

# Sarasin Fund for Charities

## Prospectus

Prepared in accordance with the Collective Investment Schemes Sourcebook  
Dated and valid as at 1 June 2020

Shareholders' investments are governed by the Instrument of Incorporation, application form and this Prospectus. The ACD treats a Shareholder's participation in the Sub-fund as governed by the laws of England and Wales. The English courts shall have exclusive jurisdiction to settle any disputes or claims which may arise out of, or in connection with, a Shareholder's participation in the Sub-fund.

### **Authorised Corporate Director and AIFM**

Sarasin Investment Funds Limited  
Juxon House  
100 St. Paul's Churchyard  
London  
EC4M 8BU  
(authorised and regulated by the Financial Conduct Authority)

### **Investment Adviser**

Sarasin & Partners LLP  
Juxon House  
100 St. Paul's Churchyard  
London  
EC4M 8BU  
(authorised and regulated by the Financial Conduct Authority)

### **Registered and Head Office of the Company**

Juxon House  
100 St. Paul's Churchyard  
London  
EC4M 8BU

### **Depositary**

Natwest Trustee and Depositary Services Limited

250 Bishopsgate  
London  
EC2M 4AA  
(authorised by and regulated by the Financial Conduct Authority)

**Auditors**

Deloitte LLP  
1 New Street Square  
London  
EC4A 3HQ

**Administrators**

Northern Trust Global Services SE  
50 Bank Street  
Canary Wharf  
London  
E14 5NT  
(authorised and regulated by the Financial Conduct Authority)

**Registrar**

Northern Trust Global Services SE  
50 Bank Street  
Canary Wharf  
London  
E14 5NT

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## 1 INTERPRETATION

In this Prospectus the words and expressions set out in the first column below shall have the meanings set opposite them unless the context requires otherwise. Words and expressions contained in this Prospectus but not defined herein shall have the same meanings as in the Act or Regulations (as defined below) unless the contrary is stated. The definitions are as follows:

"ACD"	the Authorised Corporate Director holding office from time to time pursuant to the Regulations being Sarasin Investment Funds Limited at the date of this Prospectus;
"Act"	the Financial Services and Markets Act 2000;
"Administrator"	Northern Trust Global Services SE or such other person appointed from time to time to be the administrator of the Company;
"AIFM"	the legal person appointed on behalf of the Sub-fund and which (through this appointment) is responsible for managing the Sub-fund in accordance with the AIFM Directive and The Alternative Investment Fund Managers Regulations 2013, which at the date of this Prospectus is the ACD;
"AIFM Directive"	Alternative Investment Fund Managers Directive 2011/61/EU of the European Parliament and Council of 8 June 2011 as amended from time to time;
"Business Day"	Monday to Friday excluding UK public and bank holidays on which UK clearing banks are open for business in London or as otherwise agreed between the ACD and the Depositary;
"COLL Sourcebook" or "COLL"	The Collective Investment Schemes sourcebook which forms part of the FCA Handbook. COLL accordingly refers to the appropriate chapter or rule in the COLL Sourcebook;
"Company"	Sarasin Fund for Charities;
"Conversion"	the conversion of Shares in one class to Shares of another class and "Convert" shall be construed accordingly;
"Custodian"	the Northern Trust Company
"Depositary"	the person appointed from time to time by the Company or otherwise pursuant to the Regulations to which all of the scheme property of the Company is entrusted for safe keeping pursuant to the Regulations;
"Dealing Cut Off Point"	12 noon on every Business Day;
"Dealing Day"	9 a.m. to 5.30 p.m. on any Business Day;
"Directors"	the directors of the Company for the time being (including the ACD) or, as the case may be, the directors of the Company for the time being assembled as a board including any committee of such board as the context requires;

"FCA "	Financial Conduct Authority, 12 Endeavour Square, London, E20 1JN;
"FCA Rules"	The handbook of rules and guidance published by the FCA as amended or replaced from time to;
"FUND Sourcebook" or "FUND"	the Investment Funds sourcebook which forms part of the FCA Handbook. FUND accordingly refers to the appropriate chapter or rule in the FUND Sourcebook;
"Instrument"	the instrument of incorporation constituting and governing the Company (as amended from time to time);
"Investment Adviser"	Sarasin & Partners LLP;
"IRS"	the US Internal Revenue Service;
"Non-UCITS Retail Scheme"	a type of collective investment scheme such as the Company which is authorised by the FCA and therefore meets the standards set by the FCA to enable the scheme to be marketed to the public within the UK, but which does not comply with the conditions necessary for it to benefit from certain passporting rights under the UCITS Directive;
"OEIC Regulations"	the Open-Ended Investment Companies Regulations 2001 as amended;
"overseas property business"	business carried on for generating income from land outside the United Kingdom and transactions which are entered into for that purpose otherwise than in the course of such a business;
"Registrar"	Northern Trust Global Services SE or such other person appointed from time to time to be the registrar of the Company;
"Regulations"	the OEIC Regulations, COLL Sourcebook, FUND Sourcebook, FCA Handbook, the Act and/or the TEF Regulations (as the context requires);
"Service Providers"	the ACD, Depositary, Investment Adviser, Administrator and Registrar;
"Sub-fund"	Sarasin Fund for Charities – Thematic UK Equity (GBP), a sub-fund of the Company;
"Switch"	the exchange where permissible of shares of one class for shares of another class;
"TEF"	a tax elected fund, such as the Sub-fund, which complies with the TEF Regulations, and is therefore entitled to certain tax benefits, as further explained in this Prospectus;
"TEF Regulations"	Part 4B of the Authorised Investment Funds (Tax) Regulations 2006, as amended;

**"UCITS Directive"** a Council Directive of 20 December 1985 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (as amended);

**"UK property business"** business which is carried on for generating income from land in the United Kingdom and transactions which are entered into for that purpose otherwise than in the course of such a business.

## **THIS PROSPECTUS IS IMPORTANT**

### **IF YOU ARE IN ANY DOUBT AS TO THE MEANING OF ANY INFORMATION CONTAINED IN THIS PROSPECTUS, YOU SHOULD CONSULT THE ACD OR AN APPROPRIATELY QUALIFIED FINANCIAL ADVISER.**

This Prospectus is intended for distribution in the United Kingdom. Its distribution may be restricted in other countries. It does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is unlawful or in which the person making such offer or solicitation is not qualified so to do, or to anyone to whom it is unlawful to make such an offer or solicitation. Intending investors should inform themselves about and observe the legal requirements within their own countries for the acquisition of shares of the Company and any taxation or exchange control legislation affecting them personally, including the obtaining of any necessary governmental or other consents and the observation of any other formalities.

The Sub-funds have not been and will not be registered in the US according to the US Investment Company Act of 1940 and units or shares of sub-funds will not be registered in the US according to the US Securities Act of 1933. Therefore, units or shares of sub-funds will not be publicly offered, sold or distributed within the US or to US persons except pursuant to an exemption from registration where available and applicable.

In particular, the information herein is not for distribution and does not constitute an offer to sell or the solicitation of any offer to buy any securities in the USA to or for the benefit of US persons. Access to this information by US residents is for informational purposes only. US persons are nationals, citizens or persons resident in the USA or partnerships or corporations organised under the laws of the USA or any state, territory or possession thereof.

The Depositary 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.

## **AUTOMATIC EXCHANGE OF INFORMATION FOR INTERNATIONAL TAX COMPLIANCE**

The UK government has enacted legislation enabling it to comply with its obligations in relation to international tax compliance including European Union directives and the United States provisions commonly known as "FATCA" together with other intergovernmental agreements. As a result the Company may need to disclose the name, address, taxpayer identification number and investment information relating to certain investors in the Sub-funds to HM Revenue & Customs, who will in turn exchange this information with their overseas counterparts in relevant jurisdictions.

By signing the application form to subscribe for Shares, each prospective Shareholder is agreeing to provide information upon request to the Company or its agent. If a Shareholder does not provide the necessary information, the Company will be required to report it to HM Revenue & Customs.

## 2 ABOUT THE COMPANY

The Company is an investment company with variable capital incorporated under the OEIC Regulations. It is a Non-UCITS retail scheme as defined in COLL and also an umbrella company for the purposes of the OEIC Regulations. The Company is incorporated in England and Wales with registered number IC000828 and was authorised by the Financial Conduct Authority on 12 October 2010. The head office of the Company is at Juxon House, 100 St. Paul's Churchyard, London EC4M 8BU. This is also the address for the service on the Company of notices or other documents required or authorised to be served on it.

In accordance with the Regulations and the Company's Instrument the Company currently issues shares in the Sarasin Fund for Charities – Thematic UK Equity (GBP).

The Sub-fund is a tax elected fund ("**TEF**") which means that it meets the conditions set out in the TEF Regulations which are explained further in the paragraph labelled “

*What is a TEF?*” on Section 2, below and the "**Taxation**" Section 4 of this Prospectus.

Subject to the terms set out in this Prospectus, holders of shares in the Sub-fund are entitled to receive (or have accumulated) the net income derived from the Sub-fund and to redeem their shares at a price linked to the value of the property of the Sub-fund. Shareholders do not have any proprietary interest in the underlying assets of the Sub-fund. The shareholders of the Company will not be liable for the debts of the Company.

The base currency for the Company is pounds sterling. The maximum size of the Company's capital is £100,000,000,000 and the minimum size is £1. The operation of the Company is governed by the Regulations, the Company's Instrument and this Prospectus. The duration of the Company is unlimited.

### *Segregated liability of the sub-funds of the Company*

At present the Sub-fund is the only sub-fund of the Company but other sub-funds may be launched from time to time.

Any sub-funds of the Company are segregated portfolios of assets, and, accordingly, the assets of a sub-fund belong exclusively to that sub-fund, and shall not be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the Company or any other sub-fund, and shall not be available for any such purpose.

While the provisions of the OEIC Regulations provide for segregated liability between the sub-funds of the Company, the concept of segregated liability is relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known how those foreign courts will react to regulations 11A and 11B of the OEIC Regulations.

### *Changes to the Company, Sub-fund or a share class*

Where any changes are proposed to be made to the Company, the Sub-fund or a share class, the ACD will assess whether the change is fundamental, significant or notifiable in accordance with COLL 4.3. Some changes will not be fundamental, significant or notifiable, but those which do fall within these definitions will be submitted to the FCA for approval. If the change is regarded as fundamental, approval will be required from the relevant Shareholders. If the change is regarded as significant, 60 days' prior written notice will be given to the affected Shareholders. If the change is regarded as notifiable, Shareholders will receive suitable pre or post event notice of the change. Changes to the Sub-fund's investment objective or policy will usually be significant or fundamental.

### ***What is a TEF?***

A TEF is an authorised investment fund, such as the Sub-fund, which complies with the requirements of the TEF Regulations. As each sub-fund within an umbrella scheme is treated as a separate authorised investment fund for UK tax purposes separate sub-funds such as the Sub-fund may apply for TEF status. The TEF Regulations provide that shares in the Sub-fund must be made widely available to investors, and restrict the types of assets it may invest in and the investment strategies it may pursue.

The ACD has given notice to HMRC for the Sub-fund to be treated as a TEF for tax purposes. Briefly, investment funds which are authorised by the Financial Conduct Authority in the UK but which are not TEFs are exempt from capital gains tax but will attract corporation tax on their investment income. As a TEF, the Sub-fund is structured so that certain types of investment income arising in respect of the Sub-fund will be treated as being exempt from tax, with the intention that shareholders in the Sub-fund will generally pay the same level of tax as if they had invested directly in the underlying scheme property. This is explained further in the section headed "**Taxation**" in section 24.

### ***TEF conditions***

In accordance with the TEF Regulations the Sub-fund is prohibited from having a UK property business or an overseas property business. This is known as the '**property condition**'. The Sub-fund must also meet the following conditions in respect of any loan relationship to which the Sub-fund is party as a debtor:

- the creditor must not be entitled to interest which depends to any extent on (a) the results of all or part of the Sub-fund's business, or (b) the value of any of the Sub-fund's assets;
- the creditor must not be entitled to an amount by way of interest which exceeds a reasonable commercial return on the consideration lent;
- the creditor is entitled on repayment to an amount which does not exceed the consideration lent, or is reasonably comparable with the amount generally payable (in respect of an equal amount of consideration) under the terms of issue of securities listed on a recognised stock exchange.

This is known as the '**loan creditor condition**'. For the purposes of compliance with the loan creditor condition a loan shall not be treated as dependent on the results of the Sub-fund's business by reason only that the terms of the loan provide for the interest to be reduced in the event of results improving, or interest to be increased in the event of results deteriorating.

## **3 INVESTMENT OBJECTIVE AND POLICY OF THE SUB-FUND**

### ***Sarasin Fund for Charities – Thematic UK Equity (GBP)***

#### **Investment Objective**

We seek:

- to grow the value of the Fund over a rolling 5 year period after deducting fees and costs
- to provide comparable income to the MSCI UK Investable Market Index

We measure income after adjusting for withholding taxes.

## **Investment Policy**

### Investments

We invest at least 80% of the Fund in the shares of UK listed companies that are domiciled, incorporated or conduct a significant portion of their economic activity in the UK.

We may also invest in cash or bonds or units in funds (including those managed by the Investment Adviser).

### Investment Selection

We carefully select the Fund's investments and have free choice to select companies from any sector or industry.

We identify the long-term investment themes that drive growth and lead to disruption in global economies and industries, and will shape the world in which we live and invest. We select companies based on our own analysis of which are most likely to benefit from our themes, and are well placed to grow their revenues and cash flows as a result of them.

### Additional Techniques

We may only use derivatives to maintain the Fund's value, manage investment risk and to gain cost-effective access to investments. Derivatives are financial contracts whose value is linked to the price of another asset (e.g. indices, rates, share prices, currencies).

## **Benchmark Information**

The Fund does not use a target benchmark. However, the income it generates can be assessed by reference to the MSCI Investable Market Index as it represents the returns of UK companies.

We also compare the Fund's overall performance (income and capital growth) with that of MSCI UK Investable Market Index.

Shareholders may obtain further information concerning the core themes which have been identified, and in accordance with which the Sub-fund will be invested, in the Sub-fund's monthly fact sheet which is available from the ACD on request. **Shareholders should note that whilst the Sub-fund is intended for investment by charities (as explained further in section 5 "Typical Investor" below), neither the Sub-fund nor the Company are charities.**

### *Further sub-funds*

Subject to the Company's Instrument and the FCA Rules, further sub-funds may be added in the future. Any new sub-funds may elect to be a TEF subject to compliance with the TEF Regulations.

## **4 RISK FACTORS AND MANAGEMENT**

### *General Risks*

Investors should bear in mind that all investment carries risk and in particular should be aware of the following general risks associated with investment in the Sub-fund:

- (a) Past performance is not a guide to future performance. The value of shares and the income derived from them can go down as well as up and as a result the

investor may not get back the amount originally invested. This can be as a result of market movements and also of variations in the exchange rates between currencies. The ACD's initial charge (as set out in section 22 under the heading "**The Authorised Corporate Director's Charges**") is deducted from an investment at the outset such that an equivalent rise in the value of the shares is required before the original investment can be recovered.

