevailing Bank of England base rate, on the value of any settlement received later than the 4th Business Day following the Valuation Point.

The Manager will not accept applications to purchase Units by electronic communication.

The Manager has the right to reject, on reasonable grounds relating to the circumstances of the applicant, any application for Units in whole or part, and in this event the Manager will return any money sent, or the balance of such monies, at the risk of the applicant. In addition the Manager may reject any application previously accepted in circumstances where the applicant has paid by cheque and that cheque subsequently fails to be cleared.

Any subscription monies remaining after a whole number of Units has been issued will not be returned to the applicant. Instead, smaller denomination Units will be issued in such circumstances.

No interest payment will be made on client money held by the Manager, prior to investment in the Fund. Client money will be held in a designated client money account with the NatWest Group plc.

Unitholders have the right to cancel their transactions within 14 calendar days of receipt of their contract note. If a Unitholder 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 unit price since the date of investment. This may result in a loss on the part of Unitholders. If Unitholders wish to exercise their right to cancel they should write to the Transfer Agency team at 177 Bothwell Street, Glasgow, G2 7ER. Unitholders will not be able to exercise their cancellation rights after 14 calendar days of receipt of their contract note. Unitholders should note that in certain circumstances, there may be a delay in returning their investment.

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

A contract note giving details of the Units purchased and the price used will be issued to the Unitholder (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.

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

### **Minimum subscriptions and holdings**

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

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

### **In Specie Issue**

If a Unitholder requests, the Manager may at its discretion and subject to the approval of the Investment Manager and the Trustee, arrange for the Fund to accept permitted assets other than cash in settlement of a purchase of Units as provided for in the FCA Rules. In particular the Manager and Trustee will only do so where satisfied that the acceptance of the assets concerned would not be likely to result in any material prejudice to the interests of Unitholders.

## **2.1 Selling**

### **Procedure**

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

Requests to redeem Units may be made in writing to the Transfer Agency Team at 177 Bothwell Street, Glasgow, G2 7ER. The Manager may also, at its discretion and by prior agreement accept instructions to redeem Units from FCA regulated entities to the Manager by telephone on 0141 222 1150 or by fax. The Manager will not accept requests

to redeem Units by electronic communication nor is it possible to transfer Units on the authority of an electronic communication.

Telephone calls may be recorded by the Manager, 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.

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

A contract note giving details of the number and price of Units sold will be sent to the selling Unitholder (the first named, in the case of joint Unitholders) or their duly authorised agents together (if sufficient written instructions have not already been given) with a form of renunciation for completion and execution by the Unitholder (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 Manager of the form of renunciation (or other sufficient written instructions) duly signed by all the relevant Unitholders and completed as to the appropriate number of Units, together with any other appropriate evidence of title; or
- (b) the Valuation Point following receipt by the Manager of the request to redeem.

### **Minimum Redemption**

Part of a Unitholder's holding may be sold but the Manager reserves the right to refuse a redemption request if the value of the Units to be redeemed is less than any minimum redemption amount set out in Appendix A or would result in a Unitholder holding less than the minimum holding, as detailed in Appendix A. In the latter case the Unitholder may be asked to redeem their entire unitholding.

### **In Specie Redemption**

If a Unitholder requests the redemption of Units, the Manager may, if it considers the deal substantial in relation to the total size of the Fund, arrange for the Fund to cancel the Units and transfer Scheme Property to the Unitholder instead of paying the price of the Units in cash, or, if required by the Unitholder, pay the net proceeds of sale of the

relevant Scheme Property to the Unitholder. A deal involving Units representing 5% or more in value of the Fund will normally be considered substantial, although the Manager may in its discretion agree an in specie redemption with a Unitholder whose Units represent less than 5% in value of the Fund concerned.

Before the proceeds of cancellation of the Units become payable, the Manager will give written notice to the Unitholder that Scheme Property (or the proceeds of sale of that Scheme Property) will be transferred to that Unitholder.

The Manager will select the property to be transferred (or sold) in consultation with the Trustee and the Investment Manager. They must ensure that the selection is made with a view to achieving no greater advantage or disadvantage to the redeeming Unitholder than to continuing Unitholders, and any such redemption as set out above, shall be subject to a retention by the Fund from that property (or proceeds) the value (or amount) of any SDRT to be paid on the cancellation of Units.

#### **Direct Issue or Cancellation of units by an ICVC through the Manager**

The Manager may require, on agreement with the Trustee, or may permit, on the request of a Unitholder, direct issues and cancellations of Units by the Fund.

#### **Switching**

If applicable, a Unitholder may at any time switch all or some of his Units ("Old Units") for units of another class of the Fund ("New Units") (a "Switch"). The number of New Units issued will be determined by reference to the respective prices of New Units and Old Units at the Valuation Point applicable at the time the Old Units are repurchased and the New Units are issued.

Switching may be effected by writing to the Manager and the Unitholder may be required to complete a switching form (which, in the case of joint Unitholders must be signed by all the joint holders). The Manager may, at its sole discretion and by prior agreement, accept switching instructions by telephone from FCA regulated entities only.

Telephone calls may be recorded by the Manager, 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.



The Manager may at its discretion charge a fee on the switching of units between classes. These fees are set out in Section G(1).

If the Switch would result in the Unitholder holding a number of Old Units or New Units of a value which is less than the minimum holding, the Manager may, if it thinks fit, convert the whole of the applicant's holding of Old Units to New Units or refuse to effect any Switch of the Old Units. No Switch will be made during any period when the right of Unitholders to require the redemption of their Units is suspended. The general provisions on selling Units shall apply equally to a Switch.

The Manager may adjust the number of New Units 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 Units or repurchase or cancellation of the Old Units as may be permitted pursuant to the FCA Rules.

A switch of units 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.

A switch of units in one fund for units in any other fund will not be given a right by law to withdraw from or cancel the transaction.

### **Unit Class Conversions**

If applicable, a holder of units in a unit class ("Old Class Units") of a fund may exchange all or some of his units for units of a different Unit Class within the same fund ("New Class Units"). An exchange of Old Class Units for New Class Units will be processed as a conversion ("Unit Class Conversion"). Unlike a Switch, a conversion of Old Class Units into New Class Units will not involve a redemption and issue of units. This transaction will not be included in the calculations for SDRT (see "Taxation" for further details), and for the purposes of income equalisation the New Class Units will receive the same treatment as the Old Class Units.

The number of New Class Units issued will be determined by a conversion factor calculated by reference to the respective prices of New Class Units and Old Class Units at the Valuation Point applicable at the time the Old Class Units are converted to New Class Units.

Conversions may be effected by writing to the Transfer Agency Team (which, in the case of joint Unitholders must be signed by all the joint holders). A converting Unitholder must be eligible to hold the Units into which the conversion is to be made. The Manager may, at its discretion and by prior agreement, accept conversion instructions by telephone from FCA regulated entities only. It is the Manager's intention that Unit Class Conversions will be processed at the next Valuation Point following receipt of the instruction, however the Manager reserves the right to defer a Unit Class Conversion until no later than after the next annual accounting date if it is in the interests of other Unitholders.

Telephone calls may be recorded by the Manager, 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.

If the conversion would result in the Unitholder holding a number of Old Class Units or New Class Units of a value which is less than the minimum holding in the unit class concerned, the Manager may, if it thinks fit, convert the whole of the applicant's holding of Old Class Units to New Class Units or refuse to effect any conversion of the Old Class Units.

Please note that, under current tax law, a conversion of units between different unit classes in the same Fund will not be deemed to be a realisation for the purposes of capital gains taxation.

A Unitholder who converts their units in one unit class to units in a different unit class in the same Fund will not be given a right by law to withdraw from or cancel the transaction.

### **3.1 Non-Qualified Persons**

If it comes to the notice of the Manager that any Units are or may be owned or held legally or beneficially by a Non-Qualified Person ("Affected Units") the Manager may give notice to the registered holder of the Affected Units requiring the transfer of such Affected Units to a person who is not a Non-Qualified Person or give a request in writing for the redemption or cancellation of such Affected Units in accordance with the FCA Rules and this Prospectus. If any person upon whom such a notice is served does not within thirty days after the date of such notice transfer the Affected Units to a person who is not a Non-Qualified Person, or establish to the satisfaction of the Manager (whose judgement shall be final and binding) that he and any person on whose behalf he holds the Affected

Units are not Non-Qualified Persons, he shall be deemed upon the expiration of that thirty day period to have given a request in writing for the redemption or cancellation (at the discretion of the Manager) of the Affected Units pursuant to the FCA Rules and this Prospectus.

A person who becomes aware that he has acquired or holds Affected Units shall forthwith, unless he has already received a notice referred to above either transfer or procure the transfer of all the Affected Units to a person who is not a Non-Qualified Person or give a request in writing or procure that a request is so given for the redemption or cancellation of all the Affected Units pursuant to the FCA Rules or this Prospectus.

