

# **SIMPLIFIED PROSPECTUS**

**15 December 2009**

Including Terms and Conditions  
of Neptune Investment Funds

Neptune Investment Management



## CONTENTS & CONTACT DETAILS

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|   | Page |
|---|------|
| Introduction  | 2    |
| What are the investment objectives and policies of the funds?           | 3    |
| What are the risk factors affecting the funds?                          | 5    |
| How have the funds performed in the past?                               | 8    |
| What is the profile of the typical investor the funds are designed for? | 13   |
| What charges and expenses apply to the funds?                           | 14   |
| How will charges and expenses affect my investment?                     | 18   |
| What are the portfolio turnover rates of the funds?                     | 39   |
| Investment and dealing  | 40   |
| Management and administration   | 44   |
| Tax   | 45   |
| Important information   | 46   |
| Terms and Conditions  | 47   |
| Definitions   | 47   |
| Neptune Investment Management Limited                                   | 48   |
| UK funds  | 48   |
| Regular Savings Plan  | 48   |
| Individual Savings Account  | 49   |
| Other matters   | 50   |

### How to contact us

|                   |   |
|-------------------|---|
| Call us           | 0800 587 5051<br><br>Lines are open 9am to 5pm<br>each normal business day.<br>For your protection, calls may<br>be recorded and monitored. |
| Write to us       | Neptune Investment Management<br>PO Box 9004<br>Chelmsford<br>CM99 2WR  |
| Visit our website | <a href="http://www.neptunefunds.com">www.neptunefunds.com</a>  |
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## INTRODUCTION

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### [Simplified Prospectus](#)

Neptune Investment Management Limited offers a range of investment funds and provides a number of investment products (Individual Savings Accounts and Regular Savings Plans). This Simplified Prospectus describes these funds and products in a standard format that has been prescribed by our regulator, the Financial Services Authority (FSA).

### [Investment funds](#)

Neptune Investment Funds is an open-ended umbrella investment company, established as a UCITS Scheme being compliant with Chapter 5 of the FSA's Collective Investment Schemes Sourcebook (COLL). It is an investment company with variable capital authorised and regulated by the FSA and incorporated in England and Wales on the 3 July 2001.

We currently offer eighteen funds:

Neptune Asia Pacific Opportunities Fund  
Neptune Cautious Managed Fund  
Neptune China Fund  
Neptune European Income Fund  
Neptune European Opportunities Fund  
Neptune Global Alpha Fund  
Neptune Greater China Income Fund  
Neptune Global Equity Fund  
Neptune Green Planet Fund  
Neptune Income Fund  
Neptune India Fund  
Neptune Japan Opportunities Fund  
Neptune Latin America Fund  
Neptune Russia & Greater Russia Fund  
Neptune UK Equity Fund  
Neptune UK Mid Cap Fund  
Neptune UK Special Situations Fund  
Neptune US Opportunities Fund

Together these are known as the funds.

The base currency of each fund is sterling.

All of our funds are available for direct investment and via Individual Savings Accounts (ISAs) and Regular Savings Plans (RSP).

### [ISAs \(not available for EUR and USD shares classes\)](#)

There are two types of ISAs, the Stocks and Shares ISA and the Cash ISA, which can be held with different providers. The total annual investment allowance in an ISA is currently £7,200. Under the rules this can be divided between a Stocks and Shares ISA and a Cash ISA in any proportion subject to a maximum investment in a Cash ISA of £3,600. Please note, following the budget announcement on 22 April 2009, the annual limit for ISAs for the over 50s will increase to £10,200 on 6 October 2009. The limit for all savers will be increased to £10,200 from 6 April 2010.

You can transfer from a Cash ISA to a Stocks and Shares ISA. Transfers are treated as if the money had initially been paid into a Stocks and Shares ISA and therefore the £3,600 allowance for a Cash ISA is available again for use in that tax year so long as the total allowance of £7,200 is not exceeded. However, the rules do not permit the transfer of a Stocks and Shares ISA to a Cash ISA or the transfer of a Cash ISA to a Stocks and Shares ISA if the holder is under 18.

If you have elected to pay by Direct Debit (regular savings) into our ISA, subscriptions will be collected until you inform us otherwise in writing. This means that your ISA will automatically be rolled over from one tax year to another.

## WHAT ARE THE INVESTMENT OBJECTIVES AND POLICIES OF THE FUNDS?

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The funds listed below will be managed to ensure that they are eligible to qualify and to be included in an ISA.