- (b) The levels of relief from taxation will depend upon individual circumstances. Please note current tax levels and reliefs may change and their value will depend on an investor's individual circumstances.
- (c) Shareholders are reminded that in certain exceptional circumstances their right to redeem shares may be suspended (see "**Suspension of Dealings**" in section 17), where it is in the interests of shareholders.
- (d) Investment in the Sub-fund should be regarded as a long term investment and investors should not invest money that they may require in the short term.
- (e) There is no guarantee that the objectives of the Sub-fund will be achieved.
- (f) While the provisions of the OEIC Regulations provide for segregated liability between any sub-funds of the Company from time to time, these provisions are subject to the scrutiny of the courts, and it is not free from doubt, in the context of claims brought by local creditors in foreign courts or under foreign law contracts, that the assets of a sub-fund will always be 'ring-fenced' from the liabilities of other sub-funds of the Company.

#### ***Technique Specific Risks***

- (a) In certain circumstances, for efficient portfolio management purposes (including hedging) the Sub-fund may enter into certain derivatives transactions, including, without limitation, forward transactions, futures and options. 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 assets however there is also the potential for capital appreciation of such assets. For a summary of the types of derivatives which the Sub-fund may utilise, see the "**Derivatives**" paragraph of **Appendix 4. The Sub-fund's use of derivative techniques will have the overall intention of reducing the volatility of returns. The ACD does not anticipate that the use of derivatives will have any significant effect on the risk profile of the Sub-fund.**
- (b) As set out in the paragraph headed "**Leverage**" in **Appendix 4**, the Sub-fund may utilise cash borrowing, financial derivative instruments and reinvestment of cash collateral. When these techniques are used, the Sub-fund's exposure (the amount potentially at risk of loss) may exceed the value of its assets. This has the potential to increase the opportunity for gains but may magnify the effect of losses.
- (c) All of the fees and expenses incurred in respect of the Sub-fund may be charged to the capital of the Sub-fund which may restrict capital growth and result in capital erosion.
- (d) As a TEF the Sub-fund is subject to certain investment conditions, in the event that these conditions are breached the Sub-fund may incur a tax charge and in certain circumstances breaches may result in the Sub-fund losing the right to be treated for tax purposes as a TEF.

### ***Liquidity risk management***

The ACD has a liquidity management policy and maintains tools and methods of monitoring the liquidity of the Sub-fund and to ensure that the ACD can carry out investment requests. The liquidity risk management policies and procedures include the management, implementation and maintaining of appropriate liquidity limits for the Sub-fund and periodic stress testing of the liquidity risk of each Sub-fund under both normal and exceptional liquidity conditions to ensure that anticipated redemption requests can be met. In normal circumstances, dealing requests will be processed as set out above. In exceptional circumstances, other procedures, such as suspending dealings in the Sub-fund, borrowing cash, deferring the redemption of units, or applying in-specie redemptions may be used. If the ACD's policy for managing liquidity should change, this will be set out in the Company's annual report.

## **5 TYPICAL INVESTOR**

It is intended that shares in the Sub-fund will be widely available to the intended category of investors, which are bodies or persons established for charitable purposes only or trustees of trusts so established, each based in the United Kingdom. The ACD is required to market and make available the shares in the Sub-fund sufficiently widely to reach the intended types of investors and in a manner appropriate to attract these types of investors. A person who is in the intended categories of investors can, upon request to the ACD, obtain further information about the Sub-fund and, subject to all applicable Regulations and the terms of the Company's Instrument and Prospectus, acquire shares in it.

Class X and Class Z shares may only be held by investors who are clients or who otherwise have a discretionary investment management arrangement with the Investment Adviser.

Investors in the Sub-fund will typically understand and appreciate the risks associated with investing in shares in the Sub-fund or will have received advice from an appropriately qualified financial adviser.

Shareholders should note that whilst the Sub-fund is intended for investment by charities, the Sub-fund is not itself a charity.

## **6 THE AUTHORISED CORPORATE DIRECTOR**

The Authorised Corporate Director ("ACD") of the Company is Sarasin Investment Funds Limited. The ACD is a private company limited by shares, incorporated in England and Wales on 10 November 1987 under the Companies Act 1985. The registered and head office of the ACD is at Juxon House, 100 St. Paul's Churchyard, London EC4M 8BU. This is the address at which notices or other documents may be served on the Company. The amount of the ACD's issued share capital is £250,000 represented by 250,000 ordinary shares of £1 each fully paid.

The ACD is the AIFM for the purposes of the AIFM Directive.

The ACD is authorised to carry out investment business in the United Kingdom by the FCA. The ACD also acts as authorised corporate director of Sarasin Funds ICVC, Sarasin Fund of Funds OEIC and The Mazener Fund, and acts as manager of the Sarasin Charity Authorised Investment Funds, which are funds available for investment by UK registered charities.

The ACD is responsible for managing and administering the Sub-fund's affairs in compliance with the FCA Rules including portfolio management and risk management.

The ACD may provide investment services to other clients and funds and to companies in which the Company may invest in accordance with the Regulations.

When managing investments of the Company, the ACD will not be obliged to make use of information which in doing so would be a breach of duty or confidence to any other person or which comes to the notice of an employee or agent of the ACD but properly does not come to the notice of an individual managing the assets of the Company.

The directors of Sarasin Investment Funds Limited are:

- Mr Guy V. Matthews;
- Mr Simon Jeffries;
- Ms Elizabeth Tracey; and
- Mr Gary Steinberg.

The ACD provides its services to the Company under the terms of an alternative fund manager (the "**AIFM Agreement**") dated 22 July 2014 as amended from time to time. The AIFM Agreement will terminate with immediate effect if the ACD ceases to hold office as such. In addition to termination by reason of certain events of default by the ACD, the ACD's appointment may be terminated by the Company in a general meeting at one month's notice at any time. Otherwise, the AIFM Agreement may be terminated by either party upon written notice. No such notice shall take effect until the appointment of a successor ACD. The AIFM Agreement contains certain limitations upon the liability of the ACD where loss or damage has been caused to the Company, save where loss arises by reason of negligence, default, breach of duty or trust by the ACD. The AIFM Agreement contains an indemnity from the Company to the ACD in respect of losses, claims and similar liabilities incurred by the ACD as such, save where such losses, claims and similar liabilities arise from the negligence, default, breach of duty or breach of trust of the ACD.

The ACD has delegated its administration and registrar functions to Northern Trust Global Services SE. The ACD's investment management function has been delegated to Investment Adviser in respect of the Sub-fund.

## **7 THE INVESTMENT ADVISER**

Sarasin & Partners LLP is the Investment Adviser to the ACD in relation to the Sub-fund. The Investment Adviser is authorised and regulated by the Financial Conduct Authority, and its principal activity is the provision of investment management services to group companies and third parties.

Pursuant to an investment management agreement between the Investment Adviser and the ACD dated 22 July 2014, the Investment Adviser provides general discretionary investment management services in respect of each of the sub-funds of the Company and dealing services together with related research and valuation facilities in relation to a wide range of investments. The Investment Adviser will receive a fee paid by the ACD out of its remuneration received each month from the Sub-funds as explained in section 22 below. Any third party research received in connection with investment management services that the Investment Adviser provides to the Sub-funds will be paid for by the Investment Adviser. The Investment Adviser has the authority to make decisions on behalf of the ACD in relation to the Sub-fund's investments subject always to the provisions of the Instrument of Incorporation of the Company, this Prospectus, the Regulations and the investment objectives and policies of the sub-funds of the Company. Subject to instances where the agreement may be terminated with immediate effect in the interests of the shareholders, the agreement between the ACD and Investment Adviser may be terminated by either party giving the other no less than one month's written notice.

The Investment Adviser is in the same group of companies as the ACD and its registered office is also Juxon House, 100 St. Paul's Churchyard, London EC4M 8BU. Guy Matthews and Simon Jeffries are also partners of the Investment Adviser.

## 8 THE DEPOSITARY

Natwest Trustee and Depositary Services Limited is the Depositary of the Company. The Depositary is incorporated in England as a private limited company. Its registered office is at 250 Bishopsgate, London EC2M 4AA. The ultimate holding company of the Depositary is the Royal Bank of Scotland Group plc, which is incorporated in Scotland. The principal business activity of the Depositary is the provision of trustee and depositary services.

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

The Depositary is authorised and regulated by the Financial Conduct Authority.

The Depositary provides its services under the terms of an agreement between the Company and the Depositary (the "**Depositary Agreement**") which may be terminated by 6 months' notice by either the Company or the Depositary or earlier on certain breaches or the insolvency of a party. However, termination of the Depositary Agreement will not take effect, nor may the Depositary retire voluntarily, until the appointment of a new Depositary. Under the Depositary Agreement, the Depositary is free to render similar services to others and the Depositary, the Company and the ACD are subject to a duty not to disclose confidential information. The powers, duties, rights and obligations of the Depositary, the Company and the ACD under the Depositary Agreement shall, to the extent of any conflict, be overridden by the FCA Rules.

Subject to COLL, the Depositary has full power under the Depositary Agreement to delegate (and authorise its delegates to sub-delegate) all or any part of its duties as Depositary. The Depositary is entitled to the fees, charges and expenses as summarised section 22 "**Ongoing Operational and Administrative Expenses of the Company**"

The Depositary Agreement contains indemnities by the Company in favour of the Depositary against (other than in certain circumstances) any liability incurred by the Depositary as a consequence of its safe keeping of any of the scheme property or incurred by it as a consequence of the safe keeping of any of the deposited property by anyone retained by it to assist it to perform its function of the safekeeping of the scheme property and will also (in certain circumstances) exempt the Depositary from liability. The Trustee has confirmed that it is not the Trustee's intention to seek to discharge any of its liability for the improper performance of any of its duties as such.

The Depositary has delegated:

- (a) its income distribution functions to Northern Trust Global Services SE; and
- (b) safekeeping of the Scheme Property to the Custodian. In turn, the Custodian has delegated the custody of assets in certain markets in which a Fund may invest to various sub-delegates ("**sub-custodians**"). The relevant arrangements prohibit the Custodian from releasing the property of the Company into the possession of a third party without the consent of the Depositary. A list of sub-custodians is given in a. Investors should note that the list of sub-custodians is updated only at each Prospectus review.

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

of interest with any of the aforementioned parties. Should any such conflict arise, the Depositary shall notify the ACD and take necessary steps to address the conflict.

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

## **9 AUDITORS**

The Auditors are Deloitte LLP. They are responsible for auditing the annual accounts of the Sub-fund and expressing an opinion on certain matters relating to the Sub-fund in the annual report including whether their accounts have been prepared in accordance with applicable accounting standards, the FCA Rules and the Instrument of Incorporation.

## **10 SHARES IN THE COMPANY**

Under the Company's Instrument the Company is permitted to issue the following share classes, in relation to the Sub-fund:

- Class A Shares (Income and Accumulation);
- Class X Shares (Income and Accumulation); and
- Class Z Shares (Income and Accumulation).

Each income share is deemed to represent one undivided unit of entitlement in the property of the Sub-fund. Where both income and accumulation shares are in existence in relation to the Sub-fund, the number of undivided units of entitlement in the property of the Sub-fund represented by each accumulation share increases as income is accumulated.

Holders of income shares receive distributions, whereas holders of accumulation shares do not receive payments of income. Any income (net of any tax) arising in respect of an income share attributable to a particular Sub-fund shall be determined and distributed as summarised in section 20, "**Distribution**".

Any income (net of tax) arising in relation to an accumulation share will be credited automatically to capital which will be reflected in the price of such accumulation share. Separate prices are quoted for each class of share.

Where both income and accumulation shares are in existence in relation to the Sub-fund, the income of the Sub-fund is allocated between income shares and accumulation shares according to the respective units of entitlement in the property of the Sub-fund represented by the accumulation shares and income shares in existence at the end of the relevant accounting period.

The rights attaching to the shares of all classes may be expressed in two denominations and, in each of these classes, the proportion of a larger denomination share represented by a smaller denomination share shall be one hundredth of the larger denomination.

### **Different Charging Structures**

The different classes of shares which are issued by the Sub-fund, as explained above, reflect the differential charging structures and minimum initial and subsequent investment requirements described in section 15, "**Purchase Redemption and Exchange**" and section 21 "**The Authorised Corporate Director's Charges**". The number of units of entitlement in the property of the relevant Sub-fund represented by income and accumulation shares of each such class is adjusted on each Dealing Day as necessary to ensure that the correct level of charge is reflected in their respective share prices.

## Restrictions on Class X and Class Z Shares

Class X and Class Z shares issued in respect of the Sub-fund may only be held by investors who are clients or who otherwise have a discretionary investment management agreement with the Investment Adviser.

### 11 REGISTER

A register of shareholders and any plan registers are maintained at the office of the Registrars at 50 Bank Street, Canary Wharf, London E14 5NT where they can be inspected by shareholders during normal office hours by prior appointment.

No certificates will be issued in respect of a holding of shares and the register is prima facie evidence as to matters properly entered in it. No notice of any trust, express, implied or constructive may be entered in the register or by receivable by the Company. The Registrar is not obliged to register more than four persons as the joint holders of any shares and should any shareholder require evidence of title to shares the ACD will, upon such proof of identity and the payment of such fee (if any) as the ACD may reasonably require, supply the shareholder with a certified copy of the relevant entry in the register relating to the shareholder's holding of shares.

Shareholders should notify the Registrar in writing of any change to their name or address.

No bearer shares are issued.

### 12 VALUATIONS

Each share linked to the Sub-fund represents a proportional share of the overall property attributable to the Sub-fund. Therefore, the value of a share attributable to the Sub-fund is calculated, in broad outline, by calculating the net value of the property attributable to the Sub-fund, and dividing that value (or that part of that value attributed to shares of the class in question) by the number of shares (of the class in question) in issue.

Valuations are normally carried out on each Dealing Day (being each day which is a Business Day). The valuation point for the Sub-fund is 12 noon on each Dealing Day.

The calculation of prices of shares commences at or about the valuation point on each Dealing Day. The ACD may carry out additional valuations if it considers it desirable to do so. Valuations will not be made during a period of suspension of dealings (see section 18, "**Suspension of Dealings**" of this Prospectus). The ACD is required to notify the Depositary if it carries out an additional valuation.