A Non-Qualified Person means any person to whom a transfer of Units (legally or beneficially) or by whom a holding of Units (legally or beneficially) would or, in the opinion of the Manager, might:

- (A) be an infringement of any law, governmental regulation or rule (or any interpretation of a law, governmental regulation or rule by a competent authority) of any country or territory by virtue of which the person in question is not qualified to hold such Units; or
- (B) require the Fund to be registered under any law or regulation whether as an investment fund or otherwise or cause the Fund to be required to apply for registration or comply with any registration requirements in respect of any of its Units in any jurisdiction; or
- (C) cause the Fund or its Unitholders some legal, regulatory, taxation, pecuniary or material administrative disadvantage which the Fund or its Unitholders might not otherwise have incurred or suffered.

#### **4.1 Transfer of Units**

Unitholders are entitled to transfer their Units to another person or body. All transfers must be in writing in the form of an instrument of transfer approved by the Manager for this purpose. Completed instruments of transfer must be returned to the Manager in order for the transfer to be registered by the Manager. The Manager may refuse to register a transfer in the same circumstances as it may reject an application for Units or, unless an amount equivalent to the applicable SDRT has been paid.

#### **5.1 Dilution**

The Fund may suffer a reduction in value as a result of the costs incurred in dealing in its underlying investments and of any spread between the buying and selling prices of such investments (“dilution”). With a view to countering this, the Manager may require the payment of a dilution levy (“dilution levy”) to the Fund as an addition to the price of Units on their issue or sale by the Manager or as a deduction on their cancellation or redemption by the Manager, but it does not at present intend to do so.

The Manager reserves the right to charge a dilution levy of up to 2 per cent of the value of the transaction on “large deals” i.e. if the value of any sale, redemption, issue or cancellation from a single Unitholder or a single intermediary (or a series of sales, redemptions, issues or cancellations from a single Unitholder or a single intermediary in respect of the same Valuation Point) in any Fund exceeds £500,000. If a dilution levy is required then, based on future projections the estimated rate or amount of such levy will be between 0.24% on sales (creation) and 0.11% on redemptions (liquidation), however this is only an estimate, as the actual calculation will be based on the composition of the underlying assets of the fund at the time the dilution is applied.

On the occasions when the dilution levy is not applied there may be an adverse impact on the total assets, and consequently the future growth, of the Fund. As dilution is directly related to the inflows and outflows of monies from the Fund it is not possible to accurately predict whether dilution will occur at any future point in time.

## **6.1 Suspension**

The Manager may, with the prior agreement of the Trustee or shall, if the Trustee so requires, temporarily suspend the issue, cancellation, purchase and redemption of units for as long a period as is necessary if it, or the Trustee in the case of any requirement by

it, is of the opinion where due to exceptional circumstances it is in the interests of all the unit holders in the authorised fund.

The Manager and the Trustee must formally review the suspension at least every 28 days and inform the FCA of the result of this review with a view to ending the suspension as soon as practicable after the exceptional circumstances have ceased.

The Manager must ensure that a notification of the suspension is made to Unitholders of the authorised fund as soon as practicable after suspension commences.

The circumstances under which suspension of dealing may occur include, for example, those where the Manager cannot reasonably ascertain the value of the assets or realise assets of a Fund, or the closure or suspension of dealing on a relevant exchange.

This suspension may be restricted to any single Class within the Fund.

During a suspension, the Manager will inform any Unitholder who requests a sale or redemption of units that all dealings in units have been suspended and that that Unitholder has the option to withdraw the request during the period of suspension or have the request executed at the first opportunity after the suspension ends. The withdrawal of a redemption notice must be provided to the Manager in writing. Any notice not withdrawn will be dealt with on the Dealing Day next following the end of the suspension.

Re-calculation of prices will commence at the Valuation Point for the relevant class or Fund on the Dealing Day immediately following the end of the suspension.

## **7.1 Money Laundering**

As a result of legislation in force in the United Kingdom to prevent money laundering, the Manager is responsible for compliance with anti-money laundering regulations. In order to implement these procedures, Unitholders will be asked to provide some proof of identity when buying or selling Units. The Manager may use an external agency to verify an investor's identity to comply with the UK anti-money laundering requirements. The Manager's verification procedures may include an electronic search of information held about you on the electoral roll and the use of credit reference agencies. If you complete an application form you are giving the Manager permission to ask for this information in line with the Data Protection Act 1998. If you invest through a financial adviser they must fill an identity verification certificate on your behalf and send it to the Manager with your application.

Until satisfactory proof of identity is provided, the Manager reserves the right to refuse to issue or transfer Units, pay the proceeds of a redemption of Units, or pay income from Units to the investor.

## **G. CHARGES AND EXPENSES OF THE FUND**

### **1.1 Management Charges**

#### **(i) Preliminary Charge**

The Manager's preliminary charge, which is included in the buying price of the Units, is currently 5 per cent. of the price of the Units.

The Manager may waive or discount the preliminary charge at its discretion.

#### **(ii) Manager's Periodic Fee**

The Manager is also entitled under the Trust Deed to receive out of the Scheme Property of the Fund, with effect from the Dealing Day on which Units of any Class are first allotted, a fee calculated and accrued daily, based on the month-end valuation from the previous month, at the annual percentage rate set out in Appendix A ("Manager's Periodic Fee"). The Manager's Periodic Fee is payable in Pounds Sterling in arrears on the last Business Day of each month (or if the date of termination of the Trust Deed is not on such a day, on that date).

The level of these charges may vary for different Classes and is expressed as a percentage of the net asset value of the proportion of the property attributable to each Class.

#### **(iii) Redemption Charge**

The Manager may make a charge (a "Redemption Charge") upon: (i) a redemption of Units by the Manager as principal; or (ii) a cancellation of Units by the Manager acting on behalf of the Fund; or (iii) a cancellation of Units at the request of a Unitholder.

If the Manager makes a Redemption Charge it shall be equivalent to 5 per cent. of the total amount realised on the redemption. For these purposes Units will be redeemed on a "first in, first out" basis.

The Manager may waive or discount the redemption charge at its discretion.

#### **(iv) Switching Charge**

The Manager may make a switching charge upon a switch by a Unitholder of Units in one class for units in another class but does not currently intend to do so.

## 2.1 Investment Manager's fees

The Investment Manager's fees and expenses (plus any VAT thereon) are paid out of the Scheme Property of the Fund. The Investment Manager's fee accrues daily and is calculated by reference to the value of the Company managed by the Investment Manager on the last Business Day of the preceding month. The fee is payable monthly in arrears on receipt of the invoice from the Investment Manager. Rates are set out in Appendix A.

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.

Details of the Evelyn Partners Fund Solutions Limited remuneration policy are available on the website <https://www.evelyn.com/regulatory/remuneration-code-disclosure>.

A paper copy of the remuneration policy can be obtained free of charge by telephoning 0141 222 1151.

Any fees payable to the Manager may be reduced or waived by the Manager at its discretion.

## 3.1 Trustee's Fees and Expenses

The Trustee receives for its own account a periodic fee which will accrue daily and is payable monthly on the last business day in each calendar month in respect of that day and the period since the last business day in the preceding month and is payable within seven days after the last business day in each month. The fee is calculated by reference to the value of the Fund 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 Fund. The rate of the periodic fee is agreed between the Manager and the Trustee and is currently 0.03% per annum, subject to a current minimum of £7,500.

These rates can be varied from time to time in accordance with the FCA Rules.



The first accrual in relation to any Fund will take place in respect of the period beginning on the day on which the first valuation of that Fund is made and ending on the last business day of the month in which that day falls.

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

<b>Item</b>	<b>Range</b>
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

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 Trustee and the Manager. Custody charges accrue and are payable as agreed from time to time by the Manager and the Trustee.

Where relevant, the Trustee 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 Fund and may purchase or sell or deal in the purchase or sale of Scheme Property, provided always that the services concerned and any such dealing are in accordance with the provisions of the FCA Rules.

The Trustee 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 Trust Deed, the FCA Rules or by the general law.

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

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

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

#### 4.1 Other Expenses

No additional payments may be made out of a Fund's Property other than payments permitted by the FCA Rules which shall include the following:

- (i) any legal advice taken in relation to the Fund;
- (ii) broker's commission, fiscal charges and other disbursements (including VAT) which are:
  - (a) necessary to be incurred in effecting transactions for a Fund, and
  - (b) normally shown in contract notes, confirmation notes and difference accounts as appropriate;
- (iii) interest on borrowings permitted under the Fund and charges incurred in effecting or terminating such borrowings or in negotiating or varying the terms of such borrowings;
- (iv) taxation and duties payable in respect of the property of a Fund, the Trust Deed or the issue of Units and any SDRT charged in accordance with Schedule 19 of the Finance Act 1999;
- (v) the costs of convening and holding meetings of holders;
- (vi) the costs of printing and distributing any documents required by the FCA Rules and any costs incurred as a result of periodic updates or changes to such documents and any other administrative expenses; with regard to the Simplified Prospectus, the FCA Rules allow only for the costs relating to the preparation and printing of this document to be made out of the Fund's property and

- (vii) any costs incurred in publishing the prices of Units, including the costs of listing the prices of Units in publications and information services selected by the Manager, including the Financial Times.
- (viii) the audit fee properly payable to the Auditors (including VAT) and any proper expenses of the Auditor;
- (ix) the fees properly payable to a standing independent valuer (including VAT) and any proper expenses of the valuer;
- (x) any payment permitted by the FCA Rules on payment of liabilities on transfer of assets;
- (xi) the fees of the FCA under Schedule 1 Part III of the Act (or the corresponding fees of any regulatory authority in a country or territory outside of the United Kingdom in which Units are or maybe lawfully marketed);
- (xii) any costs incurred in producing and despatching dividends or other payments of the fund; and
- (xiii) any VAT payable in connection with any of the above.