### [Neptune Asia Pacific Opportunities Fund](#)

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The investment objective of the Neptune Asia Pacific Opportunities Fund is to generate capital growth by investing predominantly in a concentrated portfolio of securities selected from across the Asian and Pacific markets (excluding Japan) with the aim of achieving top quartile performance within the appropriate peer group.

### [Neptune Cautious Managed Fund](#)

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The investment objective of the Neptune Cautious Managed Fund is to generate a combination of income and capital growth by investing conservatively in a diversified portfolio of equities, bonds and other fixed income/interest securities. At all times the fund will be managed so it complies with the requirements of the IMA Cautious Managed Sector.

### [Neptune China Fund](#)

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The investment objective of the Neptune China Fund is to generate capital growth from investment predominantly in Chinese securities, or in the securities issued by companies transacting a significant proportion of their business in China.

### [Neptune European Income Fund](#)

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The investment objective of the Neptune European Income Fund is to generate rising levels of income with the potential of capital growth by investing predominantly in a portfolio of European securities (excluding the UK), or in the securities issued by companies transacting a significant proportion of their business in Europe with a view to obtaining top quartile performance within the appropriate peer group.

### [Neptune European Opportunities Fund](#)

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The investment objective of the Neptune European Opportunities Fund is to generate capital growth by investing predominantly in a concentrated portfolio of securities selected from European markets, excluding the UK, with a view to attaining top quartile performance within the appropriate peer group.

### [Neptune Global Alpha Fund](#)

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The investment objective of the Neptune Global Alpha Fund is to generate a positive total return, from investment predominantly in equities and bonds, with a view to attaining top quartile performance within the relevant peer group. There is no predetermined exposure to the two asset classes. There are also no constraints on the regional, sectorial or geographical allocation policy adopted by the Fund.

### [Neptune Global Equity Fund](#)

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The investment objective of the Neptune Global Equity Fund is to generate capital growth from a concentrated portfolio of global securities, selected from across world equity markets, with a view to attaining top quartile performance within the appropriate peer group. This is an international fund but there will be no restrictions in terms of regional allocation.

### [Neptune Greater China Income Fund](#)

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The investment objective of the Neptune Greater China Income Fund is to generate rising levels of income with the potential of capital growth by investing predominantly in the securities of companies in China, Hong Kong and Taiwan or in securities issued by companies transacting a significant proportion of their business in China, Hong Kong and Taiwan with a view to obtaining top quartile performance within the appropriate peer group. The balance of investment between these jurisdictions will be at Neptune's discretion.

### [Neptune Green Planet Fund](#)

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The investment objective of the Neptune Green Planet Fund is to generate capital growth from investment predominantly in the securities of companies whose main business operations focus upon improving the environment. This can include reducing pollution and resource consumption or achieving the same aim by coming up with new alternative energy solutions, technologies, products or industrial process for commercial exploitation. The Fund will invest in companies that vary greatly in size, location and business activities.

#### [Neptune Income Fund](#)

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The investment objective of the Neptune Income Fund is to generate a rising level of income. Whilst income is the main objective there is also potential for capital growth, from an actively managed portfolio invested predominantly in UK securities and UK fixed interest stocks, with some overseas exposure. The Fund aims to achieve top quartile performance, in terms of total return, within the appropriate peer group.

#### [Neptune India Fund](#)

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The investment objective of the Neptune India Fund is to generate capital growth from investment predominantly in Indian securities, or in the securities issued by companies transacting a significant proportion of their business in India.

#### [Neptune Japan Opportunities Fund](#)

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The investment objective of the Neptune Japan Opportunities Fund is to generate consistent capital growth by investing, predominantly in a concentrated portfolio of Japanese securities with a view to attaining top quartile performance within the appropriate peer group.

#### [Neptune Latin America Fund](#)

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The investment objective of the Neptune Latin America Fund is to generate capital growth from investment predominantly in Latin American securities, or in the securities issued by companies transacting a significant proportion of their business in Latin America.

#### [Neptune Russia & Greater Russia Fund](#)

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The investment objective of the Neptune Russia & Greater Russia Fund is to generate capital growth from investment predominantly in Russian and Greater Russian securities or securities issued by companies transacting a significant proportion of their business in Russia and Greater Russia.

#### [Neptune UK Equity Fund](#)

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The investment objective of the Neptune UK Equity Fund is to generate capital growth from investment predominantly in UK securities with the aim of achieving top quartile performance within the appropriate peer group.