The Scheme Property attributable to the Sub-fund is, for all purposes, valued on the following basis (which is set out in full in the Company's Instrument):

- (1) Scheme Property which is not cash (or other assets dealt with in paragraphs (9) and (10) below) shall be valued as follows and the prices used shall (subject as follows) be the most recent prices which it is practicable to obtain:
- (2) 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 initial 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 ACD, the price obtained is unreliable or no recent traded price is available or if no recent price exists, at a value which, in the opinion of the ACD, is fair and reasonable;
- (3) exchange-traded derivative contracts:
  - (a) if a single price for buying and selling the exchange-traded derivative contract is quoted, at that price; or
  - (b) if separate buying and selling prices are quoted, at the average of the two prices;
- (4) over-the-counter derivative contracts shall be valued in accordance with the method of valuation as shall have been agreed between the ACD and the Depositary;
- (5) any other investment:
  - (a) if a single price for buying and selling the security is quoted, at that price; or
  - (b) if separate buying and selling prices are quoted, at the average of the two prices; or
  - (c) if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if the most recent price available does not reflect the ACD's best estimate of the value, at a value which, in the opinion of the ACD, is fair and reasonable;
- (6) Scheme Property other than that above will be valued at a value which, in the opinion of the ACD, represents a fair and reasonable mid-market price.
- (7) Cash and amounts held in current, margin and deposit accounts and in other time-related deposits shall be valued at their nominal values.
- (8) In determining the value of the Scheme Property, all instructions given to issue or cancel shares shall be assumed (unless the contrary is shown) to have been carried out and any cash payment made or received and all consequential action required by the Regulations or the Instrument shall be assumed (unless the contrary has been shown) to have taken place.
- (9) Subject to paragraphs (10) and (11) below, agreements for the unconditional sale or purchase of property which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the valuation takes place and, in the opinion of the ACD, their omission shall not materially affect the final net asset amount.
- (10) 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 (9).
- (11) All agreements are to be included under paragraph (9) which are, or ought reasonably to have been, known to the person valuing the property assuming that all other persons in the ACD's employment take all reasonable steps to inform it immediately of the making of any agreement.
- (12) Deduct an estimated amount for anticipated tax liabilities (on unrealised gains where the liabilities have accrued and are payable out of the property of the scheme; on realised capital gains in respect of previously completed and current accounting periods; and on

income where liabilities have accrued) including (as applicable and without limitation) capital gains tax, income tax, corporation tax, value added tax and stamp duty.

- (13) Deduct an estimated amount for any liabilities payable out of the Scheme Property and any tax thereon treating periodic items as accruing from day to day.
- (14) Deduct the principal amount of any outstanding borrowings whenever payable and any accrued but unpaid interest on borrowings.
- (15) Add an estimated amount for accrued claims for tax of whatever nature which may be recoverable.
- (16) Add any other credits or amounts due to be paid into the scheme property.
- (17) Add a sum representing any interest or any income accrued due or deemed to have accrued but not received and any stamp duty reserve tax provision anticipated to be received.
- (18) Currencies or values in currencies other than base currency or (as the case may be) the designated currency of the Company shall be converted at the relevant valuation point at a rate of exchange that is not likely to result in any material prejudice to the interests of shareholders or potential shareholders.

### ***Valuations – General***

Where the ACD has reasonable grounds to believe that:

- (a) no reasonable price exists for a security at a valuation point; or
- (b) the most recent price available does not reflect the ACD's best estimate of the value of a security at a valuation point;

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

The circumstance which may give rise to a fair value price being used includes where there has been no recent trade in the security concerned or where there has been the occurrence of a significant event since the most recent closure of the market where the price of the security is taken.

### ***Immovable property***

As mentioned in section 3, "**Investment Objectives**" above the Sub-fund is not permitted to invest in immovable property directly in accordance with the TEF Regulations. In the event further sub-funds are established which are permitted to invest in immovable property directly the following provisions will apply. The immovable property held within the Company will be valued by a standing independent valuer on the basis of a full valuation with physical inspection (including, where the property is a building, internal inspection) at least once a year. The ACD will ensure that the standing independent valuer also values each immovable property on the basis of a review of the last full valuation, at least once a month. The figure arrived at under that valuation is used as part of the valuation for the Company calculated on each business day for the following month.

Any valuation of real property by the standing independent valuer will be undertaken on the basis prescribed as an "open market value" in accordance with RICS Valuation Standards (the Red Book) (7th Edition published March 2012 and as amended from time to time), or in the case of overseas immovables on an appropriate basis, but subject to COLL 6.3 (valuation and pricing).

Open market value is defined in the Appraisal and Valuation Standards as: "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

### **13 PRICES OF SHARES**

Shares in the Company are "**single priced**". This means that subject to the dilution levy referred in section 14 "**Dilution Levy**" below and the initial charge (explained in section 22, "**The Authorised Corporate Director's Charges**"), the price of a share for both buying and selling purposes will be the same and determined by reference to a particular valuation point. The price of a share is calculated at or about the valuation point each Dealing Day (to at least four significant figures) by:

- taking the value of the property attributable to the Sub-fund and therefore all shares (of the relevant class) in issue (on the basis of the units of entitlement in the property of the Sub-fund attributable to that class at the most recent valuation of the Sub-fund); and
- dividing the result by the number of shares of the relevant class in issue immediately before the valuation concerned.

#### ***Pricing Basis***

The Company deals on a forward basis. A forward price is the price calculated at the next valuation point after the sale, redemption or switch of shares is agreed.

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

All prices of all share classes will be published on the website at [www.sarasinandpartners.com](http://www.sarasinandpartners.com) and may also be obtained from the Registrar at 50 Bank Street, Canary Wharf, London E14 5NT. Share prices may also be obtained from the Administrator by telephoning 0333 300 0373.

Neither the Company nor the ACD are responsible for any errors in publication or for non-publication. The ACD sells and redeems shares on a forward pricing basis, not on the basis of the published prices.

### **14 DILUTION LEVY**

Where the Company buys or sells underlying investments in response to a request for the purchase or redemption of shares, it will generally incur a cost, made up of dealing costs and any spread between the buying and selling prices of the investments concerned, which will not be reflected in the amount paid by or to the shareholder. This effect is referred to as "**dilution**". As dilution is directly related to the inflows and outflows of monies to and from the Company, it is not possible to predict accurately whether dilution will occur at any point in time.

With a view to reducing this cost (which, if material, disadvantages continuing shareholders and could adversely affect the future growth of the Sub-fund) the ACD is entitled to require payment of a "dilution levy" (which is determined by the ACD) to be added or deducted on a sale and/or redemption of shares. This levy is paid directly into the Sub-fund and it is intended to reduce the effect of dilution on the future growth of the Sub-fund.

The dilution levy will be calculated by reference to the costs of dealing in the underlying assets of the Sub-fund, including any dealing spreads, commission and transfer taxes. The need to charge a dilution levy will depend on the volume of sales and redemptions. The ACD may at its discretion charge a dilution levy based on the price of the share attributable to the Sub-fund, if, in

its opinion, the existing shareholders (for sales) or remaining shareholders (for redemption) might otherwise be adversely affected. In particular a dilution levy may be charged where:

- the underlying transaction is a ‘large deal’;
- where a series of related or unrelated transactions when added together amount to a ‘large deal’; or
- in any other case where the ACD is of the opinion that the interests of shareholders require the imposition of a dilution levy.

For these purposes, a "**large deal**" is a sale or purchase (or series of sales or purchases) with a gross value of 3% of the total Sub-fund value or more.

On occasions where the dilution levy is not applied, there may be an adverse impact on the future growth of the Sub-fund. As at the date of this Prospectus the Company has been in existence for less than a year and there is therefore no or little historic information available. In the event a dilution levy is applied it is likely that the rate of the dilution levy may be up to 5%.

Estimates of the dilution adjustment calculated on securities held in each Fund, dealing expenses incurred and market conditions at the time of this Prospectus are:

<i>Fund</i>	<i>On Redemption (%)</i>	<i>On Subscription (%)</i>
<i>Sarasin Thematic UK Equity</i>	<i>0.06</i>	<i>0.07</i>

## 15 STAMP DUTY RESERVE TAX

There is no liability to Stamp Duty Reserve Tax (“SDRT”) on the surrender or issue of shares.

The Sub-Fund pays SDRT on the purchase of chargeable securities, broadly UK equities.

## 16 PURCHASE, REDEMPTION AND EXCHANGE OF SHARES

### *The ACD's own dealing*

Requests for the purchase, redemption and exchange of shares are normally dealt with by the issue or cancellation of such shares by the Company. However, in certain circumstances, the ACD may deal with such requests by selling shares to and/or repurchasing them from the applicant as appropriate. In other words, the ACD is entitled to hold shares for its own account and to satisfy requests for the sale of shares from its own holding (this is generally referred to as the ACD dealing from its "**box**"). The ACD is required to procure the issue or cancellation of shares by the Company where necessary to meet any obligations to sell or redeem shares. Shares will be issued, redeemed, sold or repurchased at the price calculated by reference to the valuation point following receipt of the request (on a forward basis).

The ACD may not sell a share at a higher price, or redeem a share at a lower price from its "**box**" (in both cases before application of any initial charge or dilution levy, or deduction of SDRT as applicable) than the price notified to the Depositary in respect of the valuation point concerned.

### **Purchase**

#### *Applications*

Applications for all classes of shares linked to the Sub-fund may be made by any person, subject to the minimum subscription requirements relating to such shares as set out below. Subject to COLL the ACD may refuse any application for the purchase of shares in the Company, or any request for redemption of shares in the Sub-fund, if it has reasonable grounds to do so.

Dealings are at forward prices, i.e. at prices calculated by reference to the next valuation following receipt of the application. Shares to satisfy an application received before the Dealing Cut Off Point of the appropriate Sub-fund (see definition of "**Dealing Cut Off Point**" in section 1 for details of the dealing cut off point) on a Dealing Day will be sold at a price based on that day's valuation and shares to satisfy an application received after the Dealing Cut Off Point, or on a day which is not a Dealing Day, will be sold at a price based on the valuation made on the next dealing day.

Where an application is sent by fax the original must follow promptly by mail. Investors are reminded that if they choose to send applications by fax they bear their own risk of such applications not being received.

Applications may be made by completing an application form and should be sent with the applicant's cheque or bankers draft to the ACD at Sarasin Investment Funds Limited, PO Box 3722, Wootton Bassett, Swindon SN4 4BG, by phone before 12 noon on any Dealing Day on 0333 300 0373 or by electronic means on such terms as it may specify. Telephone instructions must be confirmed by delivering duly completed registration details to the ACD at the above address. Application forms are available from the ACD. Applications, however made, are irrevocable. Subject to its obligations under COLL, the ACD reserves the right to reject any application in whole or in part. In that event, application monies or any balance will be returned to the applicant by post at the applicant's risk.

Please note that telephone calls may be recorded by the ACD, its delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for record keeping, security and/or training purposes. Please see section 34 below for further information.

#### ***Anti-Money Laundering Procedures***

The Company is subject to the UK's anti-money laundering regulations and any other requirements imposed on the Company by statute or by the regulators and the ACD may in its absolute discretion require verification of identity from any person applying for shares (the "**Applicant**") including, without limitation, any Applicant who:

- (a) tenders payment by way of cheque or banker's draft on an account in the name of a person or persons other than the Applicant; or
- (b) appears to the ACD to be acting on behalf of some other person.

In the former case, verification of the identity of the Applicant may be required. In the latter case, verification of the identity of any person on whose behalf the Applicant appears to be acting may be required.

The ACD may refuse any application for the purchase or redemption of shares if, in its sole opinion, the required anti-money laundering information is either incomplete or insufficient.

#### ***Documents Shareholders will receive***

Applications will not be acknowledged but a contract note will be sent on or before the business day next following the relevant Dealing Day. Certificates will not be issued. Where the total price payable for all shares for which the application is made would include a fraction of one penny it will be rounded up or down to the nearest penny.

If payment has not already been made, this will be due in cash or cleared funds not later than the third Business Day after the relevant Dealing Day.

If an Applicant defaults in making any payment in money or transfer of property due to the ACD in respect of the sale or issue of shares, the Applicant shall indemnify the ACD and/or the Company (as the case may be) in respect of any loss or cost incurred by either of them as a result of such default and the Company is entitled to make any necessary amendment to the register and the ACD will become entitled to the shares in place of the Applicant (subject, in case of an issue of shares, to the ACD's payment of the purchase price to the Company). The ACD may, at its discretion, delay arranging for the issue of the shares until payment has been received.

### ***In Specie Application***

The ACD may, by special arrangement and at its discretion, agree to arrange for the issue of shares in exchange for assets other than cash but only if the Depositary is satisfied that acquisition of the assets in exchange for the shares to be issued is not likely to result in any material prejudice to the interests of shareholders or potential shareholders of the Sub-fund concerned.

### ***Minimum Purchase***

The table below sets out the minimum value of shares which any one person may purchase initially, and the minimum value of shares which may be held. The ACD may, by special arrangement and at its absolute discretion waive in whole or in part the minimum investment and holding levels which apply to each share class.

<b>Share Class</b>	<b>Minimum Investment and Holding Levels</b>
A Shares	£1,000
X Shares	£1,000
Z Shares	£1,000,000

Where the value of an individual holding of shares of a given class would, in consequence of a request for redemption/cancellation, fall below the minimum holding for that class of shares, such request may be treated as a request for redemption/cancellation of all the shares of such class held by such shareholder. The value of shares for this purpose is calculated by reference to their current price, net of any initial charge and before any application of a dilution levy.

### ***Redemption Arrangements***

Shares in the Sub-fund may be redeemed on any Dealing Day. Dealings are on a forward price basis as explained in the paragraph headed "**Purchase**" in this section 15, above. Shares to be redeemed pursuant to a redemption request received before the Dealing Cut Off Point of the appropriate Sub-fund on a Dealing Day will be redeemed at a price based on that day's valuation and shares to be redeemed pursuant to a redemption request received after that time, or on a day which is not a Dealing Day, will be redeemed at a price based on the valuation made on the next Dealing Day. Redemption instructions may be given by delivery to the ACD of written instructions for redemption (by letter at Sarasin Investment Funds Limited, PO Box 3722, Wootton Bassett, Swindon SN4 4BG, or fax on 020 7982 3922), by telephoning the ACD on 0333 300 0373 before 12 noon on any Dealing Day. Redemption instructions given by telephone must be confirmed in writing to the ACD prior to redemption proceeds being remitted. Redemption instructions are irrevocable.

Please note that telephone calls may be recorded by the ACD, its delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for record keeping, security and/or training purposes. Please see section 34 below for further information.

Where a redemption is sent by fax the original must follow promptly by mail. Investors are reminded that if they choose to send redemptions by fax they bear their own risk of such redemptions not being received.

#### ***Documents redeeming shareholders will receive***

A redemption contract note will be sent on or before the next business day following the relevant Dealing Day. Where the total consideration for the transaction would include a fraction of one penny it will be rounded up or down to the nearest penny. There may also be deducted, if the consideration is to be remitted abroad, the cost of remitting the proceeds (if any). If a redeeming shareholder wishes to be paid other than by cheque, the ACD will endeavour to arrange this but at the cost of the shareholder. The redemption proceeds will be paid not later than the third Business Day after the later of the following times:

- (a) the valuation point immediately following the receipt by the ACD of the request to redeem the shares; or
- (b) the time when the ACD has received all duly executed instruments and authorisations which effect (or enable the ACD to effect) transfer of title to the shares.

Neither the Company nor the ACD is required to make payment in respect of a redemption of shares where the money due on the earlier sale of those shares has not yet been received or where the ACD considers it necessary to carry out or complete identification procedures in relation to the holder or another person pursuant to a statutory, regulatory or European Community obligation (such as the UK's anti-money laundering regulations). Neither the Company nor the ACD will be held responsible for any delay in payment as a consequence of anti-money laundering checks being undertaken.

#### ***Minimum Redemption***

In respect of Class A, and subject to the minimum holding requirements, if the redemption request is in respect of some only of the shares held, the minimum value of shares which may be the subject of one act of redemption is £250 (calculated by reference to their current price net of any initial charge and before any dilution levy). There is no minimum value of Class X or Class Z shares which may be the subject of redemption.