The expenses of the Fund will be charged to capital. This may result in capital erosion and/or constrain capital growth.

The costs of the authorisation and creation of the Fund will be borne by the Manager.

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

## **H. WINDING-UP OF THE FUND**

### **1.1 Circumstances where winding-up of the Fund may occur**

- (a) The Trustee shall proceed to wind-up the Fund:-
  - (i) if the order declaring the Fund to be an authorised unit trust scheme is revoked; or

- (ii) if required alterations have been made to the Trust Deed and Prospectus in connection with the termination of the Fund in accordance with s.251 of the Act; or
  - (iii) if the Manager or the Trustee requests the FCA to revoke the order declaring the Fund to be an authorised unit trust scheme and the FCA has agreed (provided no material change in any relevant factor occurs) that on the winding-up of the Fund, the FCA will accede to that request; or
  - (iv) on the passing of an extraordinary resolution winding up the Fund, provided the FCA's prior consent to the resolution has been obtained by the Manager or Trustee; or
  - (v) on the effective date of a duly approved scheme of arrangement which results in the Fund being left with no property.
- (b) If any of the events set out in (a) above occurs, the FCA Rules on “Dealing”, “Valuation and Pricing” and “Investment and Borrowing Powers” will cease to apply, the Trustee shall cease the issue and cancellation of Units, and the Manager will stop buying, selling and arranging the issue or cancellation of Units in respect of the Fund.

## 2.1 Manner of winding-up

In the case of a scheme of arrangement, the Trustee shall wind-up the Fund in accordance with the approved scheme of arrangement.

In any other case, the Trustee shall, as soon as practicable after the Fund falls to be wound-up, realise the assets of the property of the Fund and, after paying out or retaining provision for all liabilities properly payable and for the costs of the winding-up or termination, distribute the proceeds to the Unitholders and the Manager proportionately to the size of their holdings in the Fund.

Where the Trustee and one or more Unitholders agree, the requirement to realise the property of the Fund does not apply to that part of the property proportionate to the entitlement of that or those Unitholders.

The Trustee may distribute the part of the property of the Fund referred to above in the form of property, after making adjustments or retaining provisions as appears appropriate to the Trustee for ensuring that, that or those Unitholders bear a proportional share of the liabilities and costs.

Any unclaimed net proceeds or other cash held by the Trustee after twelve months from the date the proceeds become payable, shall be paid by the Trustee into court, although the Trustee will have the right to retain any expenses incurred in making that payment. On completion of the winding-up, the Trustee shall notify the FCA in writing of that fact and the Trustee or the Manager shall request the FCA to revoke the order of authorisation.

## **I. OTHER INFORMATION**

### **1.1 Reports**

An Annual report of the Trust 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.

### **2.1 Trust Deed**

A copy of the Trust Deed and any Supplemental Trust Deeds of the Fund may be obtained from, or inspected at, the registered office of the Manager.

### **3.1 Base Currency**

The base currency of the Fund is Pounds Sterling.

### **4.1 Taxation**

#### ***General and Disclaimer***

The taxation of income and capital gains of both the Fund and Unitholders is subject to the fiscal law and tax authority practice of the United Kingdom ("UK") and of the jurisdictions in which Unitholders are resident or otherwise subject to tax. The following summary of the anticipated tax treatment in the UK does not constitute legal or tax advice and applies only to persons holding Units as an investment.

Prospective investors should consult their own professional advisers on the tax implications of making an investment in, holding, converting between or disposing of Units

and the receipt of distributions and accumulations with respect to such Units under the laws of the countries in which they may be liable to taxation.

This summary is based on the taxation law and practice in force at the date of this document, but prospective investors should be aware that the relevant fiscal rules and practice or their interpretation may change. The following tax summary is not a guarantee to any investor of the tax results of investing in the Fund.

Please note that the tax treatment of investors depends on their individual circumstances and may be subject to change in the future, which could affect the value of your investments.

### ***The Fund***

As an authorised unit trust, capital gains or losses realised by the Fund are exempt from UK taxation. Subject to the provisions below, the Fund will be liable to corporation tax at the rate of 20 per cent, on its income from investments after relief for allowable expenses.

The Fund is not subject to tax on dividends and similar distributions from UK resident companies.

To the extent that the Fund receives income from, or realises gains on investments issued in, foreign countries, it may be subject to foreign withholding or other taxation in those jurisdictions. It may be possible for the Fund to offset such taxation against its corporation tax liabilities by way of double taxation relief.

The Fund is not liable to account to HM Revenue & Customs for any tax or to deduct any withholding in respect of dividend distributions or accumulations.

When making an interest distribution the Fund is generally required to deduct tax at source at the lower rate (currently 20 per cent.) from the amount paid to Unitholders. The Fund may, however, pay interest distributions gross (i.e. without deduction of tax) to Unitholders who certify (by way of a valid non-residence declaration) that they are not resident in the UK and to the extent that such interest distributions are sourced out of "eligible income" of the Fund. "Eligible income" is, broadly, any interest on securities, foreign dividends and any other amount which is not subject to income tax by deduction. Eligible income does not include franked investment income; income from UK land and any amount afforded double tax relief. In addition the Fund may pay interest distributions

gross to Unitholders which the Fund reasonably believes are subject to corporation tax. The Fund may require such Unitholders to produce evidence that they are within the charge to corporation tax. The Fund may also pay interest distributions gross to a Unitholder that the Fund reasonably believes to be a charity, a pension fund, an Individual Savings Account manager or a Personal Equity Plan manager.

### ***The Unitholder***

#### ***Dividend Distributions and Accumulations.***

Dividend distributions and accumulations made by the Fund comprise income for UK tax purposes. Except for Unitholders within the charge to corporation tax, (as explained below), dividend distributions and accumulations carry a tax credit equivalent to 10 per cent. of the aggregate of the distribution or accumulation and the tax credit (i.e. one ninth of the amount distributed or accumulated).

UK resident individuals and certain trusts liable to UK income tax will be taxable on the sum of their dividend distributions and accumulations and associated tax credits but will be entitled to set the tax credits against their UK income tax liability. In the case of UK resident individual Unitholders who are liable to income tax at the starting rate or the basic rate the tax credit will match the income tax liability in respect of the dividend distribution or accumulation and there will be no further tax to pay and no right to claim any repayment from HM Revenue & Customs. A UK resident individual who is not liable to pay income tax in respect of the gross dividend distribution or accumulation, or any part thereof, will not be entitled to reclaim tax credits associated with those dividend distributions and accumulations. Where a Unitholder holds Units in an Individual Savings Account (“ISA”) the Unitholder will be exempt from income tax on dividend distributions and accumulations paid in respect of such Units. UK resident individual Unitholders liable to income tax at the higher rate will be subject to income tax on the gross dividend distributions or accumulations at 32.5 per cent to the extent that the gross distribution or accumulation when treated as the top slice of income falls above the threshold for higher rate income tax but will be able to set the tax credit off against part of this liability. Individual Unitholders with taxable income in excess of £150,000 will be subject to income tax on the amount of the gross dividend at the additional rate of 37.5% but will still be able to set off the tax credit against this liability.

Unitholders within the charge to corporation tax will generally not be subject to corporation tax in respect of dividend distributions or accumulations. However, where

the Fund's gross income is not wholly derived from UK dividend income, the dividend distribution or accumulation is treated in whole or in part as an annual payment received by such Unitholders after deduction of income tax at the lower rate of 20 per cent. Only that part of the dividend distribution or accumulation which represents the Fund's other income will be liable to corporation tax and treated as an annual payment. Such Unitholders will be subject to corporation tax on the grossed-up amount of the annual payments but will be entitled to a credit for the tax treated as already paid. The maximum amount of income tax, if any, that may be reclaimed by corporate Unitholders from HM Revenue & Customs is their portion of the Fund's net liability to corporation tax in respect of the gross income.

Investors who are UK pension funds or who hold Units in an ISA are no longer entitled to reclaim the tax credits on dividend distributions or accumulations made by the Fund.

A Unitholder resident in a country other than the UK will not generally be entitled to a payment from HM Revenue & Customs in respect of the tax credit relating to the dividend distributions or accumulations to which he or she is entitled.