#### [Neptune UK Mid Cap Fund](#)

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The investment objective of the Neptune UK Mid Cap Fund is to generate capital growth by investing predominantly in the companies of the FTSE Mid 250 Index\* and in the 50 largest companies by market capitalisation listed on the FTSE Small Cap Index\*, with a view to attaining top quartile performance within the appropriate peer group.

\*Neptune may substitute the indices at its absolute discretion where they become unavailable, cease to operate or otherwise where Neptune believes there is a more appropriate substitute.

#### [Neptune UK Special Situations Fund](#)

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The investment objective of the Neptune UK Special Situations Fund is to seek to achieve capital growth by exploiting special situations and investing principally in UK equities considered to be undervalued.

#### [Neptune US Opportunities Fund](#)

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The investment objective of the Neptune US Opportunities Fund is to generate capital growth by investing predominantly in a concentrated portfolio of Northern American securities which may include Canada as well as the US, with a view to achieving top quartile performance within the appropriate peer group.

#### [For all funds](#)

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Other eligible asset classes may include collective investment schemes, other transferable securities, cash or near cash, deposits and money market instruments.

It is anticipated that derivatives instruments and forward transactions may be used by Neptune for efficient portfolio management.

It is the intention to be near-fully invested at all times, however the funds have the facility to take tactical positions in cash or near cash should Neptune feel it appropriate.

## WHAT ARE THE RISK FACTORS AFFECTING THE FUNDS?

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Potential investors should consider the following risk factors before investing in the funds.

### General

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- The investments of the funds are subject to normal market fluctuations and other risks inherent in investing in stocks and shares.
- There can be no guarantee that the value of your investments will increase.
- The value of investments and the income generated from them may fall as well as rise and investors may not get back the amount originally invested.
- There is no certainty that the investment objectives of the funds will actually be achieved.
- The funds therefore should be viewed as medium to long term investments.
- Past performance is not indicative of future performance.

Details of all the risks mentioned here may also be found in the Full Prospectus.

### Charges

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If the income received by a fund is insufficient to pay the management charges then this amount will be deducted from capital. This will erode the capital value of the fund.

Where an initial charge is imposed, an investor who sells his or her holding after a short period may not (even in the absence of a fall in the value of the investments) get back the amount originally invested.

Where a redemption charge is payable, investors should note that the rate at which the redemption charge is calculated is based on the market value rather than the initial value of the shares. If the market value of the shares has increased, the redemption charge will show a corresponding increase. Currently there is no redemption charge levied on these funds.

### Dilution levy and Stamp Duty Reserve Tax provision (SDRT)

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In certain circumstances a dilution levy may be applied on the purchase and/or redemption of shares and/or a provision for SDRT may be applied on the purchase, redemption or transfer of shares (see 3.4 of the Fund's Prospectus for further details on dilution and SDRT respectively.) Where a dilution levy is not applied, the funds may suffer dilution which may constrain capital growth.

### Suspension of dealings in shares

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In certain circumstances, investors' right to purchase or redeem shares may be suspended.

### Credit

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There is a risk that a fund may have exposure with an issuer or a counterparty that will default.

### Liquidity

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There is a risk that a fund may take a position that cannot be liquidated in a timely manner at a reasonable price.

### Currency exchange rates

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Currency fluctuations may adversely affect the value of a fund's investments and the income derived. Depending on an investor's home currency, currency fluctuations may adversely affect the value of his or her investment in the funds.

### Inflation risk

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Inflation will, over time, reduce the value of the investments in real terms. Investments in the funds have the potential to exceed inflation over the longer term, however, there is no guarantee that the money invested will keep pace with inflation.

### Emerging markets

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Investments in emerging markets may be more volatile than those in more developed markets. Some of these markets may have relatively unstable governments, economies based on only a few industries and stockmarkets that trade only a limited number of securities.

Many emerging markets do not have well developed regulatory systems and disclosure standards may be less stringent than those of developed markets. In respect of currencies of certain emerging countries, it is not possible to undertake currency hedging techniques. The risks of expropriation, nationalisation and social, political and economic instability and fluctuations in interest rates and inflation are greater in emerging markets than in more developed markets.

#### [General economic conditions](#)

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General economic conditions, including interest rates, inflation, the price of stocks and the participation of other investors in the stockmarkets, may adversely affect the value of the investments in each fund.

#### [Smaller companies](#)

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Funds investing in smaller companies invest in stocks which may be less liquid than those of larger companies, as a result of inadequate trading volume or restrictions on trading. Stocks in smaller companies may possess greater potential for capital growth, but also involve risks, such as limited product lines, markets and financial or managerial resources. Trading in such stocks may be subject to more abrupt price movements than those of larger companies.