However, ACD may, by special arrangement and at its discretion, agree on an individual basis a lower amount in relation to the minimum redemption size.

#### ***Limitations on Redemption***

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

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

In the event of a redemption of shares that the ACD considers substantial in relation to the total size of the Sub-fund, the Company may transfer scheme property to the shareholder instead of paying the price of the shares in cash. A deal involving shares representing 5% or more of the Sub-fund's value will normally be considered substantial. The ACD will effect this by serving a notice of election on the shareholder not later than the close of business on the second Business Day following the day of receipt of the request.

Where such a notice is so served on a shareholder, the shareholder may serve a further notice on the ACD not later than the close of business on the fourth Business Day following the day of receipt by the shareholder of the first mentioned notice requiring the ACD, instead of arranging for a transfer of property, to arrange for a sale of that property and the payment to the shareholder of the net proceeds of that sale.

The selection of scheme property to be transferred (or sold) is made by the ACD in consultation with the Depositary, with a view to achieving no more advantage or disadvantage to the shareholder requesting redemption of his shares than to continuing shareholders. The Company may retain out of the property to be transferred (or the proceeds of sale) property or cash of value or amount equivalent to any SDRT to be paid in relation to the cancellation of the shares.

### ***Deferred redemption***

If requested redemptions in respect of the Sub-fund at a valuation point exceed 10% of the Sub-fund's value, the ACD may defer redemptions to the next valuation point in accordance with COLL.

Any such deferral would be undertaken in such manner as to ensure consistent treatment of all shareholders who had sought to redeem shares at the relevant valuation point at which redemptions were deferred, and so that all deals relating to the earlier valuation point were completed before those relating to a later valuation point were considered.

## **17 CONVERSION AND SWITCHING**

Subject to qualifications mentioned below, a shareholder may at any time exchange shares of one class ("**original shares**") for the appropriate number of shares of another class ("**new shares**"):

- (i) Convert all or some of his Shares of one class for another class of Shares; or
- (ii) Switch all or some of his Shares for another class of Shares for which Conversion is not possible.

The number of new shares issued will be determined by reference to the respective prices of new shares and original shares at the valuation point applicable at the time the original shares are repurchased and the new shares are issued, in accordance with the Instrument.

The ACD may adjust the number of new shares to be sold to reflect the effect of the dilution levy (if applicable) and any SDRT or other charges payable on the redemption or sale (as applicable) of the shares concerned.

The right to exchange is subject to the following:

- the ACD and the Depositary are not obliged to give effect to a request for exchange of shares if the value of the shares to be exchanged is less than the minimum permitted transaction (see above) or if it would result in the shareholder holding shares of any class of less than the minimum holding for that class of share (see above);

- the ACD may decline to permit an exchange in any case in which it would be entitled under COLL or the terms of this prospectus or the Instrument to refuse to give effect to a request by the shareholder for the redemption of shares of the old class or the issue of shares of the new class; and
- shares in the Sub-fund may only be held by bodies or persons established for charitable purposes only or trustees of trusts so established.

No switch will be made during any period when dealing in the Sub-fund has been suspended.

### ***Conversions***

Conversions will be effected by the ACD recording the change of share class on the Register of the Company.

If a shareholder wishes to Convert shares he should apply to the ACD in the same manner as for a sale as set out below.

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

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

The ACD may upon 60 days' written notice to shareholders, combine/consolidate two or more share classes. Such a consolidation takes place by way of a compulsory Conversion of the shares of one class into another class. Conversion may be required if the ACD reasonably believes it is the best interests of Shareholders to reduce the number of available Share Classes.

There is no fee on Conversions.

Exchanges between classes of shares linked to different classes may be subject to a charge (see "**Switching Charge**" in section 22 "**the Authorised Corporate Director's Charges**" below).

In no circumstances will a shareholder who exchanges shares in one class of shares for shares in any other class be given a right by law to withdraw from or cancel the transaction.

In the event there are two or more sub-funds in the Company it should be noted that an exchange of shares in one sub-fund for shares in any other sub-fund is treated as a redemption and sale and will, for persons subject to UK taxation, be regarded as a realisation for the purposes of capital gains taxation.

### ***Application***

A shareholder wishing to exchange shares should apply in the same way as for a redemption (see above). An exchange to be made pursuant to a request received before the valuation point of the sub-funds or share classes concerned on a day which is a Dealing Day for both sub-funds or share classes (or, if the valuation points on that day differ, before the first to occur) will be effected at prices based on that day's valuation; where a request is received after that time, or on a day which is not a Dealing Day for both sub-funds or share classes, the exchange will be effected at a price based on the valuation made on the next such Dealing Day.

A contract note giving details of the exchange will be sent on or before the business day next following the relevant dealing day.

## **18 SUSPENSION OF DEALINGS**

The ACD may with the prior agreement of the Depositary, and must without delay if the Depositary so requires, temporarily suspend the issue, cancellation, sale, redemption and exchange of the shares in the Sub-fund ("**dealing**") where, due to exceptional circumstances, it is in the interests of shareholders in the Sub-fund. Suspension of dealing must cease as soon as practicable after the exceptional circumstances leading to the suspension have ceased.

On suspension the ACD or the Depositary (if the Depositary has required the ACD to suspend dealings) shall immediately inform the FCA, stating the reason for the suspension, and as soon as practicable give written confirmation of the suspension and the reasons for it to the FCA. The ACD and the Depositary shall review the suspension at least every 28 days and shall inform the FCA of the result of the review, and in any event shall only allow the suspension to continue for as long as it is justified having regard to the interests of the shareholders. In accordance with the applicable rules in COLL, the ACD will notify shareholders of the suspension as soon as practicable after suspension commences, and will keep shareholders appropriately informed about the suspension including, if known, the likely duration.

The ACD may, however, during the period in which dealing is suspended, agree to deal at prices calculated by reference to the first valuation point after resumption of dealing. The recalculation of the share price will commence at or about the valuation point on the first Dealing Day following such period of suspension.

## **19 MANDATORY REDEMPTION OF SHARES**

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

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

it may give notice to the holder of such shares requiring him or her to transfer them to a person who is qualified or entitled to own them, or to request the redemption of the shares by the Company.

If the holder does not either transfer the shares to a qualified person or establish to the ACD's satisfaction that he or she and any person on whose behalf he or she holds the shares are qualified and entitled to hold and own them, he or she will be deemed on the expiry of a thirty-day period to have requested their redemption.

## **20 DISTRIBUTION**

The annual accounting period for the Company and the Sub-fund ends on 31 December (the "**accounting reference date**"). The half-yearly accounting period ends on 30 June (the "**interim accounting reference date**").

Allocations and distributions of income will be made on or before 28 February, 31 August, 31 May and 30 November in relation to the Sub-fund, as determined by the ACD in accordance with the Regulations, and is paid to holders of income shares by way of a distribution and reinvested in the Sub-fund in respect of holders of accumulation shares.

### ***Documents Shareholders will receive***

Distribution statements will be sent to shareholders. A crossed cheque, warrant or payment by bank transfer for the amount of the net distribution will, where applicable, be sent to the registered address and made payable to the order of the shareholder (or, in the case of joint holders, made payable and sent to the registered address of the first named holder on the register).

All distributions unclaimed for a period of six years after having become due for payment shall be forfeited and shall revert to the Company. The payment of any unclaimed distribution, interest or other sum payable by the Company on or in respect of a share into a separate account shall not constitute the Company a trustee thereof.

### ***Determination of Distributable Income***

Income relating to the Sub-fund is allocated among classes of shares linked to the Sub-fund as it accrues or is received in proportion to the units of entitlement in the property of the Sub-fund that each class represents of the preceding Business Day.

The income available for distribution or accumulation in relation to the Sub-fund is determined in accordance with COLL. Broadly it comprises all sums deemed by the Company, after consultation with the Auditor, to be in the nature of income received or receivable for the account of the Company and attributable to the Sub-fund in respect of the accounting period concerned, after deducting net charges and expenses paid or payable out of such income and after making such adjustments as the ACD considers appropriate, after consulting the auditors in accordance with COLL, in relation to taxation and other matters.

The ACD need not comply with the above provisions if the average of the allocations of income to individual shareholders of the Sub-fund would be less than £20 or such other amount agreed between the ACD and the Depositary. In that case, such amounts may be carried forward to the next accounting period and will be regarded as received at the start of that period. Otherwise, such sums may be credited to capital as determined by the ACD.

Where interim distributions are made, the ACD may smooth distributions over an accounting period.

### ***Determination of income for the purposes of the TEF Regulation***

As mentioned in section 3, "**Investment Objectives**" the Sub-fund complies with the conditions in the TEF Regulations and consequently has elected to qualify as a TEF. As a TEF the Sub-fund will not pay tax on certain investment income. The Sub-fund's total income will be allocated to one of two different 'pools' being either: (i) dividend (including foreign dividends), or (ii) non-dividend distributions, so that shareholders may receive two types of income for tax purposes in proportion to their shareholdings. The tax treatment of the Sub-fund is explained further in section 24, "**Taxation**".

## **21 INCOME EQUALISATION**

The price of a share of a particular class is based on the value of that class' entitlement in the Sub-fund including its entitlement to the income of the Sub-fund since the previous distribution or, in the case of accumulation shares, deemed distribution. In the case of the first distribution received in respect of a share, part of the amount, namely the equalisation payment, is a return of capital and is not taxable as income in the hands of the shareholder. This amount is, however, deducted from the cost of the share in computing any capital gains. In the case of accumulation shares, the equalisation payment is reinvested along with taxed income; as a result no adjustment is made to the costs of the share for capital gains tax purposes.

Equalisation applies only to shares purchased during the relevant accounting period. It is calculated as the average amount of income included in the issue price of all shares concerned issued during the period ("**Group 2 shares**"; shares purchased during a previous period are "**Group 1 shares**"). Equalisation is calculated on a deal by deal basis using an income per share rate calculated to three decimal places, with the total equalisation on the deal rounded to the nearest penny.

The Company may, at the discretion of the ACD (or its board of directors if other directors are appointed), dispense with income equalisation.

## **22 THE AUTHORISED CORPORATE DIRECTOR'S CHARGES**

### ***Initial Charge***

The ACD may impose a charge payable by the shareholder on the sale of shares (the "**initial charge**"). This charge is calculated by reference to the issue price of the shares purchased (before application of any dilution levy) and is paid by the Company to the ACD. The current initial charges applicable to shares of the Sub-fund are set out in the table below (plus Value Added Tax, if any):

<b>Share Class</b>	<b>Current Initial Charge</b>
A	0%
X	0%
Z	0%

The ACD may waive all or part of the initial charge at any time, at its discretion.

If at any time the current initial charge applicable to shares of the Sub-fund is increased, the ACD is required to give not less than 60 days' prior notice in writing to all shareholders before such increase may take effect. The ACD is also required to revise the Prospectus to reflect the new current rate and the date of its commencement.

### ***Switching Charge***

The ACD does not currently make any charge on either a switch of shares linked to another fund or on an exchange of shares in the Company between different classes.

### ***Periodic Charge***

A periodic charge is payable to the ACD who is responsible for paying the Investment Adviser of the Company. The periodic charge accrues daily and is payable monthly on or as soon as practicable after the last day of the calendar month in which it accrues. The ACD may waive all or part of its periodic charge at any time, at its discretion. The charge will be calculated separately in respect of each class of shares linked to the Sub-fund, as a percentage rate per annum of the total value of the units of entitlement in the property of the Sub-fund represented by the class on each day. All non-business accruals are calculated by reference to the business day immediately preceding the relevant non-business day in question. This charge is calculated by reference to the value of the Sub-fund on the last valuation day of the preceding month and is payable out of the property attributable to the Sub-fund.

The Investment Adviser's fee is paid out of the ACD's periodic charge.

The current charges in respect of each share class are set out below:

Share Class	Periodic Charge
A	0.75%
X	0.75%
Z	0.00%

Any increase in the above rates requires not less than 60 days' prior notice in writing to the shareholders before such increase may take effect. Also, the ACD is required to revise the Prospectus to reflect the new current rate and the date of its commencement.

The first accrual will be in respect of the period from the day on which the first valuation of the Sub-fund is made to the month end and is based upon the first valuation point. The periodic charge will cease to be payable (in relation to the Sub-fund) on the date of commencement of its termination, and (in relation to the Company as a whole) on the date of the commencement of its winding up or, if earlier, the date of the termination of the ACD's appointment as such. The amount(s) accruing due on the last relevant valuation date before the event concerned will be adjusted accordingly.

### **23 ONGOING OPERATIONAL AND ADMINISTRATIVE EXPENSES OF THE COMPANY**

Typically ongoing operating and administrative costs and expenses incurred by the Company may be paid out of the scheme property. However, in order to protect shareholders from fluctuations in these expenses the ACD has agreed to fix the total amount of these expenses in respect of the Sub-fund. This is referred to as the "**fixed rate operating charge**".

#### ***Fixed rate operating charge***

The fixed rate operating charge is **0.175%**.

The fixed rate operating charge will be calculated and accrued daily and deducted monthly in arrears from the Sub-fund. In the event the actual costs incurred by the Sub-fund exceed the level of the fixed rate operating charge applicable to the Sub-fund, the ACD shall bear any such excess. In the event that the actual operating costs of the Sub-fund fall below the Sub-fund's fixed rate operating charge, the ACD shall be entitled to retain any amount by which the fixed rate operating charge exceeds those actual costs.

#### ***What is included in the fixed rate operating charge?***

The following costs and expenses (plus VAT where applicable) will be met out of the fixed rate operating charge:

- The fees of the Depositary (whilst it is anticipated that all fees of the Depositary shall be included as part of the fixed rate operating charge, the Depositary retains the right to deduct any amounts owing to it from the Scheme Property);
- the safekeeping fees;
- the fees and expenses incurred in respect of: the preparation of financial statements; calculation of the prices of shares; preparation of tax returns; and any expenses incurred by the Company in connection with the maintenance of its accounts and other books and records;

- the fees of the Financial Conduct Authority under Schedule I, Part III of the Act and any corresponding periodic fees of any regulatory authority in a country or territory outside the United Kingdom in which shares in the /fund are, or may be, marketed;
- any costs incurred in respect of meetings of shareholders and/or directors convened for the purpose of approving any amendments to the Instrument and/or prospectus;
- any costs incurred in respect of any other meeting of shareholders including meetings convened on a requisition by holders not including the ACD or an associate of the ACD;
- any fees in relation to a unitisation, amalgamation or reconstruction where the property of a body corporate (such as an investment company) or of another collective investment scheme is transferred to the Company in consideration of the issue of shares in the Company to shareholders in that body corporate or to participation in that other scheme, and any liability arising after the transfer which, had it arisen before the transfer, could properly have been paid out of that other property provided that the ACD is of the opinion that proper provision was made for meeting such liabilities as were known or could reasonably have been anticipated at the time of the transfer;
- any audit fee and any proper expenses of the auditor;
- payments or costs in relation to the preparation of Simplified Prospectus (either in respect of the Company or the Sub-fund) or any successor or equivalent document;
- any costs of printing and distributing the Instrument, Prospectus, annual, half yearly and any other reports and accounts or information provided for shareholders;
- any costs of listing the prices of the Sub-fund in publication and information services selected by the ACD;
- insurance which the Company may purchase and/or maintain for the benefit of and against any liability incurred by the directors of the Company in the performance of their duties; and
- the fees in connection with listing the shares in the Company on any stock exchange.