#### *Interest Distributions and Accumulations*

Interest distributions and accumulations paid to UK resident individuals and other Unitholders liable to income tax will suffer deduction of tax at source at the rate of 20 per cent. Such taxpayers will be taxable on the sum of their gross distributions or accumulations received during the relevant tax year, but they will be entitled to use the income tax withheld as a credit against their UK income tax liability. Such withholding will satisfy the liability of starting and basic rate taxpayers to tax on the income. Higher rate taxpayers will have additional tax to pay to the extent that the gross distributions or accumulations are treated as falling above the threshold for higher rate tax. If the total income of the Unitholder is less than his or her personal allowances, the tax withheld can be the subject of a repayment claim.

Unitholders subject to corporation tax should receive their interest distributions or accumulations without suffering any deduction of tax at source. Such Unitholders will be subject to corporation tax on the amount of the distribution or accumulation. Interest distributions and accumulations made on Units held by pension funds, or charities, or in ISAs, may be made without deduction of tax.

#### *Non-resident Unitholders*



Unitholders who are not resident in the UK (for tax purposes) should consult their own tax advisers concerning their tax liability on income distributions and dividend distributions received or accumulated, their entitlement to reclaim any part of the tax credit or tax withheld and, if they are so entitled, the procedure for doing so. A Unitholder resident outside the UK may also be subject to foreign taxation on distributions received or accumulated under local law.

#### *Tax Vouchers*

All Unitholders will be sent tax vouchers stating the make-up of their distributions or accumulations, showing in each case their taxable income and applicable tax credits.

#### *Equalisation*

Since the Fund operates equalisation, the first allocation made after the acquisition of Units will include an amount of equalisation. This amount corresponds to the income included in the price at which the Units were acquired (subject to grouping where appropriate) and represents a capital repayment for UK tax purposes which should be deducted from the cost of the Units in arriving at any capital gain realised on their subsequent disposal. Income accumulated (including any equalisation) can be added to the costs of accumulation Units in computing the amount of any gain arising on the subsequent disposal of accumulation Units.

#### *Disposal of Units*

Unitholders who are resident in the UK for tax purposes may be liable to capital gains tax or, if a company, corporation tax in respect of any gains arising from the sale or other disposal of units. Conversions between Classes of Units within the same Fund are not treated as giving rise to a disposal for capital gains tax purposes provided that no consideration is given or received other than the old and new Units. The new Units received on conversion will be treated as having the same date of acquisition and the same capital gains tax cost as the original Units. Individuals who are temporarily not resident in the UK may also be liable to UK taxation on capital gains, under anti-avoidance legislation.

#### *Other Tax Considerations*

Under the rules for the taxation of interest distributions contained in the Authorised Investment Funds (Tax) Regulations 2006, if the Fund has more than 60 per cent by market

value of its investments in debt securities, money placed at interest (other than cash awaiting investment), building society shares, certain derivative contracts or holdings in unit trusts or offshore funds or open-ended investment companies with, broadly, more than 60 per cent of their investments similarly invested, corporate investors will be taxed on any increase (or relieved for any loss) in the open market value of their interest at the end of each accounting period and at the date of disposal of their interest as income. Authorised unit trusts, open-ended investment companies and investment trusts should not be affected by these rules provided that they treat returns on the Units as “capital profits, gains or losses” (as defined) in their accounts, although the rules may apply to investors in such trusts. Special rules apply to insurance companies.

### ***Inheritance Tax***

Units beneficially owned by a person domiciled outside the UK are “excluded property” for the purposes of inheritance tax.

The above statements are based on the Manager’s understanding of current UK law and HM Revenue & Customs practice at the date of this document. The future basis and rates of taxation may change without warning. Although every effort has been made to ensure its accuracy, no responsibility can be taken for this interpretation. Unitholders are recommended to consult their professional advisers if they are in any doubt as to their individual tax position.

### ***Stamp Duty or Stamp Duty Reserve Tax (SDRT)***

It has been announced that the Finance Bill 2014 will include provisions to abolish SDRT on dealings in units in authorised unit trusts with effect from April 2014. The current regime for SDRT imposes a charge at 0.5 per cent on the value of surrendered Units, but this figure can be reduced by two ratios:

- (i) if more Units are surrendered than issued during the relevant two-week period, then the liability is reduced by multiplying the value of surrenders in the first week by the ratio  $I/S$ . This is where  $I$  and  $S$  are the numbers of Units issued and surrendered in the relevant two-week period.
- (ii) If the Fund has investments in exempt assets, the liability is further reduced by multiplying it by the ratio  $N/(N+E)$ . This is where  $N$  and  $E$  are the average market values of the non-exempt and exempt assets of the Fund over the two week period.

Any SDRT provision payable by the Fund is technically the liability of the Trustee and there are various ways in which it may recover the cost. It may be borne by the Fund or the Manager may charge an SDRT provision increasing the amount paid for Units on their acquisition and/or decreasing the amount received on redemption.

However, the Manager reserves the right to charge the individual Unitholder an SDRT provision of 0.5 per cent, on a “large deal”, i.e. where a single Unitholder or intermediary redeems Units worth £1,000,000 or more from a Fund at any one valuation point (where an intermediary redeems Units, the Manager may charge the individual Unitholders covered by the intermediary” instructions). In such circumstances the Manager may deduct a charge of 0.5 per cent from the redemption proceeds. This amount will then be paid directly into the Fund to offset any total SDRT liability which may arise. It is possible that the total SDRT liability incurred by the Fund may be less than 0.5 per cent.

As SDRT is directly related to the inflows and outflows of monies from the scheme it is not possible to accurately predict how frequently the Manager will need to make such a SDRT provision.

### ***EU Savings Directive***

The EU Council Directive 2003/48/EC on taxation of savings income (the “Directive”) came into force on 1 July 2005. Member States of the European Union (“Member States”) are required to provide to the tax authorities of other Member States details of payments of interest and other similar income (which in the case of a collective investment fund may include income arising as a result of the sale and redemption of the fund’s shares) paid by a person who is a “paying agent” for the purposes of the Directive to an individual (or certain “residual entities”) resident for the purposes of the Directive in another Member State. However, Austria and Luxembourg will instead impose a system of withholding tax for a transitional period unless during such period they elect otherwise. Because of the Fund’s structure and depending on the investment policy pursued by the Fund, savings income realised by certain Unitholders may be subject to the obligations imposed by the Directive.

On the basis that the Fund is established within the European Union but is not an “Undertaking for Collective Investment in Transferable Securities”, it is considered to be outside the scope of the Directive.

### **US Taxation Issues**

**The information which follows is intended as a general guide only and represents the Manager's understanding of certain US taxation issues. It is provided for information purposes only and should not be relied on. Unitholders and prospective Unitholders are recommended to seek their own professional advice.**

Under the double tax treaty between the UK and the US, the withholding tax on dividends paid by US corporations on any US equity investments of the Fund can be reduced to 15% from 30%. The availability of this relief to the Fund is dependent on them being over 50% owned by qualifying UK/US persons (though this may be extended to EC, EEA and NAFTA equivalent persons, dependent on negotiations with the US Treasury). Given this Shareholding test, it is possible in certain circumstances that the Fund will not be eligible for the reduction in withholding tax.

Under the FATCA provisions of the HIRE Act (which means the US Hiring Incentives to Restore Employment Act), where the Fund invests directly or indirectly into the US, payments to the Scheme of US-source income after 31 December 2013 and the proceeds of sales of US property (including stock in a US corporation) to the Fund after 31 December 2016, will be subject to 30% withholding tax. These provisions will apply unless the Fund enters into an agreement with the US Secretary of the Treasury under which the Fund agrees to certain US tax reporting and withholding requirements as regards holdings of, and payments to, Unitholders, or the Fund is covered by a relevant IGA (which means an intergovernmental agreement).

The UK and US have entered into an IGA regarding the implementation of FATCA. This provides that where the Fund meets the requirements of the IGA, it will not be subject to the new withholding tax. As a FATCA partner country, the UK has published draft implementing legislation that will require the Manager to collect and report information regarding Unitholders to HMRC for forwarding to the Inland Revenue Service (IRS).

The application of the withholding rules and the information that may be required to be reported and disclosed are uncertain and subject to change.

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

## 5.1 Data Protection

Personal data may be obtained from you for the purpose of enabling the Manager to carry out its obligations, in particular to provide any investment or service to you, and for other

related purposes, including monitoring and analysis of its business, crime prevention, legal and regulatory compliance and the marketing by the Manager and its affiliates of other services. This information will be processed in accordance with the requirements of the Data Protection Act 1998. Information about you and the conduct of your account will be put on our database and may be used by the Manager and its affiliates for the foregoing purposes.

The Manager may also transfer personal data about you to any member of the Evelyn Partners group of companies or to permitted assignees or to third parties which provide services to the Manager or act as the Manager's agents. These parties may be located in any country, including countries outside the European Economic Area, which may not have data protection laws. In these instances the Manager will take steps to ensure that your privacy rights are respected. Details relevant to you may be provided upon request.