#### [Sub-investment grade bonds](#)

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From time to time the funds may hold sub-investment grade bonds. Such bonds have a lower credit rating than investment grade bonds and carry a higher degree of risk to both the income and capital value of the funds.

#### [Zero dividend preference shares](#)

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Zero dividend preference shares are entitled to a fixed return of capital at redemption that is set at issue and will not increase. This return is not guaranteed and may be adversely affected by investment performance. However, it is protected to the extent that zero dividend preference shares are paid out before other shareholders.

#### [Derivatives](#)

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Neptune may enter into hedging or transactions for the purposes of Efficient Portfolio Management (EPM). Permitted EPM transactions (excluding stocklending transactions) are transactions in derivatives (i.e. options, futures or contracts for differences) dealt in or traded on approved derivative markets, off exchange options or contracts for differences resembling options or synthetic futures in certain circumstances. Eligible derivatives markets are those which Neptune, after consultation with the depositary, has decided are appropriate for the purpose of investment or dealing as set out in the COLL Sourcebook and the formal guidance on eligible markets issued by the FSA (as amended from time to time). The eligible derivatives markets for the funds are set out in Appendix 2 of the funds' Full Prospectus.

Full details of permitted stocklending transactions are in the Full Prospectus.

There is no limit on the amount of the fund which may be used for EPM but the transaction must be reasonably believed by Neptune to be economically appropriate to the EPM of a fund and may not include speculative transactions.

The purpose of an EPM transaction must be to achieve one of the following:

- Reduction of risk

This allows for the use of cross-currency hedging technique in order to switch all or part of a fund away from a currency Neptune considers unduly prone to risk to another currency. This also permits the use of tactical asset allocation.

- Reduction of cost

This allows Neptune on a temporary basis to utilise tactical asset allocation. Tactical asset allocation permits Neptune to undertake a switch in exposure by use of derivatives, rather than through sale and purchase of the investments held by the funds. If a transaction for the relevant fund relates to the acquisition, or potential acquisition, of transferable securities, Neptune must intend that the fund should invest in transferable securities within a reasonable time and Neptune must thereafter ensure that, unless the position has itself been closed out, that intention is realised within that reasonable time.

- The generation of additional capital or income for the fund with an acceptably low level of risk

This applies when there is an acceptably low level of risk and where Neptune reasonably believes that a fund is certain (or certain barring events which are not reasonably foreseeable) to derive a benefit.

The generation of additional capital or income may arise out of taking advantage of price imperfections or from the receipt of a premium for the writing of covered call or covered put options (even if the benefit is obtained at the expense of surrendering the chance of yet greater benefit) or pursuant to stocklending.

The relevant purpose must relate to property of the funds; property (whether precisely identified or not) which is to be or is proposed to be acquired for the funds; and anticipated cash receipts of the funds, if due to be received at some time and likely to be received within one month set out in Appendix 2.

## [Taxation](#)

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There is no guarantee that environmental factors, such as the current tax regime, will persist.

Any change in Neptune's tax status or in taxation legislation could affect the value of the investments, affect the ability to provide returns, or alter the post-tax return to shareholders.

The favourable tax treatment of ISAs may not be maintained.

## [Specific](#)

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### Shareholders' expenses

Where the annual management charge is deducted from the capital of the fund, this may have the effect of constraining capital growth. Please refer to the table on page 14 to see the annual management charge rates and whether these are deducted from the income or capital of the fund.

|                |   |
|----------------|---|
| Initial charge | 5% (per transaction – A shares only)  |
| Redemption fee | Neptune reserves the right to charge a redemption fee where appropriate. Full details of the circumstances for charging a redemption fee may be found in the Full Prospectus. |
| Switching fee  | Neptune reserves the right to charge a switching fee where appropriate. Full details of the circumstances for charging a switching fee may be found in the Full Prospectus.   |