The level of the fixed rate operating charge will be reviewed by the ACD in exceptional circumstances and on an annual basis in any event to ensure that it remains fair to shareholders. Any increase in the fixed rate operating charge will require prior notice to be given to shareholders at least 60 days before any such increase may take effect. The Prospectus will also be revised to reflect the new rate.

## **24 OTHER PAYMENTS OUT OF THE COMPANY**

The fees and charges set out in this section shall be payable out of the scheme property of the Company and do not fall within the fixed rate operating charge.

### ***Establishment and authorisation of the Company and sub-funds***

Any costs incurred in establishing and authorising the Company, and any sub-funds after the initial establishment of the Company, will not be included in the fixed rate operating charge and shall be met out of the scheme property of the relevant sub-fund(s).

### ***Professional advisers' fees***

The costs and expenses incurred in respect of any tax, legal and other professional advisers to the Company will not be included in the fixed rate operating charge and will be deducted from the scheme property of the Company.

#### ***Custodian's transaction charges***

Whilst the Depositary's periodic fee, the charges and expenses arising from the services it provides as Depositary, and the custody charges which are incurred in respect of the safekeeping of the scheme property of the Sub-fund, are included in the fixed rate operating charge as set out in section 22 "**Ongoing Operational and Administrative Expenses of the Company**" above, the Custodian's transaction charges will not be included in the fixed rate operating charge, and will instead be deducted from the scheme property of the Company.

The transaction charges are incurred in respect of transaction handling, including fees incurred as a result of trading derivatives on a platform, and the costs vary between £8 and £550 depending on the country, the market and the type of transaction involved.

Transaction charges accrue at the time transactions are effected and are payable as soon as is reasonably practicable, and in any event no later than the last Business Day of the month when such charges arose, or as otherwise agreed between the Depositary and the ACD.

Any VAT on the charges payable to the Depositary shall be added to such charges and expenses.

#### ***Other ongoing operational costs***

The following are additional operational costs which may be deducted from the scheme property of the Company:

- (a) broker's commissions, fiscal charges and other disbursements which are necessarily incurred in effecting transactions for the Company, including expenses incurred in acquiring or disposing of investments including legal fees and expenses, whether or not the acquisition or disposal is carried out;
- (b) interest on and other charges relating to permitted borrowings including costs incurred in effecting, terminating, negotiating or varying the terms of such borrowings; and
- (c) taxation, SDRT and other duties payable by the Company in respect of the scheme property of the Sub-fund or the issue of shares in the Sub-fund.

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

The fees and expenses incurred in respect of the Sub-fund will be charged to the capital account, this may erode capital growth of the Sub-fund.

## **25 TAXATION**

### ***General***

The information below is a general guide based on current United Kingdom law and HM Revenue & Customs practice, which are subject to change. It summarises the tax position of the Company and of investors who are United Kingdom resident and hold shares as investments and does not constitute tax advice. Prospective investors who are in any doubt about their tax position, or who may be subject to tax in a jurisdiction other than the United Kingdom, are recommended to take professional advice.

### ***The Company***

As the Sub-fund is a sub-fund of an open-ended investment company established as an umbrella company to which the Authorised Investment Funds (Tax) Regulations 2006 (SI 2006/964) (as amended from time to time (the “AIF Regulations”)) apply, the Sub-Fund, and not the Company, is deemed to be a separate taxable entity.

Sub-Funds are generally exempt from United Kingdom tax on capital gains realised on the disposal of investments (including interest-paying securities and derivatives but excluding gains realised on the disposal of certain offshore fund holdings) held within them.

***The Sub-fund (which is a tax elected fund for the purposes of the TEF Regulations):***

A sub-fund, such as the Sub-fund, which qualifies and has been elected as a TEF should, generally, have no liability to UK corporation tax, and instead, the investor should be taxed as though it had invested in the underlying assets itself.

A TEF's income is split into four categories:

- (a) Dividend income. Such income is generally exempt from corporation tax (including, from 1 July 2009, dividends from overseas companies)
- (b) Property investment income. This comprises distributions from shares held in UK-REITs and Property Authorised Investment Funds. Such income is subject to withholding tax at the basic rate of income tax (currently 20%) when it is paid to the Sub-fund, but is generally exempt from tax in the Sub-fund.
- (c) Property business income. This is income from a property business received in breach of the TEF Regulations. Any such income would be subject to corporation tax at the basic rate of income tax. (No such income is normally to be expected in the Sub-fund).
- (d) Other income. The general rules of corporation tax as they apply to authorised investment funds will apply to any such income, and is likely to be subject to tax at the basic rate of income tax, but any such income is treated as yearly interest, and therefore the Sub-fund should obtain a corresponding deduction for tax purposes in respect of the distribution of such income (which should result in no overall tax).

The TEF must, for tax purposes, attribute the total amount shown as available for distribution in its distribution accounts so that the income listed at (a) to (c) above is attributed to TEF distributions (dividend) and the income at (d) is attributed to TEF distributions (non-dividend). TEF distribution (dividend) amounts are treated as dividends on shares whereas TEF distributions (non-dividend) amounts are treated as yearly interest.

Like other authorised investment funds, a TEF is exempt from corporation tax on capital gains.

No tax is deducted from distributions.

***Shareholders who are charities***

Charities who receive distributions from the TEF will generally be exempt from tax to the extent that the distributions are applied for charitable purposes only.

Similarly, charities realising a gain will generally be exempt from tax to the extent that the gain is applied for charitable purposes.

Charities are currently the only eligible investor type

### *Accumulation shares*

In the case of accumulation shares, reinvested income is deemed to have been distributed to the shareholder for the purposes of taxation and a tax voucher will be issued to the shareholder to provide the appropriate details for their returns. Tax vouchers will be sent to shareholders by post, shareholders will be notified of any change to the method of providing tax vouchers.

### **AUTOMATIC EXCHANGE OF INFORMATION FOR INTERNATIONAL TAX COMPLIANCE.**

In order to comply with the legislation implementing the United Kingdom's obligations under various intergovernmental agreements relating to the automatic exchange of information to improve international tax compliance (including EU directives and US FATCA), the Company (or its agent) will collect and report information about shareholders and their investments where required for this purpose, including information to verify their identity and tax status.

If requested to do so by the Company or its agent, shareholders must provide information to be passed on to HM Revenue & Customs (and by them to any relevant overseas tax authorities).

## **26 REPORTS AND ACCOUNTS**

The annual accounting period of the Company ends on 31 December. The interim accounting period ends on 30 June.

The ACD will, within four months after the end of each annual accounting period and within two months after the end of each half-yearly accounting period respectively, provide free of charge the short report in accordance with COLL, by sending a copy of the report to each unitholder (or to the first named of joint unitholders) entered in or entitled to be entered in the register at the close of business on the last day of the relevant accounting period.

The ACD will make the long report available to unitholders on request. Copies of the latest report and accounts may be requested from the office of the ACD at the principal place of business address given in this Prospectus. Long reports will be available within four months after the end of each annual accounting period and within two months after the end of each half-yearly accounting period respectively.

## **27 ANNUAL GENERAL MEETINGS**

In accordance with section 37A of the OEIC Regulations, the Company has elected to dispense with the holding of an Annual General Meeting, and will hold Extraordinary General Meetings as and when required.

## **28 VOTING**

Entitlement to receive notice of a particular meeting or adjourned meeting and to vote at such a meeting is determined by reference to those persons who are holders of shares in the Company on the date seven days before the notice is sent ("**the cut-off date**"), but excluding any persons who are known not to be holders at the date of the meeting or other relevant date.

At a meeting of shareholders, on a show of hands every holder who (being an individual) is present in person or by proxy or, if a corporation, is present by a properly authorised representative, has one vote. On a poll votes may be given either personally or by proxy and the voting rights attached to a share are such proportion of the total voting rights attached to all shares in issue as the price of the share bears to the aggregate price of shares in issue on the cut-off date. 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. A vote will be decided on a show of hands unless a poll is (before or on the declaration

of the result of the show of hands) demanded by the chairman, by the Depositary or by two shareholders present or by proxy.

An instrument appointing a proxy may be in any usual or common form or in any other form approved by the ACD. It should be in writing under the hand of the appointor or his attorney or, if the appointor is a corporation, either under the common seal, executed as a Deed or under the hand of a duly authorised officer or attorney. A person appointed to act as a proxy need not be a holder.

The quorum at a meeting of holders is two shareholders present in person or by proxy or (in the case of a corporation) by a duly authorised representative. If a quorum is not present within 15 minutes of the time appointed, the meeting will (if requisitioned by shareholders) be dissolved and in any other case will be adjourned. If at such adjourned meeting a quorum is not present within 15 minutes from the appointed time, one person entitled to count in a quorum will be a quorum.

A corporation, being a holder, may by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of holders and the person so authorised is entitled to exercise the same powers on behalf of the corporation which he represents as the corporation could exercise if it were an individual holder.

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

The ACD is entitled to attend any meeting but, except in relation to third party shares, is not entitled to vote or be counted in the quorum and any shares it holds are treated as not being in issue for the purpose of such meeting. An associate of the ACD is entitled to attend any meeting and may be counted in the quorum, but may not vote except in relation to third party shares. For this purpose, third party shares are shares held on behalf of or jointly with a person who, if himself the registered shareholder, would be entitled to vote, and from whom the ACD or the associate (as relevant) has received voting instructions.

### ***Powers of a Shareholders' Meeting***

The ACD must, by way of an extraordinary resolution, (i.e. a resolution notified and proposed as such and passed by a majority of not less than three-quarters of the votes validly cast), obtain prior approval from the shareholders (or, where applicable, class of shareholders) for any proposed change to the Company or any of the Sub-fund which, in accordance with COLL, is a fundamental change. Such a fundamental change is likely to include:

- certain changes to the investment objective and policy of the Sub-fund;
- the removal of the ACD; or
- any proposal for a scheme or arrangement.

Other provisions of the Company's Instrument and the Prospectus may be changed by the ACD without the sanction of a shareholders' meeting in accordance with COLL.

## **29 INVESTMENT AND BORROWING POWERS**

The Company may exercise, in respect of the Sub-fund, the full authority and powers permitted by COLL applicable to a Non-UCITS retail scheme, subject to the requirements of the TEF Regulations and the applicable investment limits and restrictions set out in COLL, the Company's Instrument, this Prospectus, and the Sub-fund's investment objectives and policies.

The investment and borrowing powers of the Sub-fund are set out in Appendix 4, "**Investment and Borrowing Powers**". A list of the eligible securities and derivative markets is set out in Appendix 1 and 2, respectively.

### **30 DISCLOSURE OF DEALING ARRANGEMENTS**

The ACD may from time to time make arrangements with other persons under which those persons arrange for the provision to them of investment related services or other benefits the receipt of which is intended to assist them in the provision of investment management services and be of benefit to the Sub-fund. The ACD does not always make direct payment for such services but instead may place Sub-fund business with those or other persons. The Sub-fund will pay brokerage at rates not in excess of customary institutional full service brokerage rates and all transactions effected for the Sub-fund will be such as to secure for them best execution, disregarding any benefit which might accrue directly or indirectly to the Sub-fund from the services or benefits provided under such arrangements. No cash rebates will be retained by the ACD.

### **31 TRANSFER OF SHARES**

A shareholder is entitled (subject to as mentioned below) to transfer shares by an instrument of transfer in any usual or common form or in any other form approved by the ACD. The ACD is not obliged to accept a transfer if it would result in the holder, or the transferee, holding less than the minimum holding of shares of the class in question. Additionally the ACD is not obliged to accept a transfer if it would result in shares in the Sub-fund being held by bodies or persons not established for charitable purposes or who are not trustees of trusts so established, or in the case of Class X or Class Z shares, if such transfer would result in a person who is not a client or who does not otherwise have an investment management agreement with the Investment Adviser.

The instrument of transfer, duly stamped if it is required to be stamped, must be lodged with the Registrar for registration. The transferor remains the holder until the name of the transferee has been entered in the register.

The Company or the Registrar may require the payment of such reasonable fee as the ACD and the company may agree for the registration of any grant of probate, letters of administration or any other documents relating to or affecting the title to any share.

### **32 WINDING UP OF THE COMPANY AND TERMINATION OF FUND**

The Company may be wound up under Chapter 7.3 of COLL or as an unregistered company under Part V of the Insolvency Act 1986. Winding up of the Company or termination of the Sub-fund under COLL is only permitted with the approval of the FCA and if a statement has been lodged with the FCA by the ACD confirming that the Company or the Sub-fund will be able to meet all its liabilities within twelve months of the date of the statement (a "**solvency statement**").

Subject to the foregoing, the Company or the Sub-fund will be wound up or terminated (as appropriate) under COLL:

- if an extraordinary resolution of shareholders of either the Company or the Sub-fund (as appropriate) to that effect is passed; or
- on the date stated in any agreement by the FCA in response to a request from the ACD for the winding up of the Company or a request for the termination of the Sub-fund.

The ACD may request that the Sub-fund be terminated in certain situations such as if, at any time after the first anniversary of the issue of the first shares linked to the Sub-fund the net value of the assets of the Company attributable to the Sub-fund is less than £5 million.

The winding up of the Company or termination of the Sub-fund under COLL is carried out by the ACD which will, as soon as practicable, cause the property of the Company or that property attributable to the Sub-fund to be realised and the liabilities to be met out of the proceeds. Provided that there are sufficient liquid funds available after making provision for the expenses of winding up and the discharge of the liabilities of the Company or the Sub-fund (as the case may be) the ACD may arrange for interim distribution(s) to be made to shareholders. When all liabilities have been met, the balance (net of a provision for any further expenses) will be distributed to shareholders. The distribution made in respect of the Sub-fund will be made to the holders of shares linked to the Sub-fund, in proportion to the units of entitlement in the property of the Sub-fund which their shares represent.

Shareholders will be notified of any proposal to wind up the Company or terminate any of the Sub-fund. On commencement of such winding up or termination, the Company will cease to issue and cancel shares and transfers of such shares shall cease to be registered.

On completion of the winding up, the Company will be dissolved and any money (including unclaimed distributions) standing to the account of the Company will be paid into court within one month of dissolution.

### **33 SHAREHOLDERS' RIGHTS**

Shareholders are entitled to participate in the Company on the basis set out in this Prospectus (as amended from time to time). The paragraphs entitled "**Complaints**", "**Cancellation rights**", "**Personal Data**", "**Voting**", "**Reports and Accounts**" and "**Documents and Information Available**" in this section 32, set out important rights about Shareholders' participation in the Company.

Shareholders may have no direct rights against the Service Providers.

Shareholders may be able to take action if the contents of this document are inaccurate or incomplete.

Shareholders have statutory and other legal rights which include the right to complain and may include the right to cancel an order or seek compensation.

Shareholders who are concerned about their rights in respect of the Company (or any Sub-fund) should seek legal advice.

#### ***Complaints***

Any complaint should be referred to the ACD at its registered office. If a complaint cannot be resolved satisfactorily with the ACD it may be referred to the Financial Ombudsman Service, Exchange Tower, Harbour Exchange, London E14 9SR. More details about the Financial Ombudsman Service are available from the ACD.