## **6.1 Complaints**

If you feel there is cause to complain against the Manager, full details should be sent in writing to:

The Compliance Officer

Evelyn Partners Fund Solutions Limited

45 Gresham Street

London

EC2V 7BG

A complaint can also subsequently be made direct to the Financial Services Ombudsman. The address is: Exchange Tower, Harbour Exchange Square, London E14 9SR, telephone number 0800 023 4567.

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

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

## **7.1 Compensation**

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.

## **8.1 Telephone Recordings**

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

## **9.1 Best Execution**

The Manager must act in the best interests of the Trust when executing decisions to deal on behalf of the Trust. The Manager's order execution policy sets out the (i) systems and controls that have been put in place and (ii) the factors which the Manager expects the Investment Manager to consider when effecting transactions and placing orders in relation to the Trust. This policy has been developed in accordance with the Manager's obligations under the Regulations to obtain the best possible result for the Trust.

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

## **10.1 Inducements and Soft Commission**

When executing orders, or placing orders with other entities for execution, that relate to financial instruments for, or on behalf of, the Trust, an Investment Manager or the Manager (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.

The Investment Manager or Manager will return to the Trust 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 Trust, and disclose in the annual report the fees, commissions or any monetary benefits transferred to them.

However, the Investment Manager or Manager may accept without disclosure minor non-monetary benefits that are capable of enhancing the quality of service provided to the Trust; 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 Trust.

#### **11.1 Distribution Channels**

Units in, and information on, the Trust 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.

## **SECTION 2 - Typical Investor Profile(s)**

Below is an indication of the target market of the Trust 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 Trust please seek advice from your professional adviser.

This Trust is suitable for all investor types whose knowledge and experience is informed or experienced, coming into the Trust from all available distribution channels.

Basic investors in particular should however be aware the Trust uses derivatives for investment purposes and the risks associated, please refer to the Risk Factors section of this prospectus.

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

The Trust seeks to increase capital and grow income over the long term.

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



### SECTION 3 - OTHER SCHEMES MANAGED BY THE MANAGER

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

Authorised Unit Trusts	Investment Companies with Variable Capital
Dragon Trust Eagle Fund Evelyn Witch General Trust Langham Trust Magnum Trust Marathon Trust Orchard Fund Ourax Unit Trust Spenser Fund SVS DW Asia Income & Growth Fund SVS Dowgate Wealth UK New Economies Fund SVS Sanlam European Equity Fund SVS Sanlam Fixed Interest Fund SVS Sanlam North American Equity Fund The Acorn Trust The Alkerton Trust The Barro II Trust The Capital Balanced Fund The Dream Trust The Enterprise Trust The Global Opportunities Fund The Ilex Fund The Jetwave Trust The Lancaster Trust The Millennium Fund The Plain Andrews Unit Trust The Securities Fund Worldwide Growth Trust	Bute Fund Earlstone Fund Evelyn Partners Funds Evelyn Partners Investment Funds ICVC Forest Fund ICVC Ganymede Fund GFS Investments Fund Glairnox Fund Gryphon Investment Funds Hercules Managed Funds Issodola Fund JC Investments Fund Kanthaka Fund Moorgate Funds ICVC New Square Investment Funds Pendennis Fund ICVC Pharaoh Fund Pityoulish Investments Fund Quercus Fund Sardasca Fund Sherwood Fund Smithfield Funds Starhunter Investments Fund Stratford Place Fund Sussex Fund SVS AllianceBernstein UK OEIC SVS Aubrey Capital Management Investment Funds 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 Princedale 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>
--	---

## SECTION 4 - INVESTMENT POWERS AND BORROWING LIMITS

The following provisions apply in respect of the Fund save where the context otherwise requires.

### 1. General rules of investment

1.1 The Scheme Property will be invested with the aim of achieving the investment objective of the Fund but subject to the limits set out in Fund's investment policy and the limits set out in the investment and borrowing powers in the FCA Handbook and this Prospectus.

1.2 Normally the Fund will be fully invested save for an amount to enable redemption of Units, efficient management of the Fund in relation to its strategic objective and other purposes which may be reasonably regarded as ancillary to the investment objective of the Fund. This amount will vary depending upon prevailing circumstances and although it would normally not exceed 10% of the total value of the Fund, there may be times when the Investment Manager considers stock markets to be overpriced or that a period of instability exists which presents unusual risks. In such cases or during such periods, a higher level of liquidity may be maintained and, if considered prudent, the amount of cash or near cash instruments held would be increased. Unless market conditions were deemed unusually risky, the increased amount and period would not be expected to exceed 30% and six months respectively, although in certain circumstances this percentage may be more substantial and could, exceptionally, be as much as 100%.

### 2. Prudent spread of risk

2.1 The Manager must ensure that, taking account of the investment objectives and policy of the Fund, the Scheme Property aims to provide a prudent spread of risk.

### 3. Transferable Securities

3.1 A transferable security is an investment falling within article 76 (Shares etc), article 77 (Instruments creating or acknowledging indebtedness), article 78 (Government and public securities), article 79 (Instruments giving entitlement to investments) and article 80 (Certificates representing certain securities) of the Regulated Activities Order.

3.2 An investment is not a transferable security if the title to it cannot be transferred, or can be transferred only with the consent of a third party.

3.3 In applying paragraph 3.2 to an investment which is issued by a body corporate, and which is an investment falling within articles 76 (Shares, etc) or 77 (Instruments creating or acknowledging indebtedness) of the Regulated Activities Order, the need for any consent on the part of the body corporate or any members or debenture holders of it may be ignored.

3.4 An investment is not a transferable security unless the liability of the holder of it to contribute to the debts of the issuer is limited to any amount for the time being unpaid by the holder of it in respect of the investment.

#### 4. **Non-UCITS Retail schemes - general**

4.1 The Scheme Property must, except where otherwise provided in the FCA Rules, only consist of any or all of:

- transferable securities;
- money market instruments;
- permitted deposits;
- permitted units in collective investment schemes;
- permitted derivatives and forward transactions;
- permitted immovables; and
- gold.

4.2 Transferable securities and money market instruments held within the Fund must (subject to paragraph 4.3) be admitted to or dealt in on an eligible market as described below, or be recently issued or be approved money-market instruments not admitted to or dealt in on an eligible market and which satisfy the requirements of the FCA Rules.

4.2.1 Not more than 20% in value of the Scheme Property is to consist of transferable securities, which are not approved securities; or

4.2.2 Not more than 20% in value of the Scheme Property is to consist of money market instruments not covered by paragraph 5.2 provided that they must be liquid and have a value which can be determined accurately at any time.

4.3 The requirements on spread and investment in government and public securities do not apply during any period during which it is not reasonable to comply provided that the requirement to maintain prudent spread of risk is complied with. The period in question will extend for 12 months after the later of the date when the authorisation order takes effect or the date the initial offer commenced or, in the case of immovables, for 24 months.

## 5. Eligible markets regime: purpose

5.1 To protect investors the markets on which investments of the Fund 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.

5.2 Where a market ceases to be eligible, investments on that market cease to be approved securities. The 20% restriction on investing in non-approved securities applies and exceeding this limit because a market ceases to be eligible will generally be regarded as an inadvertent breach.

5.3 A market is eligible for the purposes of the FCA Rules if it is:

5.3.1 a regulated market; or

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

5.4 A market not falling within paragraph 5.3 is eligible for the purposes of Chapter 5 of the FCA Rules if:

5.4.1 the Manager, after consultation and notification with the Trustee, decides that market is appropriate for investment of, or dealing in, the Scheme Property;

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

5.4.3 the Trustee has taken reasonable care to determine that:

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

- (b) all reasonable steps have been taken by the Manager in deciding whether that market is eligible.

5.5 In paragraph 5.4, a market must not be considered appropriate unless it is regulated, operates regularly, is recognised as a market or exchange or as a self-regulating organisation by an overseas regulator, is open to the public, is adequately liquid and has adequate arrangements for unimpeded transmission of income and capital to or for the order of investors.

The eligible markets for the Fund are set out below at Section 6.

## 6. **Spread: general**

6.1 This rule on spread does 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,.

6.2 Not more than 20% in value of the Scheme Property is to consist of deposits with a single body.

6.3 Not more than 10% in value of the Scheme Property is to consist of transferable securities or money market instruments issued by any single body.

6.4 The limit of 10% in 6.3 may be raised to 25% in respect of covered bonds.

6.5 In applying paragraph 6.2 certificates representing certain securities are treated as equivalent to the underlying security.

6.6 The exposure to any one counterparty in an OTC derivative transaction must not exceed 10% in value of the Scheme Property.

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

7.1 This section applies in respect of a transferable security or an approved money-market instrument (“such securities”) that is issued or guaranteed by:

- (a) the UK or an EEA State; or
- (b) a local authority of the UK or an EEA State; or
- (c) a non-EEA State other than the UK; or

(d) a public international body to which the UK one or more EEA States belong.

7.2 Up to 35% in value of the Scheme Property may be invested in such securities issued by any one body. Subject to this, there is no limit on the amount which may be invested in such securities or in such securities issued by any one body or of any one issue.