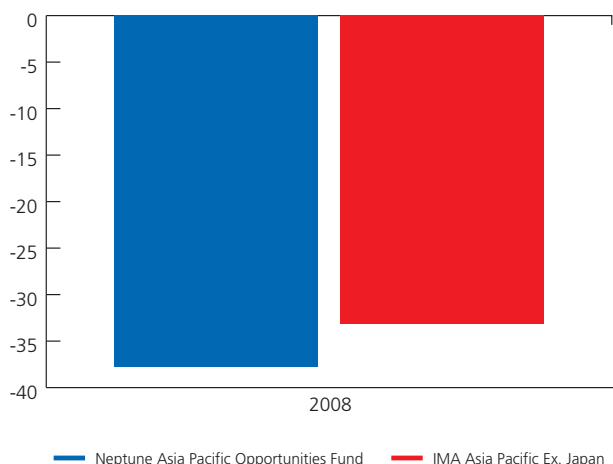


## HOW HAVE THE FUNDS PERFORMED IN THE PAST?

Over the next few pages we have highlighted the discrete annual and cumulative performance for all funds with more than a one year track record. The graphs shown in this section are sourced from Lipper and are valid at 31 December 2008 and will therefore not be current for the life of this Simplified Prospectus. The figures provided are based in sterling, net of tax and with net income reinvested but do not include the effect of any initial/redemption charge that may be paid on the purchase/sale of an investment. Should you require up-to-date information at any time, please contact us on 0800 587 5051 between 9am and 5pm. Please note for security purposes, calls may be recorded and monitored. Past performance is no indicator of future performance.

### Neptune Asia Pacific Opportunities Fund

Discrete annual performance (%)

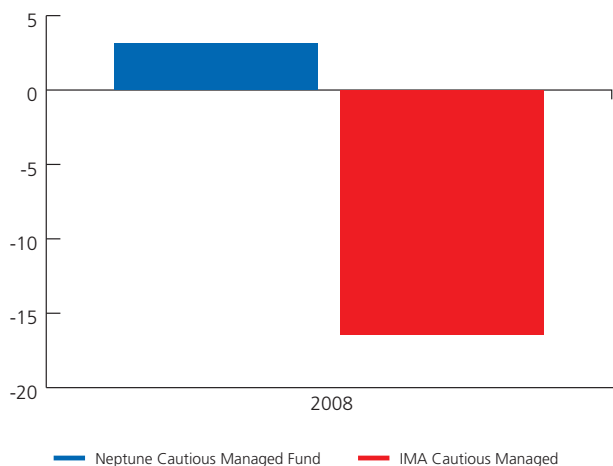


Cumulative performance (%)

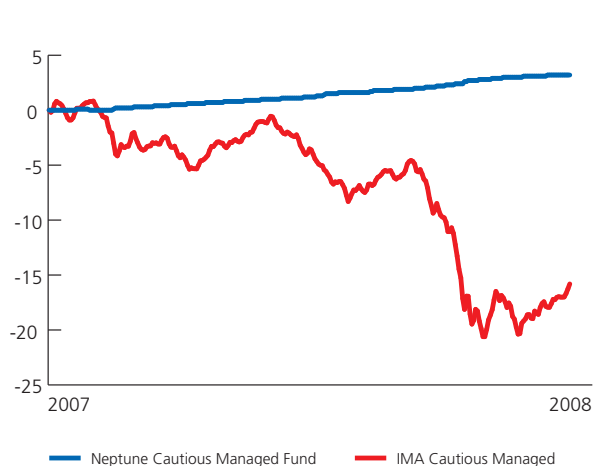


### Neptune Cautious Managed Fund

Discrete annual performance (%)

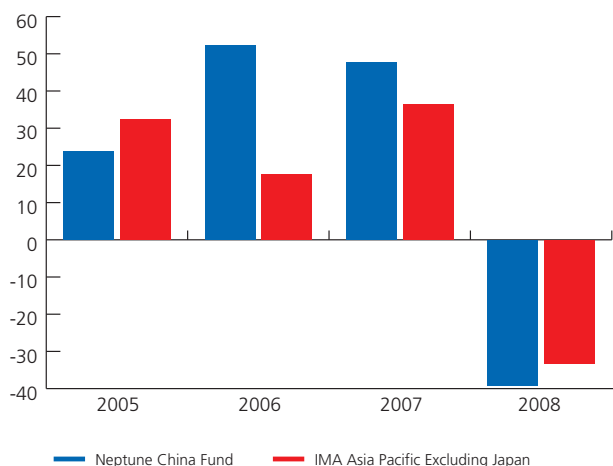


Cumulative performance (%)



### Neptune China Fund

Discrete annual performance (%)