The Financial Services Compensation Scheme Limited has been established under the rules of the FCA as a "rescue fund" for certain clients of firms authorised and regulated by the FCA which have gone out of business. Sarasin Investment Funds Limited will supply you with further details of the scheme on written request to its operating address. Alternatively, you can visit the scheme's website at [www.fscs.org.uk](http://www.fscs.org.uk) or by writing to the Financial Services Compensation Scheme, PO Box 300, Mitcheldean, GL17 1DY.

#### ***Cancellation rights***

A notice of an applicant's right to cancel the agreement to purchase shares will be forwarded, where this is required by rules made under the Act.

When the investment is a lump sum investment (or the first payment, being larger than the second payment, in a regular payment savings plan) an applicant who is entitled to cancel and does so will not get a full refund of the money paid by him if the purchase price of the shares falls before the cancellation notice is received by the ACD, because an amount equal to such fall (the "shortfall") will be deducted from the refund he would otherwise receive. Where the purchase price has not yet been paid the applicant will be required to pay the amount of the shortfall to the ACD. The deduction does not apply where the service of the notice of the right to cancel precedes the entering into of the agreement. Cancellation rights must be exercised by posting a cancellation notice to the ACD on or before the 14th day after the date of receipt of the notice of the right to cancel.

## 34 OTHER INFORMATION

### *Delegation*

The ACD and the Depositary, subject to exceptions specified in COLL, may retain (or arrange for the Company to retain) the services of other persons to assist them in the performance of their respective functions and, in relation to certain functions, the ACD or the Depositary (as applicable) will not be liable for the actions of the persons so appointed provided certain provisions of COLL apply.

### *Conflicts of Interest*

The ACD and Depositary have conflicts of interest policies to enable them to identify, manage and monitor potential conflicts of interest.

The Depositary or any associate of the Depositary, or of any Investment Adviser may (subject to COLL) hold money on deposit from, lend money to, or engage in stock lending transactions in relation to the Company, so long as the services concerned are provided on arm's length terms.

The Depositary may act from time to time as the depositary or trustee of other companies or funds.

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

Subject to compliance with the FCA Rules, the ACD may be party to or interested in any contract, arrangement or transaction to which the Company is a party or in which it is interested. The ACD is entitled in its own discretion to determine the terms of its appointment as such, and consequently to amend the terms of the service agreement referred to under section 6, "**The Authorised Corporate Director**" above.

The ACD may delegate some of its responsibilities in relation to the Sub-fund to other companies within its corporate group. The ACD presently delegates investment management to its sole shareholder Sarasin & Partners LLP. To alleviate any conflict of interest which may arise, contracts between the ACD and Investment Adviser are prepared on an arm's length basis.

Neither the Service Providers, their associates nor any other person involved with the establishment and/or operation of the Company are liable to account to each other or to the shareholders or former shareholders of the Company for any profits or benefits they may make or receive which are made, derived from or in connection with:

- (a) their acting as agent for the Company in the sale or purchase of property to or from the Sub-fund;
- (b) their part in any transaction or the supply of services permitted by COLL;

- (c) their dealing in property equivalent to any owned by (or dealt in for the account of) the Company;
- (d) dealings in the shares of the Company;
- (e) any transaction in the underlying property of the Company; or
- (f) the supply of services to the Company.

### ***Professional Liability Risks***

The ACD covers potential professional liability risks arising from its activities as the Sub-fund's AIFM through a combination of professional liability insurance covering liability risks arising from professional negligence and additional own funds.

### ***Rebate of Fees and Commission***

The ACD may at its sole discretion rebate its initial, or periodic charges in respect of any application for, or holding of, shares. Similarly, the Company may rebate or waive its charges in relation to any exchange of shares. A proportion of the initial charge may be rebated to the introducer (the investor's financial intermediary) in the form of commission payment. The investor should check with the intermediary the amount of commission he or she has received.

## **35 GENERAL**

### ***Contact details***

The address for service on the Company of notices or other documents required or authorised to be served on it is Juxon House, 100 St. Paul's Churchyard, London EC4M 8BU. All documents and remittances are sent at the risk of the shareholder.

All notices or documents required to be served on shareholders shall be served by post to the address of such shareholder as evidenced on the register.

Shares in the Sub-fund are not listed or dealt in on any investment exchange.

### ***Market Timing***

Subscriptions and redemptions should be made for investment purposes only. The ACD does not permit the Company to be used for the purposes of 'market timing' or any other excessive trading practice which may disrupt portfolio management strategies and harm fund performance. For this purpose, market timing is defined as a trading strategy with the intention of taking advantage of short term changes in market prices.

The ACD will undertake monitoring activities to ensure that market timing and other excessive trading practices are not taking place in relation to the Company, and may reject any subscription or redemption requests from any investor who is engaging in excess or short term trading practices. Neither the Company, nor the ACD will be held liable for any loss resulting from rejected orders.

### **Documents and information available**

Copies of the following documents are available for all purchasers of shares on request, free of charge from the ACD at Juxon House, 10 St. Paul's Churchyard, London EC4M 8BU:

- Latest version of the Prospectus and Simplified Prospectus;

- Latest version of the Instrument which constitutes the Company and the Sub-fund;
- Latest annual and half-yearly long reports applying to the Sub-fund;
- The AIFM Agreement.

The above documents are also available for inspection on any Business Day during normal business hours at the offices of the ACD.

### **Overseas transfers**

We may transfer your personal information to countries located outside of the European Economic Area (the EEA).

This may happen when our servers, suppliers and / or service providers are based outside of the EEA. The data protection laws and other laws of these countries may not be as comprehensive as those that apply within the EEA. In these instances we will take steps to ensure that your privacy rights are respected. Details relevant to you may be provided upon request.

### **Your Personal Information**

The ACD's privacy notice details the collection, use and sharing of Shareholders' personal information in connection with their investment in the Fund. The privacy notice can be found on the ACD's website at [www.sarasinandpartners.com](http://www.sarasinandpartners.com)

This notice may be updated from time to time and Shareholders should confirm that they hold the latest version. Shareholders who access the Fund through an intermediary such as a wealth manager, platform service or ISA Manager, should also contact that organisation for information about its treatment of their personal information.

Any Shareholder who provides the ACD and its agents with personal information about another individual (such as a joint investor) must also show the privacy notice to those individuals.

### **Shareholders' Rights**

Procedures, arrangements and policies have been put in place by the ACD to ensure compliance with the principles of fair treatment of investors. The principles of treating investors fairly include, but are not limited to:

- acting in the best interest of the Sub-fund and of the investors;
- executing the investment decisions taken for the account of the Sub-fund in accordance with the objectives, the investment policy and the risk profile of the Sub-fund;
- ensuring that the interests of any group of investors are not placed above the interests of any other group of investors;
- ensuring that fair, correct and transparent pricing models and valuation systems are used for the Sub-fund;
- preventing undue costs being charged to the Sub-fund and investors;
- taking all reasonable steps to avoid conflicts of interests and, when they cannot be avoided, identifying, managing, monitoring and, where applicable, disclosing those conflicts of interest to prevent them from adversely affecting the interests of investors; and

- recognising and dealing with complaints fairly.

### **Electronic Verification**

As noted above section 16, and as set out in the Money Laundering Regulations 2007, The Proceeds of Crime Act 2002, The FCA Senior Management Arrangements Systems & Controls Source Book and the Joint Money Laundering Steering Group Guidance Notes (as updated from time to time), the ACD must check the identity of an Applicant or Shareholder and the source of the money invested. As appropriate the ACD may write to request verification documents from Applicants, Shareholders and / or other associated parties. In some cases, verification documentation may be required in relation to officers performing duties on behalf of bodies corporate. The ACD may seek to verify the identity of individuals electronically through the use of credit reference agencies which may keep a record of this information, but this is purely to verify the identity of the individual and will not adversely affect any credit record. If an Applicant fills in the Application Form, such Applicant is giving the ACD permission to ask for this information in line with the General Data Protection Regulation (Regulation (EU) 2016/679 of the European Parliament and the Council of 27 April 2016) and any consequential national data protection legislation. If the ACD is unable to verify the Applicant's identity electronically, it will ask the Applicant to provide documentary evidence. If an Applicant invests through a financial adviser an identity verification certificate must be completed on the Applicant's behalf and sent to the ACD with the relevant application.

### **Recordings of telephone conversations/electronic communications**

Please note that the ACD may record telephone calls for training and monitoring purposes and to confirm investors' instructions. Recordings will be provided on request for a period of at least five years from the date of such recording, or, where requested by a competent regulatory authority, for a period of seven years, where we can identify the call coming from you. If you ask us to send you a recording of a particular call, we may ask for further information to help us identify the exact call to which your request relates

### **Best Execution**

The ACD must act in the best interests of each Fund when executing decisions to deal on behalf of the relevant Fund. The Best and Timely Execution Policy sets out (i) the systems and controls that have been put in place and (ii) the basis upon which the ACD will effect transactions and place orders in relation to the Company whilst complying with its obligations under the handbook of rules issued by the FCA to obtain the best possible outcome for each transaction undertaken on behalf of the Company. Details of the Best Execution Policy are available from the ACD on request. If you have any questions regarding the policy please contact the ACD or your professional adviser.

### **Policy on benefits from third parties**

When executing orders, or placing orders with other entities for execution, that relate to financial instruments for, or on behalf of, the Sub-fund, the Investment Adviser 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 Adviser will return to each relevant Sub-fund as soon as reasonably possible after receipt any fees, commissions or any monetary benefits paid or provided by any third party or a person acting on behalf of a third party in relation to the services provided to that Sub-fund, and disclose in the annual report the fees, commissions or any monetary benefits transferred to them.

The Investment Advisors may, however, accept without disclosure minor non-monetary benefits that are capable of enhancing the quality of service provided to the relevant Sub-fund; and of a

scale and nature such that they could not be judged to impair their compliance with its duty to act honestly, fairly and professionally in the best interests of each Sub-fund.

### **Client Money**

Any money which is received by the ACD prior to investment in a Sub-Fund or following redemption of Shares will be held in accordance with the FCA's client money rules in a client money account. The ACD will deposit the cash in the UK with a banking institution authorised and regulated by the Prudential Regulation Authority. The bank will hold the cash on the ACD's behalf in an account separate from any money they hold for the ACD in its own right. If the bank becomes insolvent the ACD will have a claim on behalf of its clients against the bank. If, however, the bank cannot pay all of its creditors, any shortfall may have to be shared pro-rata between them. In such circumstances it may be possible to claim under the UK deposit protection scheme. This scheme covers the first £85,000 of each customer's claim against a bank or building society.

### **Interest**

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

### **Unclaimed Cash or Assets**

Any cash (except unclaimed distributions which will be returned to the Company) or assets due to Shareholders which are unclaimed for a period of six years (for cash) or twelve years (for assets) will cease to be client money or client assets and may be paid to a registered charity of the ACD's choice. The ACD will take reasonable steps to contact Shareholders regarding unclaimed cash or assets in accordance with the requirements set out in the FCA Rules before it makes any such payment to charity. Payment of any unclaimed balance to charity will not prevent Shareholders from claiming the money or assets in the future.

If the client money or client assets (except for unclaimed distributions) are equal to or below a de minimis amount set by the FCA (£25 or less for retail Shareholders and £100 or less for professional Shareholders) the steps the ACD must take to trace the relevant Shareholders before paying the money or assets to charity are less but the ACD will still make efforts to contact you.

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

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

### **This Prospectus**

This Prospectus describes the constitution and operation of the Company at the date of this Prospectus. In the event of any materially significant change in the matters stated herein or any materially significant new matter arising which ought to be stated herein, this Prospectus will be revised. Investors should check with the ACD that this is the latest version and that there have been no revisions or updates.

### Eligible Securities Markets

Set out below are the securities markets through which the Company may invest or deal in approved securities on account of the Sub-fund (subject to the investment objective and policy of the Sub-fund).

- (a) a "regulated market" as defined in COLL;
- (b) a securities market established in any EEA State (which as at the date of this Prospectus includes the UK, Austria, Belgium, Bulgaria, Czech Republic, Estonia, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Spain, Sweden and Slovenia) which is regulated, operates regularly and is open to the public; or
- (c) the principal or only market established under the rules of any of the following investment exchanges:

<b>Country</b>	<b>Market</b>
Australia	The Australian Securities Exchange Limited
Brazil	BM&F BOVESPA SA.
Canada	Toronto Stock Exchange Group
Colombia	Bolsa de Valores de Colombia
Hong Kong	Hong Kong Exchange
India	National Stock Exchange of India
Indonesia	The Indonesian Stock Exchange
Japan	Japan Exchange Group The Nagoya Stock Exchange
Republic of Korea	The Korea Exchange
Malaysia	Bursa Malaysia
Mexico	The Mexican Stock Exchange
New Zealand	The New Zealand Stock Exchange (NZX)
Peru	Lima Stock Exchange
Qatar	Qatar Stock Exchange
Russia	Moscow Exchange
Singapore	Singapore Exchange
South Africa	JSE Securities Exchange
Switzerland	SIX Swiss Exchange AG
Taiwan	The Taiwan Stock Exchange Taipei Exchange
Thailand	Stock Exchange of Thailand
Turkey	Borsa Istanbul

United Arab Emirates	Dubai Financial Market (DFM), NDL (Nasdaq Dubai Limited) formerly known as DIFX (Dubai International Financial Exchange)
United States	NYSE MKT NASDAQ OMX PHLX Nasdaq BX The New York Stock Exchange The NYSE Arca Exchange The NASDAQ The National Stock Exchange The Chicago Stock Exchange
Others	The International Securities Market Association

A securities market is also an eligible securities market if it is:

- (a) the Alternative Investment Market (AIM) of the International Stock Exchange of the United Kingdom and the Republic of Ireland Limited;
- (b) virt-x;
- (c) the market in transferable securities issued by or on behalf of the Government of the United States of America conducted through those persons for the time being recognised and supervised by the Federal Reserve Bank of New York and known as primary dealers.