7.3 Up to 100% of the Scheme Property may be invested in such securities issued or guaranteed by or on behalf of the issuers set out in Part C of Section 6.

7.4 If more than 35% in value of the Scheme Property is invested in such securities issued by any one issuer, up to 30% in value of the Scheme Property of the Fund 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.

7.5 In relation to such securities:

7.5.1 issue, issuer and guarantor include guarantee, guaranteed and guarantor; and

7.5.2 an issue differs from another if there is a difference as to repayment date, rate of interest, guarantor or other material terms of the issue.

## 8. Investment in collective investment schemes

Not more than 35% in value of the Scheme Property is to consist of units of any one collective investment scheme; or the Fund may invest in units in a collective investment scheme (“second scheme”) provided that the investment is permitted under paragraphs 8.1 to 8.6:

8.1 The second scheme is a scheme which:

8.1.1 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

8.1.2 is a non-UCITS retail scheme; or

8.1.3 is recognised under the provisions of Section 272 of the Financial Services and Markets Act 2000 (Schemes constituted in other EEA states, Schemes authorised in designated countries or territories and individually recognised schemes); or

8.1.4 is 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

8.1.5 is a scheme not falling within paragraphs 8.1.1 to 8.1.4 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;

8.2 The second scheme is a scheme which operates on the principle of the prudent spread of risk;

8.3 The second scheme is a scheme which complies where relevant with the FCA Rules on “Investment in other group schemes”;

8.4 The second scheme is a scheme which has terms which prohibit more than 15% in value of the Scheme Property consisting of units in collective investment schemes (unless COLL 5.6.10AR applies);

8.5 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; and

8.6 The FCA Rules on “Investment in other group schemes” is complied with i.e. the Fund may only invest in other group schemes (other collective investment schemes which are managed and operated by the Manager or an Associate of the Manager) provided there is no double charging of the preliminary charge.

8.7 Where the second scheme is an umbrella the provisions noted above apply to each sub-fund as if it were a separate scheme.

## 9. **Feeder Schemes**

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

(a) a feeder UCITS; or

(b) a feeder NURS; or

(c) a scheme dedicated to units in a single property authorised investment fund; or



- (d) a scheme dedicated to units in a recognised scheme.
- 9.2 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.
- 9.3 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.
- 9.4 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 (9.1) (a) to (d).
- 9.5 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.
- 9.6 The authorised fund manager of the non-UCITS retail scheme must be able to show on reasonable grounds that an investment in one or more schemes permitted under (9.1) (a) to (d) 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
    - 5.6 (iv) recognised scheme.

## 10. Investment in warrants and nil and partly paid securities

- 10.1 The Fund must not invest in warrants, and nil and partly paid securities unless the investment complies with the conditions set out in the FCA Rules on “Investment in warrants and nil and partly paid securities”.

## 11. Investment in money market instruments

The Fund may invest in money market instruments which are normally dealt in on the money market, are liquid and whose value can be accurately determined at any time, provided:

- 11.1 the money market instrument is listed on or normally dealt on an eligible market; or
- 11.2. Be recently issued transferable securities the terms of which 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.; or
- 11.3 be approved money-market instruments not admitted to or dealt in on an eligible market provided the issue or the issuer is regulated for the purpose of protecting investors and savings; and the instrument is issued or guaranteed by any one of:

A central authority of the UK or, an EEA state or, if the EEA state, is a federal state, one of the members making up the federation; a regional or local authority of the UK or an EEA state; the European Central Bank or a central bank of an EEA state; the Bank of England, the European Union or the European Investment Bank; a non EEA state other than the UK or, in the case of federal state, one of the members making up the federation; a public international body to which the UK or one or more EEA member states belong; or , issued by a body, any securities of which are dealt in on an eligible market; or issued or guaranteed by an establishment which is subject to prudential supervision in accordance with criteria defined by UK or Community law or subject to and complies with prudential rules considered by the FCA to be at least as stringent as those laid down by UK or Community law.

## 12. Derivatives

- 12.1 Under the FCA Rules derivatives are permitted for Non-UCITS Retail Schemes (such as the Fund) for investment purposes and derivative transactions may be used for the purposes of efficient portfolio management (including hedging) or meeting the investment objectives or both. In pursuing the Fund's investment objective the Manager may make use of a variety of instruments in accordance with the FCA Rules. **The use of derivatives**

**in this manner may increase the risk profile of the Fund and may increase volatility in the Unit price of the Fund.**

12.2 The Net Asset Value of the Fund may have high volatility due to these instruments and techniques being included in the Scheme Property, and due to the management techniques used.

12.3 Except as set out below there is no upper limit on the number of transactions executed in derivatives or forward transactions.

12.4 A transaction in a derivative or forward contract must:

- (A) be in an approved derivative; or
- (B) be in a future, an option or a contract for differences which must be entered into with a counterparty that is acceptable in accordance with the FCA Rules, must be on approved terms as to valuation and close out and must be capable of valuation; and
- (C) have the underlying consisting of any or all of the following to which the Fund is dedicated:
  - (1) transferable securities;
  - (2) permitted money market instruments;
  - (3) permitted deposits;
  - (4) permitted derivatives;
  - (5) permitted collective investment scheme units or shares;
  - (6) financial indices;
  - (7) interest rates;
  - (8) foreign exchange rates;
  - (9) currencies; and

- (D) not cause the Fund to diverge from its investment objective, must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more transferable securities, money market instruments, units or shares in collective investment schemes, or derivatives and (if a forward transaction) must be with an approved counterparty.

12.5 Use of derivatives must be supported by a risk management process maintained by the Manager which should take account of the investment objective and policy of the Fund.

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

(A) Exposure is covered if adequate cover from within the Scheme Property is available to meet its total exposure, taking into account the initial outlay, the value of the underlying assets, any reasonably foreseeable market movement, counterparty risk, and the time available to liquidate any positions.

(B) Cash not yet received into the Scheme Property, but due to be received within one month, is available as cover for the purposes of (A).

(C) Property the subject of a stock-lending transaction is only available for cover if the Manger has taken reasonable care to determine that it is obtainable (by return or re-acquisition) in time to meet the obligation for which cover is required.

(D) The exposure relating to derivatives held in the Fund may not exceed the net value of the Scheme Property of the Fund.

### 13. Cover

13.1 Where the FCA Rules permit an investment transaction to be entered into or an investment to be retained only if that investment transaction, or the retention, or other similar transactions, are covered:

(A) it must be assumed that in applying any of those rules, the Fund must also simultaneously satisfy any other obligation relating to cover;

- (B) no element of cover must be used more than once; and
- (C) the property and rights required to settle the obligation are owned by the Fund.

13.2 Where physical settlement is applicable to a derivative transaction, and the underlying asset of the transaction is highly liquid;

- (A) the Fund may substitute that underlying asset with another comparable asset; or
- (B) the Fund may substitute that underlying asset with a liquid debt instrument or other highly liquid asset, provided these substitute assets are already owned by the Fund.

13.3 For the purposes of paragraph 12.2, an asset may be considered as highly liquid where the instrument can be converted into cash in no more than seven Business Days at a price which is close to the current valuation of the asset.

#### 14. Investment in deposits

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

#### 15. Immovables

15.1 The Fund may have an interest in immovable property or movable property for the direct pursuit of the Fund business. Any investment in land or a building must not be retained in the Scheme Property unless:

14.1.1 it is situated in a country or territory identified in this Prospectus;

14.1.2 it is a freehold or leasehold interest of property situate in England, Wales or Northern Ireland or any interest estate in or over land or heritable right including a long lease of property situated in Scotland or any equivalent interest for such land or buildings not situate in England, Wales, Northern Ireland or Scotland.

15.2 The Manager must ensure that title to the land or building is a good and marketable title.

15.3 The Manager must organise a valuation report in accordance with FCA Rules.

15.4 It is not currently intended that the Fund will invest in immovables.

**16. Cash and near cash**

16.1 Cash and near cash must not be retained in the Scheme Property except to the extent that, where this may reasonably be regarded as necessary in order to enable:

15.1.1 the pursuit of the Fund's investment objectives; or

15.1.2 redemption of Units; or

15.1.3 efficient management of the Fund in accordance with its investment objectives; or

15.1.4 other purposes which may reasonably be regarded as ancillary to the investment objectives of the Fund.

15.1.5 during the period of the initial offer the Scheme Property may consist of cash and near cash without limitation.

**17. Schemes replicating an index**

17.1 The Fund may invest up to 20% in value of the Scheme Property in shares and debentures which are issued by the same body where the aim of the investment policy of the Fund is to replicate the performance or composition of an index in accordance with the FCA Rules 5.6.23R(2). This limit may be raised to 35% in value of the Scheme Property but only in respect of one body and where justified by exceptional market conditions.

**18. General power to borrow**

18.1 The Fund may, in accordance with this paragraph, borrow money for the use of the Fund on terms that the borrowing is to be repayable out of the Scheme Property. This power to borrow is subject to the obligation of the Fund to comply with any restriction in the instrument constituting the Fund.