### Eligible Derivatives Markets

Set out below are the derivatives markets through which the Company may invest or deal in derivatives on account of the Sub-fund, (subject to the investment objective and policy of the Sub-fund):

- (a) a "regulated market" as defined in COLL;
- (b) a securities market established in any EEA State (which as at the date of this Prospectus includes the UK, Austria, Belgium, Bulgaria, Czech Republic, Estonia, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Spain, Sweden and Slovenia) which is regulated, operates regularly and is open to the public; or
- (c) the below listed derivatives markets:

<b>Country</b>	<b>Market</b>
Austria	Vienna Stock Exchange
Australia	The Australian Securities Exchange Limited
Belgium	Euronext Brussels
Canada	The Montreal Exchange
Colombia	Bolsa de Valores de Colombia
Denmark	NASDAQ OMX Copenhagen AS
Europe	EUREX
Finland	NASDAQ OMX Helsinki
France	Euronext Paris
India	National Stock Exchange of India
Ireland	Irish Stock Exchange
Italy	Futures Market for Government Securities (MIF)
Japan	Tokyo Stock Exchange Tokyo Financial Exchange Osaka Securities Exchange
Malaysia	Bursa Malaysia
Netherlands	Euronext Amsterdam
New Zealand	New Zealand Futures and Options Exchange
Peru	Lima Stock Exchange
Singapore	Singapore Exchange
South Africa	JSE Securities Exchange The South African Futures Exchange (SAFEX)
Spain	BME, Spanish Exchanges
Sweden	NASDAQ OMX Stockholm AB

United Kingdom	Euronext, LIFFE OMLX
United States	Chicago Board of Options Exchange (CBOE) CME Group Inc New York Futures Exchange New York Mercantile Exchange (NYMEX) Kansas City Board of Trade NYSE Arca NASDAQ OMX PHLX NASDAQ OMX Futures Exchange
Others	The International Securities Exchange (ISE)

## Historical Performance

### Fund Performance – Pounds Sterling Performance (%)

Fund/Comparative Indices	2019	2018	2017	2016	2015
Sarasin Fund for Charities Thematic UK Equity	20.82	-9.09	13.46	5.67	2.08
MSCI UK Investible Market Index	18.40	-9.76	12.99	17.41	0.01
FTSE All Share (5% Capped)*	20.14	-9.72	12.97	16.21	1.41

The MSCI UK Investible Market Index is designed to measure the performance of large and mid cap segments of the UK market. Shareholders may also obtain information in relation to the MSCI UK Investible Market Index at the following website: [www.msci.com](http://www.msci.com)

\*The FTSE All Share (5% Capped) Index is a member of the FTSE UK Capped 5% Indices, a comprehensive family of indices and related bonds data (e.g. duration) which are based on all eligible UK Government securities. Shareholders may obtain information in relation to the FTSE All Share (5% Capped) Index at the following website: [http://www.ftse.com/Indices/UK\\_Indices/](http://www.ftse.com/Indices/UK_Indices/).

**Source:** Sarasin & Lipper.

\*The Fund replaced FTSE All Share (5% Capped) with the MSCI UK Investible Market Index on 1<sup>st</sup> May 2020.

**Past performance does not guarantee future returns. The value of investments and the income from them can go down as well as up and you may not get back the amount originally invested.**

## Appendix 4

### Investment and borrowing powers

The Company may exercise, in respect of the Sub-fund the full authority and powers permitted by COLL applicable to a Non-UCITS retail scheme. However, this is subject to the applicable investment limits and restrictions set out in COLL, the Company's Instrument, this Prospectus, the TEF Regulations (including the property condition and the loan creditor condition), and the Sub-fund's investment objective and policy.

The ACD must ensure that, taking into account the investment objective and policy of the Sub-fund, the scheme property of the Sub-fund aims to provide a prudent spread of risk.

In accordance with COLL, the rules in this Appendix 4 relating to the spread of investments do not apply until 12 months after the date on which the initial offer period commenced, or the date of the authorisation of the Company.

#### ***Transferable Securities and money market instruments***

Up to 100% of the scheme property attributable to the Sub-fund may consist of transferable securities and money market instruments which are:

- (a) admitted to or dealt in on an eligible market (as set out in COLL 5.2.10R and Appendix 1); or
- (b) recently issued transferable securities, provided the terms of issue include an undertaking that an application will be made to be admitted to an eligible market, and such admission is secured within a year of issue; or
- (c) money market instruments not admitted to or dealt in on an eligible market, which comply with the requirements in COLL 5.2.10AR to COLL 5.2.10CR (as explained below under "***Approved money market instruments***").

Not more than 20% in value of the property of the Sub-fund may consist of transferable securities which do not fall within the above criteria or money market instruments which are liquid and have a value which can be accurately determined at any time.

Transferable securities held by the Sub-fund must also fulfil the following criteria:

- (a) the potential loss which the Sub-fund may incur with respect to holding the transferable security is limited to the amount paid for it;
- (b) its liquidity does not compromise the ability of the ACD to comply with its obligation to redeem shares at the request of any qualifying shareholder;
- (c) reliable valuation is available for the transferable securities as follows:
  - (i) in the case of a transferable security admitted to or dealt in on an eligible market, where there are accurate, reliable and regular prices which are either market prices or prices made available by valuation systems independent from issuers;
  - (ii) in the case of a transferable security not admitted to or dealt in on an eligible market, where there is a valuation on a periodic basis which is derived from information from the issuer of the transferable security or from competent investment research;
- (d) appropriate information is available for the transferable security as follows:

- (i) in the case of a transferable security admitted to or dealt in on an eligible market, where there is regular, accurate and comprehensive information available to the market on the transferable security or, where relevant, on the portfolio of the transferable security;
- (ii) in the case of a transferable security not admitted to or dealt in on an eligible market, where there is regular and accurate information available to the ACD on the transferable security or, where relevant, on the portfolio of the transferable security;
- (e) it is negotiable; and
- (f) its risks are adequately captured by the risk management process of the ACD.

Unless there is information available to the ACD that would lead to a different determination, a transferable security which is admitted to or dealt in on an eligible market shall be presumed not to compromise the ability of the ACD to comply with its obligation to redeem shares at the request of any qualifying shareholder, and to be negotiable.

***Transferable securities linked to other assets***

The Sub-fund may invest in any other investment which shall be taken to be a transferable security provided the investment fulfils the criteria for transferable securities set out in paragraphs (a) to (f) above, and is back by or linked to the performance of other assets, which may differ from those in which the Sub-fund can invest.

However, this is subject to the Sub-fund's investment objective and policy and where such investments contain an embedded derivative component, the requirements of COLL with respect to derivatives and forwards will apply to that component.

***Closed end funds constituting transferable securities***

A unit in a closed end fund shall be taken to be a transferable security for the purposes of investment by the Sub-fund, provided it fulfils the criteria for transferable securities set out in paragraphs (a) to (f) above, and either:

- (a) where the closed end fund is constituted as an investment company or unit trust:
  - (i) it is subject to corporate governance mechanisms applied to companies; and
  - (ii) where another person carries out asset management activity on its behalf, that person is subject to national regulation for the purpose of investor protection; or
- (b) where the closed end fund is constituted under the law of contract:
  - (i) it is subject to corporate governance mechanisms equivalent to those applied to companies; and
  - (ii) it is managed by a person who is subject to national regulation for the purpose of investor protection.

***Approved money market instruments***

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

- (a) issued or guaranteed by a central, regional or local authority or central bank of an EEA state or if the EEA state is a federal state, one of the members making up the federation,

the European Central Bank, the European Union or the European Investment Bank, a non-EEA state or, in the case of a federal state, by one of the members making up the federation, or by a public international body to which one or more EEA states belongs; or

- (b) an establishment subject to prudential supervision in accordance with criteria defined by Community Law or an establishment which is subject to and complies with prudential rules governed by the FCA to be at least as stringent as those laid down by Community Law; or
- (c) issued by a body, any securities of which are dealt in on an eligible market,

and in respect of which appropriate information is available in accordance with COLL 5.2.10CR.

In addition to instruments admitted to or dealt in on an eligible market, the Sub-fund may invest in an approved money-market instrument provided it fulfils the requirements in COLL governing the regulated issuers of money-market instruments such that the issue or the issuer is regulated for the purpose of protecting investors and savings and the instrument is issued or guaranteed, in accordance with paragraphs (a) to (c) above.

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

### ***Warrants***

The scheme property attributable to the Sub-fund may consist of warrants although it is not anticipated that investment in warrants by the Company will affect the level of volatility of the Sub-fund. Warrants may only be held if it is reasonably foreseeable that the exercise of the rights conferred by the warrants will not contravene COLL.

### ***Cash and Near Cash***

The property of the Sub-fund may consist of cash or near cash to enable:

- (a) the pursuit of the Sub-fund's investment objective;
- (b) the redemption of shares; or
- (c) the efficient management of the Sub-fund in accordance with its objectives or any other purposes which may reasonably be regarded as ancillary to the objectives of the Sub-fund.

Liquidity may be at the upper end of, or even exceed this range under certain circumstances such as where there are large market movements and/or an exceptional number of redemptions are anticipated or the Sub-fund is in receipt of large cash sums upon the creation of units or realisation of investments.

Cash which forms part of the property of the Sub-fund may be placed in any current or deposit account with the Depository, the ACD or any investment adviser or any associate of any of them provided it is an eligible institution or approved bank and the arrangements are at least as favourable to the Sub-fund as would be the case for any comparable arrangement affected on normal commercial terms negotiated at arm's length between two independent parties.

### ***Government and Public Securities***

The property of the Sub-fund may consist of government and public securities provided no more than 35% in value of the scheme property attributable to the Sub-fund is invested in such securities issued by any one body. There is no limit on the amount which may be invested in such securities or in any one issue.

### ***Collective Investment Schemes***

The Sub-fund may invest up to 15% of the scheme property in units in collective investment schemes.

Not more than 15% in value of the property of the Company may consist of units or shares in any one collective investment scheme.

The Sub-fund must not invest in units or shares of a collective investment scheme (the "Second Scheme") unless the Second Scheme falls within one of the following categories:

- (a) a scheme which satisfies the conditions necessary for it to enjoy the rights conferred by the UCITS directive; or
- (b) a scheme which is a recognised scheme; or
- (c) a scheme which is authorised as a Non-UCITS Retail Scheme; or
- (d) a scheme which 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
- (e) any other scheme which does not fall within any of the above categories and in respect of which no more than 20% in value of the property of the scheme (including any transferable securities which are not approved securities) is invested.

The Second Scheme must also operate on the principle of a prudent spread of risk, it should be prohibited from having more than 15% in value of the property of that scheme consisting of units in collective investment schemes.

Additionally, the participants in the Second Scheme must be entitled to have their units redeemed in accordance with the scheme at a price which relates to the net value of the property to which the units relate and which are determined in accordance with the scheme.

The Sub-fund may invest in shares or units of collective investment schemes which are managed or operated by (or, in the case of companies incorporated under the OEIC Regulations, have as their authorised corporate director) the ACD or an associate of the ACD. However, if the Sub-fund invests in units in another collective investment scheme managed or operated by the ACD or by an associate of the ACD, the ACD must pay into the property of the Sub-fund before the close of the business on the fourth business day after the agreement to invest or dispose of units:

- (a) on investment – if the ACD pays more for the units issued to it than the then prevailing price, the full amount of the difference or, if this is not known, the maximum permitted amount of any charge which may be made by the issuer on the issue of the units; and
- (b) on a disposal – any amount charged by the issuer on the redemption of such units.

A Sub-fund may invest in or dispose of shares of other sub-funds of the Company (as may be launched from time to time) (a "Second Sub-fund") only if the following conditions are satisfied:

- (c) the Second Sub-fund does not hold shares in any other sub-fund of the Company;
- (d) the conditions in COLL 5.2.16R (Investment in other group schemes) and COLL 5.6.11R (Investment in associated collective investment schemes) are complied with (as modified by COLL 5.6.11R(2)); and
- (e) not more than 35% in value of the Sub-fund is to consist of shares of the Second Sub-fund.

### ***Schemes replicating an Index***

The Sub-fund may invest up to 20% in shares and debentures which are issued by the same body where the aim of the investment policy of that fund as stated in its most recently published prospectus is to replicate the performance or composition of an index which complies with the following:

- (a) it has a sufficiently diversified composition;
- (b) it must be a representative benchmark for the market to which it refers; and
- (c) it must be published in an appropriate manner.

The limit may be raised to 35% for a particular scheme, but only in respect of one body and where justified by exceptional market conditions.

### ***Gold***

Whilst the Company is permitted to invest in gold in accordance with the Instrument it is currently not intended that the Sub-fund will invest in gold.

### ***Deposits***

The property of the Sub-fund may consist of deposits (as defined in COLL) but only if it:

- is with an approved bank;
- is repayable on demand or has the right to be withdrawn; and
- matures in no more than 12 months.

### ***Derivatives***

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

The following is a description of the types of derivative instruments which may be used by the Company and/or the Sub-fund:

#### ***Futures***

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

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

### *Forwards*

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

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

### *Options*

Option contracts give their holders the right, but not the obligation, to engage in a transaction on an asset, most typically to buy or sell a specific amount of a reference asset at or before a predetermined date at a pre-specified price. There are two basic forms of options: put options and call options. Put options are contracts that give the buyer the right, but not the obligation, to sell to the seller of the contract, a specific quantity of a particular product or financial instrument at a specified price. Call options are contracts sold for a premium that give the buyer the right, but not the obligation, to buy from the seller of the option. In return for granting the option the seller of the option collects a payment, or premium, from the buyer. Options may be cash or physically settled.

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

### *Swaps*

A standard swap is an agreement between two counterparties in which the cash-flow from two assets are exchanged as they are received for a fixed time period, with the terms initially set so that the present value of the swap is zero. The Company and/or the Sub-fund may enter into swaps, including, but not limited to, equity swaps, swaptions, interest rate swaps or currency swaps and other derivative instruments both as independent profit opportunities and to hedge existing long

positions. Swaps may extend over substantial periods of time, and typically call for the making of payments on a periodic basis. Swaptions are contracts whereby one party receives a fee in return for agreeing to enter into a forward swap at a predetermined fixed rate if some contingency event occurs (normally where future rates are set in relation to a fixed benchmark). Interest rate swaps involve the exchange by a Sub-fund with another party of their respective commitments to make or receive interest payments (e.g. an exchange of fixed rate payments for floating rate payments). On each payment date under an interest rate swap, the net payments owed by each party, and only the net amount, is paid by one party to the other. Currency swaps are agreements between two parties to exchange future payments in one currency for payments in another currency. These agreements are used to transform the currency denomination of assets and liabilities. Unlike interest rate swaps, currency swaps must include an exchange of principal at maturity.

#### *OTC derivatives*

OTC derivatives are contracts that are traded (and privately negotiated) directly between two parties, without going through an organised derivatives exchange or intermediary. Where the Sub-fund holds an OTC derivative, there is increased risk compared to a derivative transaction traded on organised exchanges.

If the counterparty is unable to meet its obligations under the OTC derivative, then the Sub-fund would likely suffer a loss which may have an impact on the value of the Sub-fund. Whilst it is not possible to eliminate these risks, OTC derivative transactions will only be conducted with counterparties that meet our specific credit worthiness criteria. In addition there are specific FCA rules on OTC derivative transactions which may reduce the risk and size of any potential loss to the Sub-fund.

**Whilst the Company may use derivatives for investment purposes the Sub-fund may only use derivatives for efficient portfolio management purposes (including hedging).**

#### *Efficient portfolio management*

Efficient portfolio management enables the Sub-fund to invest in derivatives and forward transactions (including futures and options) in accordance with COLL using techniques which relate to transferable securities and approved money market instruments which fulfil the following criteria:

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

Derivatives transactions must either be in an approved derivative (being a derivative which is dealt in on an eligible derivatives market as set out in Appendix 2) or an over the counter derivative with an approved counterparty in accordance with COLL.

A transaction in a derivative must not cause the Sub-fund to diverge from its investment objectives as stated in the Instrument and the most recently published version of this Prospectus.

The underlying assets of a transaction in a derivative may only consist of any one or more of the following (subject to the applicable spread limits):

- transferable security;
- money market instruments;
- deposits;
- derivatives and forwards;
- units in collective investment schemes;
- immovable property;
- gold;
- financial indices;
- interest rates;
- foreign exchange rates; and
- currencies.

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 of transferable securities, money market instruments, units in collective investment schemes or derivatives provided that a sale is not to be considered as uncovered if the conditions in COLL 5.2.22(3)R (Requirement to cover sales) are satisfied.

Any forward transaction must be made with an eligible institution or an approved bank in accordance with COLL.

### ***Risk Management***

The ACD uses a risk management process, as reviewed by the Depositary, enabling it to monitor and measure as frequently as appropriate the risk of the Company's positions and their contribution to the overall risk profile of the Company.

**The ACD's use of derivative techniques has the overall intention of reducing the volatility of returns. The ACD therefore does not anticipate that such use of derivatives will have any significant effect of the risk profile of the Company.**

### ***Spread - General***

In applying any of the restrictions referred to above:

- (a) not more than 20% in value of the Sub-fund's property may consist of deposits with any single body;
- (b) not more than 10% in value of the Sub-fund's property is to consist of transferable securities or money market instruments issued by any single body (subject to COLL 5.6.23R), however the limit of 10% is raised to 25% in respect of covered bonds;
- (c) the exposure to any one counterparty in an over the counter derivative transaction must not exceed 10% in value of the Sub-fund's property subject to COLL 5.6.7R (7).

The Sub-fund may not invest in warrants or nil and partly paid securities unless the investment complies with the conditions in COLL 5.2.17R.

### ***Borrowing***

Subject to compliance with the 'loan creditor condition' as set out in section 3 and COLL (as it relates to Non-UCITS Retail Schemes), the Sub-fund may borrow money for the use of the Sub-

fund on terms that such borrowings are to be repaid out of the scheme property of the Sub-fund. The ACD does not anticipate significant use of this borrowing power. Such borrowing may only be made from an eligible institution or approved bank (as defined in COLL). The borrowing of the Sub-fund must not, on any day, exceed 10% of the value of the property of the Sub-fund.

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

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

### ***Leverage***

This section explains in what circumstances and how the ACD may use leverage in respect of a Sub-fund where the investment policy of that Sub-fund permits its use of leverage, the different leverage calculation methods and maximum level of leverage permitted.

'Leverage' when used in this prospectus means the following sources of leverage which can be used when managing a sub-fund:

- cash borrowing, subject to the restrictions set out above in the 'Borrowing' paragraph; and
- financial derivative instruments and reinvestment of cash collateral in the context of securities lending, subject in each case to the paragraphs in this Appendix and the relevant provisions of the FCA Rules dealing with derivatives, permitted transactions and transactions for the purchase of property, Borrowing powers of this Appendix;

The ACD is required to calculate and monitor the level of leverage of a Sub-fund, expressed as a ratio between the exposure of the Sub-fund and its net asset value (Exposure/net asset value), under both the gross method and the commitment method.

Under the gross method, the exposure of a Sub-fund is calculated as follows:

- (a) include the sum of all assets purchased, plus the absolute value of all liabilities;
- (b) exclude cash and cash equivalents which are highly liquid investments held in the base currency of the Sub-fund, that are readily convertible to a known amount of cash, are subject to an insignificant risk of change in value and provide a return no greater than the rate of a three month high quality bond;
- (c) derivative instruments are converted into the equivalent position in their underlying assets;
- (d) exclude cash borrowings that remain in cash or cash equivalents and where the amounts payable are known;
- (e) include exposures resulting from the reinvestment of cash borrowings, expressed as the higher of the market value of the investment realised or the total amount of cash borrowed; and

- (f) include positions within repurchase or reverse repurchase agreements and securities lending or borrowing or other similar arrangements.

Under the commitment method, the exposure of a Sub-fund is calculated broadly in the same way as under the gross method. However, under the commitment method, netting and hedging arrangements (including derivative instruments used for currency hedging purposes) are taken into account to reduce the leverage calculation, and differences may arise in the treatment of borrowing of cash and cash equivalents.

The maximum level of leverage which a Sub-Fund may employ, calculated in accordance with the gross approach is 200% of the net asset value of the Sub-Fund and in accordance with the commitment approach is 110% of the net asset value of the Sub-Fund.

In addition, the total amount of leverage employed by a Sub-fund will be disclosed in the annual report.

See the paragraph entitled “Technique Specific Risks” in Section 4 above for details of the risks associated with the use of leverage as set out in this Appendix 4.

### ***Stock lending***

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

- (a) all the terms of the agreement under which securities are to be reacquired by the Depositary for the account of the Company are in a form which is acceptable to the Depositary and are in accordance with good market practice;
- (b) the counterparty is an authorised person, or a person authorised by a home state regulator or otherwise permitted under COLL; and
- (c) collateral is obtained to secure the obligation of the counterparty under the terms referred to in (a) above, and is acceptable to the Depositary and must be adequate and sufficiently immediate as set out in COLL. These requirements do not apply to stock lending transactions made through Euroclear Bank SA/NV's Securities Lending and borrowing Programme.

### ***Restrictions on lending of money***

None of the money in the scheme property of the Company may be lent and, for the purposes of this prohibition, money is lent by the Company if it is paid to a person ("the payee") on the basis that it should be repaid, whether or not by the payee.

Acquiring a debenture is not lending for these purposes, nor is the placing of money on deposit or in a current account.

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

### ***Restrictions on lending of property other than money***

The scheme property of the Company other than money must not be lent by way of deposit or otherwise. Transactions permitted by COLL 5.4 (Stock lending) are not to be regarded as lending for these purposes.

Where transactions in derivatives or forward transactions are used for the account of the Company in accordance with COLL nothing in this rule prevents the Company or the Depositary at the request of the Company, from lending, depositing, pledging or charging scheme property for margin requirements, or transferring scheme property under the terms of an agreement in relation to margin requirements, provided that the ACD reasonably considers that both the agreement and the margin arrangements made under it (including in relation to the level of margin) provide appropriate protection to shareholders.

An agreement providing appropriate protection to shareholders for these purposes includes one made in accordance with the 1995 International Swaps and Derivatives Association Credit Support Annex (English Law) to the International Swaps and Derivatives Association Master Agreement.

### ***General power to accept or underwrite placings***

Any power in COLL to invest in transferable securities may be used for the purpose of entering into transactions to which this rule applies, subject to compliance with any restriction in the Instrument.

This rule applies to any agreement or understanding which:

- (a) is an underwriting or sub-underwriting agreement; or
- (b) contemplates that securities will or may be issued or subscribed for or acquired for the account of the Company.

The above paragraph does not apply to an option or a purchase of a transferable security which confers a right to (i) subscribe for or acquire a transferable security; or (ii) convert one transferable security into another.

The exposure of the Company to agreements and understandings (a) and (b) above must, on any day, be:

- (a) covered in accordance with COLL 5.3.3R (Cover for transactions in derivatives and forward transactions); and
- (b) such that, if all possible obligations arising under them had immediately to be met in full, there would be no breach of any applicable limit in COLL.

### ***Guarantees and indemnities***

The Company or the Depositary for the account of the Company must not provide any guarantee or indemnity in respect of the obligation of any person.

None of the scheme property of the Company may be used to discharge any obligation arising under a guarantee or indemnity with respect to the obligation of any person.

The above paragraphs do not apply to:

- (a) any indemnity or guarantee given for margin requirements where the derivatives or forward transactions are being used in accordance with COLL; and
- (b) for the Company:
  - (i) an indemnity falling within the provisions of regulation 62(3) of the OEIC Regulations (Exemptions from liability to be void);

- (ii) an indemnity (other than any provision in it which is void under regulation 62 of the OEIC Regulations) given to the Depositary against any liability incurred by it as a consequence of the safekeeping of any of the scheme property by it or by anyone retained by it to assist it to perform its function of the safekeeping of the scheme property; and
- (iii) an indemnity given to a person winding up a scheme if the indemnity is given for the purposes of arrangements by which the whole or part of the property of that scheme becomes the first property of the Company and the holders of shares in that scheme become the first shareholders in the Company.

***Immovable property***

Whilst the Company may invest in immovable property, in accordance with the TEF Regulations the Sub-fund is not permitted to invest directly in immovable property. The Sub-fund may invest indirectly in immovable property by investing in shares of property companies, shares and/or units in other collective investment schemes which themselves invest in immovable property and shares of Real Estate Investment Trusts (REITS).

In the event additional sub-funds are established such sub-funds may invest directly in immovable property in accordance with the Instrument and this prospectus will be updated accordingly.

a. - List of Sub-Custodians

	Country	Subcustodian
1	Argentina	Citibank, N.A.
2	Australia	HSBC Bank Australia Limited
3	Austria	UniCredit Bank Austria A.G
4	Bahrain	HSBC Bank Middle East Limited
5	Bangladesh	Standard Chartered Bank
6	Belgium	Deutsche Bank AG
7	Benin	Standard Chartered Bank (Mauritius) Limited
8	Bermuda	HSBC Bank Bermuda Limited
9	Bosnia and Herzegovina - Federation of B&H	Raiffeisen Bank International AG
10	Bosnia and Herzegovina – Republic of Srpska	Raiffeisen Bank International AG
11	Botswana	Standard Chartered Bank Botswana Limited
12	Brazil	Citibank, N.A.
13	Bulgaria	Citibank Europe plc
14	Burkina Faso	Standard Chartered Bank (Mauritius) Limited
15	CD's USD****	Deutsche Bank AG, London Branch
16	Canada	The Northern Trust Company, Canada
16	Canada <sup>2</sup>	Royal Bank of Canada
17	Chile	Banco de Chile
18	China A	HSBC Bank (China) Company Limited
19	China B	HSBC Bank (China) Company Limited
20	Clearstream <sup>6</sup>	Clearstream Banking S.A.
21	Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria
22	Costa Rica	Banco Nacional de Costa Rica
23	Croatia	UniCredit Bank Austria A.G.
24	Cyprus	Citibank Europe plc, Greece Branch
25	Czech Republic	UniCredit Bank Czech Republic and Slovakia, a.s.
26	Denmark	Nordea Bank Abp
27	Egypt	Citibank, N.A.
28	Estonia	Swedbank AS
29	Euroclear Bank <sup>3</sup>	Euroclear Bank S.A./N.V.
30	Eswatini	Standard Bank Eswatini Limited
31	Finland	Nordea Bank Abp
32	France <sup>4</sup>	The Northern Trust Company, London
33	Germany	Deutsche Bank AG
34	Ghana	Standard Chartered Bank Ghana Limited
35	Greece	Citibank Europe plc, Greece Branch
36	Guinea Bissau	Standard Chartered Bank (Mauritius) Limited
37	Hong Kong SAR	The Hongkong and Shanghai Banking Corporation Limited
38	Hungary	UniCredit Bank Hungary Zrt
39	Iceland	Landsbankinn hf
40	India	Citibank, N.A.
41	Indonesia	Standard Chartered Bank
42	Ireland	The Northern Trust Company, London
43	Israel	Bank Leumi Le-Israel BM
44	Italy	Citibank Europe plc
45	Ivory Coast	Standard Chartered Bank (Mauritius) Limited
46	Japan	The Hong Kong and Shanghai Banking Corporation Ltd

47	Jordan	Standard Chartered Bank
48	Kazakhstan	JSC Citibank Kazakhstan
49	Kenya	Standard Chartered Bank Kenya Limited
50	Kuwait	HSBC Bank Middle East Limited
51	Latvia	Swedbank AS
52	Lithuania	AB SEB Bankas
53	Luxembourg <sup>3</sup>	Euroclear Bank S.A./N.V.
54	Malaysia	HSBC Bank Malaysia Berhad
55	Mali	Standard Chartered Bank (Mauritius) Limited
56	Mauritius	The Hong Kong and Shanghai Banking Corporation Ltd
57	Mexico	Banco Nacional de Mexico, S.A.
58	Morocco	Societe Generale Marocaine de Banques
59	Namibia	Standard Bank Namibia Ltd
60	Netherlands	Deutsche Bank AG
61	New Zealand	The Hong Kong and Shanghai Banking Corporation Ltd
62	Niger	Standard Chartered Bank (Mauritius) Limited
63	Nigeria	Stanbic IBTC Bank Plc
64	Norway	Nordea Bank Abp
65	Oman	HSBC Bank Oman SAOG
66	Pakistan	Citibank, N.A.
67	Panama	Citibank, N.A., Panama Branch
68	Peru	Citibank del Peru S.A.
69	Philippines	The Hong Kong and Shanghai Banking Corporation Ltd
70	Poland	Bank Polska Kasa Opieki SA
71	Portugal	BNP Paribas Securities Services
72	Qatar	HSBC Bank Middle East Limited
73	Romania	Citibank Europe plc
74	Russia	AO Citibank
75a	Saudi Arabia <sup>5</sup>	HSBC Saudi Arabia Limited
75	Saudi Arabia <sup>5</sup>	The Northern Trust Company of Saudi Arabia
76	Senegal	Standard Chartered Bank (Mauritius) Limited
77	Serbia	UniCredit Bank Austria A.G.
78	Singapore	DBS Bank Ltd
79	Slovakia	Citibank Europe plc
80	Slovenia	UniCredit Banka Slovenija d.d.
81	South Africa	The Standard Bank of South Africa Limited
82	South Korea	The Hong Kong and Shanghai Banking Corporation Ltd
83	Spain	Deutsche Bank SAE
84	Sri Lanka	Standard Chartered Bank
85	Sweden	Svenska Handelsbanken AB (publ)
86	Switzerland	Credit Suisse (Switzerland) Ltd
87	Taiwan	Bank of Taiwan
88	Tanzania	Standard Chartered Bank (Mauritius) Limited
89	Thailand	Citibank, N.A.
90	Togo	Standard Chartered Bank (Mauritius) Limited
91	Tunisia	Union Internationale de Banques
92	Turkey	Deutsche Bank A.S.
93	Uganda	Standard Chartered Bank Uganda Limited
94	Ukraine <sup>1</sup>	JSC Citibank
95	United Arab Emirates - ADX	HSBC Bank Middle East Limited

96	United Arab Emirates - DFM	HSBC Bank Middle East Limited
97	United Arab Emirates - NASDAQ Dubai	HSBC Bank Middle East Limited
98	United Kingdom	The Northern Trust Company, London
99	United States	The Northern Trust Company
100	Uruguay	Banco Itau Uruguay S.A.
101	Vietnam	HSBC Bank (Vietnam) Ltd
102	Zambia	Standard Chartered Bank Zambia plc
103	Zimbabwe	Standard Chartered Bank (Mauritius) Limited

<sup>1</sup> Market Suspended

<sup>2</sup> The Royal Bank of Canada serves as Northern Trust's subcustodian for securities not eligible for settlement in Canada's local central securities depository

<sup>3</sup> Euroclear is classified as an International Central Securities Depository (ICSD), not a subcustodian relationship

<sup>4</sup> Deutsche Bank AG acts as Asset Servicing Agent (ASA)

<sup>5</sup> Northern Trust are completing a three phase migration of clients from HSBC Saudi Arabia to TNTCoSA

<sup>6</sup> Clearstream is classified as an International Central Securities Depository (ICSD), not a subcustodian relationship. NT only supports settlement and safe custody of mutual and unitized funds and Ukrainian domestic government bonds through Clearstream