18.2 The Fund may borrow under paragraph 18.1 only from an eligible institution or an approved bank.

18.3 The Fund must not issue any debenture unless it acknowledges or creates a borrowing that complies with paragraph 18.1 and 18.2.

18.4 These borrowing restrictions do not apply to "back to back" borrowing for currency hedging purposes.

## 19. Leverage

19.1 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 Fund which the Fund 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.

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

- (i) The Fund 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 Fund through the use of derivatives must be covered by cash or readily realisable assets held by the Fund. Restrictions on the use of derivatives are outlined in the Investment Objective and Policy and detailed in the Investment and Borrowing Powers in Section 4.

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

19.2 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 the FCA Rules and Guidelines issued from time to time by the European Securities and Markets Authority. A Collateral Management Policy will be implemented by the Manager before the Fund enters into any transactions which require it to hold collateral from a counterparty.

1.7

- 1.8 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 200 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.

## **20. Borrowing limits**

- 20.1 The Manager must ensure that the Fund's borrowing does not, on any business day, exceed 10% of the value of the Scheme Property of the Fund.
- 20.2 This limit does not apply to "back to back" borrowing.
- 20.3 Borrowing does not include any arrangement for the Fund to pay to a third party (including the Manager) any costs which the Fund is entitled to amortise and which were paid on behalf of the Fund by the third party.

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

- 21.1 None of the money in the Scheme Property of the Fund may be lent and, for the purposes of this prohibition, money is lent by the Fund if it is paid to a person ("the payee") on the basis that it should be repaid, whether or not by the payee.
- 21.2 Acquiring a debenture is not lending for the purposes of paragraph 20.1 nor is the placing of money on deposit or in a current account.



21.3 Paragraph 20.1 does not prevent the Fund from providing an officer of the Fund with funds to meet expenditure to be incurred by him for the purposes of the Fund (or for the purposes of enabling him properly to perform his duties as an officer of the Fund) or from doing anything to enable an officer to avoid incurring such expenditure.

**22. Restrictions on lending of property other than money**

22.1 The Scheme Property other than money must not be lent by way of deposit or otherwise.

22.2 Transactions permitted by paragraph 24 are not lending for the purposes of paragraph 21.1.

**23. General power to accept or underwrite placings**

23.1 Any power in the FCA Rules to invest in transferable securities may be used for the purpose of entering into transactions to which this section applies, subject to compliance with any restriction in the Trust Deed.

23.2 This section applies, subject to paragraph 22.3, to any agreement or understanding:

22.2.1 which is an underwriting or sub-underwriting agreement; or

22.2.2 which contemplates that securities will or may be issued or subscribed for or acquired for the account of the Fund.

23.3 Paragraph 22.2 does not apply to:

22.3.1 an option; or

22.3.2 a purchase of a transferable security which confers a right:

(a) to subscribe for or acquire a transferable security; or

(b) to convert one transferable security into another.

22.3.3 The exposure of the Fund to agreements and understandings within paragraph 22.2 must, on any Business Day:

(a) be covered in accordance with the requirements of the FCA Rules;  
and

- (b) be such that, if all possible obligations arising under them had immediately to be met in full, there would be no breach of any limit in the FCA Rules.

## 24. **Guarantees and indemnities**

24.1 The Fund or the Trustee for the account of the Fund must not provide any guarantee or indemnity in respect of the obligation of any person.

24.2 None of the Scheme Property may be used to discharge any obligation arising under a guarantee or indemnity with respect to the obligation of any person.

24.3 Paragraphs 23.1 and 23.2 do not apply to:

23.3.1 any indemnity or guarantee given for margin requirements where the derivatives or forward transactions are being used in accordance with the FCA Rules.

23.3.2 an indemnity (other than any provision in it which is void under the FCA Rules) given to the Trustee against any liability incurred by it as a consequence of the safekeeping of any of the Scheme Property by it or by anyone retained by it to assist it to perform its function of the safekeeping of the Scheme Property; and

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

## 25. **Efficient portfolio management**

25.1 The Fund may also utilise the Scheme Property to enter into transactions for the purposes of efficient portfolio management. There is no limit on the amount or value of the Scheme Property which may be used for the purposes of efficient portfolio management but the Manager must take reasonable care to ensure that the transaction is economically appropriate to the reduction of the relevant risks (whether in the price of investments, interest rates or exchange rates) or to the reduction of the relevant costs and/or to the generation of additional capital or income with a level of risk which is consistent with the risk profile of the Fund and the FCA Rules. The exposure must be fully “covered” by cash

and/or other property sufficient to meet any obligation to pay or deliver that could arise (see below).

25.2 Permitted transactions are those that the Fund reasonably regards as economically appropriate, that is:

- (a) Transactions undertaken to reduce risk or cost in terms of fluctuations in prices, interest rates or exchange rates where the Manager reasonably believes that the transaction will diminish a risk or cost of a kind or level which it is sensible to reduce; or
- (b) Transactions for the generation of additional capital growth or income for the Fund by taking advantage of gains which the Manager reasonably believes are certain to be made (or certain, barring events which are not reasonably foreseeable) as a result of:
  - (i) pricing imperfections in the market as regards the property which the Fund holds or may hold; or
  - (ii) receiving a premium for the writing of a covered call option or a covered put option on property of the Fund which the Fund is willing to buy or sell at the exercise price, or
- (c) Stock-lending arrangements.

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

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

25.5 Eligible derivatives markets are those which the Manager, after consultation with the Trustee, has decided are appropriate for the purpose of investment of or dealing in the

property with regard to the relevant criteria set out in the FCA Rules and the formal guidance on eligible markets issued by the FCA as amended from time to time. The eligible derivatives markets for the Fund are set out in Section 6 below.

## 26. **Cover**

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

26.2 Where the FCA Rules permit an investment transaction to be entered into or an investment to be retained only if that investment transaction, or the retention, or other similar transactions, are covered:

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

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

## 27. **Stock-lending**

27.1 The entry into stock lending transactions or repo contracts for the account of the Fund is permitted for the generation of additional income for the benefit of the Fund, and hence for its investors.

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

- 27.3 The stock lending permitted by this section may be exercised by the Fund when it reasonably appears to it to be appropriate to do so with a view to generating additional income for the Fund with an acceptable degree of risk.
- 27.4 The Trustee at the request of the Manager may enter into a stock lending arrangement or repo contract of the kind described in section 263B of the Taxation of Chargeable Gains Act 1992 (without extension by section 263C), but only if all the terms of the agreement under which securities are to be reacquired by the Trustee for the account of the Fund, are in a form which is acceptable to the Trustee and are in accordance with good market practice, the counterparty is an authorised person or a person authorised by a home state regulator, and collateral is obtained to secure the obligation of the counterparty. Collateral must be acceptable to the Trustee, adequate and sufficiently immediate.
- 27.5 The Trustee must ensure that the value of the collateral at all times is at least equal to the value of the securities transferred by the Trustee. This duty may be regarded as satisfied in respect of collateral the validity of which is about to expire or has expired where the Trustee takes reasonable care to determine that sufficient collateral will again be transferred at the latest by the close of business on the day of expiry.
- 27.6 Any agreement for transfer at a future date of securities or of collateral (or of the equivalent of either) may be regarded, for the purposes of valuation under the FCA Handbook, as an unconditional agreement for the sale or transfer of property, whether or not the property is part of the property of the Fund.
- 27.7 There is no limit on the value of the Scheme Property which maybe the subject of stock lending transactions.

## SECTION 5 - VALUATION OF SCHEME PROPERTY

The value of the Scheme Property shall be determined in accordance with the following provisions.

1. All the property of the Fund (including receivables) is to be included, subject to the following provisions.
2. Property which is not cash (or other assets dealt with in paragraph 3, 4 and 5 below) or a contingent liability transaction shall be valued as follows and the prices used shall (subject as follows) be the most recent prices which it is practicable to obtain:
  - 2.1 Units or shares in a collective investment scheme:
    - (A) if a single price for buying and selling Units or shares is quoted, at that price; or
    - (B) if separate buying and selling prices are quoted, at the average of the two prices provided the buying price has been reduced by any preliminary charge included therein and the selling price has been increased by any exit or redemption charge attributable thereto; or
    - (C) if, in the opinion of the Manager the price obtained is unreliable or no recent traded price is available or if no recent price exists, at a value which, in the opinion of the Manager, is fair and reasonable;
  - 2.2 any other transferable security:
    - (D) if a single price for buying and selling the security is quoted, at that price; or
    - (E) if separate buying and selling prices are quoted, at the average of the two prices; or
    - (F) if, in the opinion of the Manager, the price obtained is unreliable or no recent traded price is available or if no price exists, at a value which, in the opinion of the Manager, is fair and reasonable;
  - 2.3 property other than that described in paragraphs 2.1 and 2.2 above:

at a value which, in the opinion of the Manager, represents a fair and reasonable mid-market price.

3. Cash and amounts held in current and deposit accounts and in other time-related deposits shall be valued at their nominal values.
4. Property which is a contingent liability transaction shall be treated as follows:
  - 4.1 if a written option, (and the premium for writing the option has become part of the property of a Fund), deduct the amount of the net valuation of premium receivable. If the property is an off-exchange derivative the method of valuation shall be agreed between the Manager and Trustee;
  - 4.2 if an off-exchange future, include at the net value of closing out in accordance with a valuation method agreed between the Manager and the Trustee;
  - 4.3 if any other form of contingent liability transaction, include at the net value of margin on closing out (whether as a positive or negative value). If the property is an off-exchange derivative (but not falling within 5.1 above), include at a valuation method agreed between the Manager and the Trustee.
5. In determining the value of the property of the Fund, all instructions given to issue or cancel Units shall be assumed to have been carried out (and any cash paid or received) whether or not this is the case.
6. Subject to paragraphs 8 and 9 below, agreements for the unconditional sale or purchase of property which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the valuation takes place and, in the opinion of the Manager, their omission will not materially affect the final net asset amount.
7. Futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options shall not be included under paragraph 7.
8. All agreements are to be included under paragraph 7 which are, or ought reasonably to have been, known to the person valuing the property.

9. Deduct an estimated amount for anticipated tax liabilities at that point in time including (as applicable and without limitation) capital gains tax, income tax, corporation tax and advance corporation tax and value added tax.
10. Deduct an estimated amount for any liabilities payable out of the property of the Fund and any tax thereon treating periodic items as accruing from day to day.
11. Deduct the principal amount of any outstanding borrowings whenever payable and any accrued but unpaid interest on borrowings.
12. Add an estimated amount for accrued claims for tax of whatever nature which may be recoverable.
13. Add any other credits or amounts due to be paid into the property of the Fund.
14. Currencies or values in currencies other than Sterling shall be converted at the relevant Valuation Point at a rate of exchange that is not likely to result in any material prejudice to Unitholders or potential Unitholders.
15. Add a sum representing any interest or any income accrued due or deemed to have accrued but not received.
16. The Manager may, in its absolute discretion and in circumstances where:
  - (A) it believes that no reliable price for the property in question exists; or
  - (B) such price, if it does exist, does not reflect the Manager's best estimate of the value of such property, value the Scheme Property of the Fund or any part of the Scheme Property at a price which, in its opinion, reflects a fair and reasonable price for that property in accordance with any policy for fair value pricing set out in the Prospectus.
17. Notwithstanding the foregoing, the Manager may, at its absolute discretion, use other generally recognised valuation principles in order to reach a proper valuation of the Net Asset Value of the Fund, in the event that it is impractical or manifestly incorrect to carry out a valuation of an investment in accordance with the above or it considers such principles better reflect the valuation of a security, interest or position and are in accordance with generally accepted accounting principles.
18. If a Class's expenses in any period exceed its income the Manager may take that excess from the capital property attributable to that Class.



## SECTION 6 - ELIGIBLE SECURITIES MARKETS AND ELIGIBLE DERIVATIVES MARKETS

Investments may be made on each of the Eligible Securities and Derivatives Markets in order to fulfil the investment objective stated in Section 1(B).

### A. ELIGIBLE SECURITIES MARKETS

A securities market is an eligible market if it is:

- the principal or only market established under the rules on investment exchange of the UK or any country within the EEA; or
- one of the following markets:-

Australia	-	Australian Securities Exchange Limited
Brazil	-	BM&FBOVESPA S.A.
Canada	-	TSX Ventures Exchange
The Channel Islands	-	The Channel Island Stock Exchange
China	-	Shanghai Stock Exchange
	-	Shenzhen Stock Exchange
Hong Kong	-	Hong Kong Exchanges
Indonesia	-	Indonesia Stock Exchange
Japan	-	Tokyo Stock Exchange
	-	Osaka Securities Exchange
	-	Nagoya Stock Exchange
	-	Jasdaq Securities Exchange
The Republic of Korea-		The Korea Exchange Incorporated
Malaysia	-	Bursa Malaysia Berhad
Mexico	-	Bolsa Mexicana de Valores
Philippines	-	Philippine Stock Exchange
Singapore	-	Singapore Exchange
South Africa	-	JSE Securities Exchange
Switzerland	-	SIX Swiss Exchange A.G.
Taiwan	-	Taiwan Stock Exchange
Thailand	-	The Stock Exchange of Thailand
United Kingdom	-	Alternative Investment Market
	-	Plus Markets
USA	-	NYSE Alternext US
	-	New York Stock Exchange

- NYSE Arca
- NASDAQ OMX PHLX
- NASDAQ

## **B. ELIGIBLE DERIVATIVES MARKETS**

A derivatives market is an eligible market if it is established under the rules of any of the following designated or recognised investment exchanges:-

Australia	-	Australian Securities Exchange
Canada	-	Montreal Exchange
Denmark	-	NASDAQ OMX Copenhagen A/S
Europe	-	Eurex
	-	Euronext LIFFE
Finland	-	NASDAQ OMX Helsinki Ltd
France	-	Euronext Paris
Hong Kong	-	Hong Kong Exchanges
Japan	-	Osaka Securities Exchange
	-	Tokyo Stock Exchange
Singapore	-	Singapore Exchange
South Africa	-	South Africa Futures Exchange (SAFEX)
Spain	-	BME, Spanish Exchanges
Sweden	-	NASDAQ OMX Stockholm AB
US	-	NYSE Alternext US
	-	New York Futures Exchange
	-	New York Stock Exchange
	-	NASDAQ OMX PHLX

## **C. GOVERNMENT AND PUBLIC SECURITIES ISSUERS**

More than 35% in value of the property of the Fund may consist of government and other public securities issued by one issuer provided that the issuer or issuers are amongst governments of the following countries:

- (1) The government of the United Kingdom of Great Britain and Northern Ireland; or

- (2) The Scottish Administration; or
- (3) The Executive Committee of the Northern Ireland Assembly; or
- (4) The National Assembly of Wales; or
- (5) The government of any of the following countries or territories outside the United Kingdom:  
Austria, Belgium, Bulgaria, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Luxembourg, the Netherlands, Norway, Poland, Portugal, Romania, the Slovak Republic, Slovenia, Spain, Sweden, or
- (6) Australia, Canada, Japan, New Zealand, Switzerland and the United States of America; or
- (7) One of the following international organisations: Asian Development Bank (ADB), Council of Europe Development Bank, Deutsche Ausgleichsbank (DTA), Eurofima, European Bank for Reconstruction and Development (EBRD), European Investment Bank (EIB), Inter-American Development Bank (IADB), International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), Kreditanstalt für Wiederaufbau (KfW), LCR Finance plc, and the Nordic Investment Bank (NIB).

## APPENDIX A - PRINCIPAL FEATURES OF THE FUND

### 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 Trust (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.

<b>Name:</b>	<b>Worldwide Growth Trust</b>
Benchmark	Unitholders may compare the performance of the Fund against the IA Global sector.  Comparison of the Trust's performance against this benchmark will give Unitholders an indication of how the Trust is performing against other similar funds in this peer group sector. The Manager has selected this comparator benchmark as the Manager believes it best reflects the asset allocation of the Trust.  The benchmark is not a target for the Trust, nor is the Trust constrained by the benchmark.
FCA Product Reference Number	596445
Class of Units	Class A 2000 Net Inc Units Class A 2006 Net Inc Units
Preliminary charge as a percentage*: of the issue price:	5%
Redemption Charge*:	5%
Switching Charge:	0%
Charge for investment research	None
Manager's Periodic Fee:	0.15%  subject to a minimum £36,000

Investment Managers' fee:	Up to 0.73%	
Investment minima:	Initial Investment:	£100,000
	Minimum Holding	£50,000
	Ongoing top-up	£10,000
	Redemptions	£10,000

- **The Manager may waive or discount the preliminary and redemption charges at its discretion.**

## APPENDIX B - PAST PERFORMANCE

### Worldwide Growth Trust

(formerly known as Worldwide Capital Growth Trust)



Source: Fund - FE fundinfo 2024  
Benchmark - Morningstar

Before 10/05/2017 the Fund had different characteristics. The Fund's investment objective and investment policy changed on 10/05/2017 and the performance before this date was achieved using an objective and investment policy that no longer applies. On 10/05/2017 the name of the Fund changed from Worldwide Capital Growth Trust to Worldwide Growth Trust.

Mid to Mid, with net income reinvested, net of tax and charges. Performance does not include the effect of any initial or redemption charges. The Fund converted from a UCITS scheme to a Non-UCITS scheme on 17<sup>th</sup> April 2013. On 5<sup>th</sup> November 2015 the assets of the Beech Fund, a sub-fund of the Sylvan Funds were amalgamated into the Worldwide Growth Trust.  
Source: Evelyn Partners Fund Solutions Limited.

Performance is displayed for each full calendar year from 31<sup>st</sup> December to 31<sup>st</sup> December.

**Past performance is not an indicator of future performance. Past performance does not include the effect of subscription and redemption fees.**

## APPENDIX C - 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