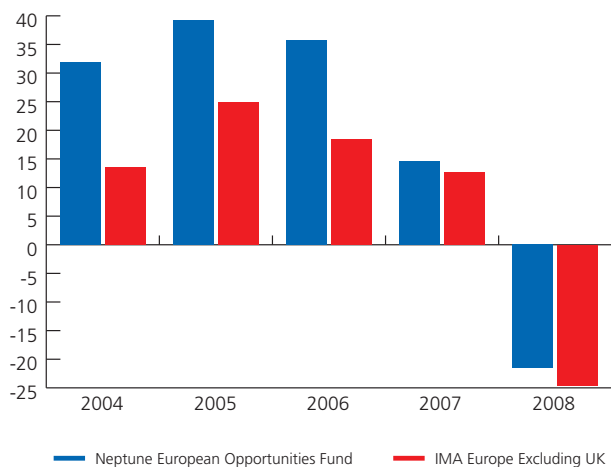


Cumulative performance (%)

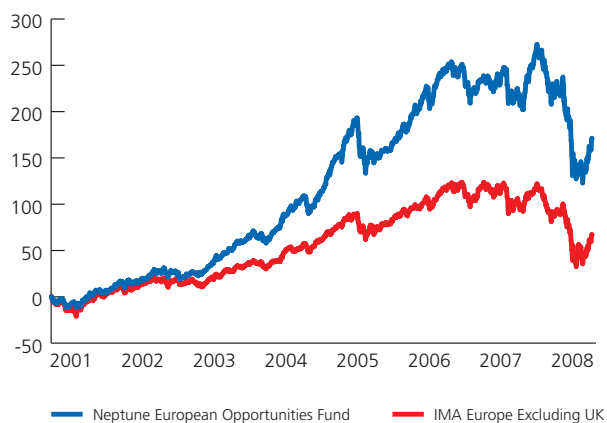


### Neptune European Opportunities Fund

Discrete annual performance (%)

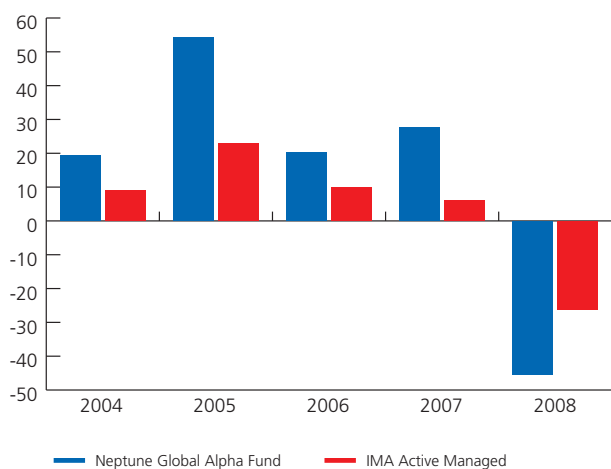


Cumulative performance (%)

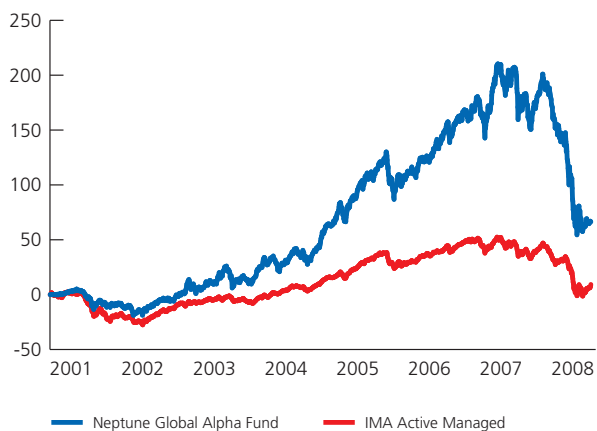


### Neptune Global Alpha Fund

Discrete annual performance (%)

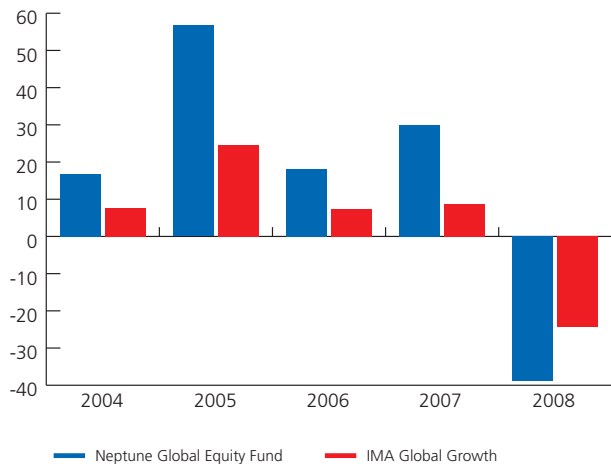


Cumulative performance (%)

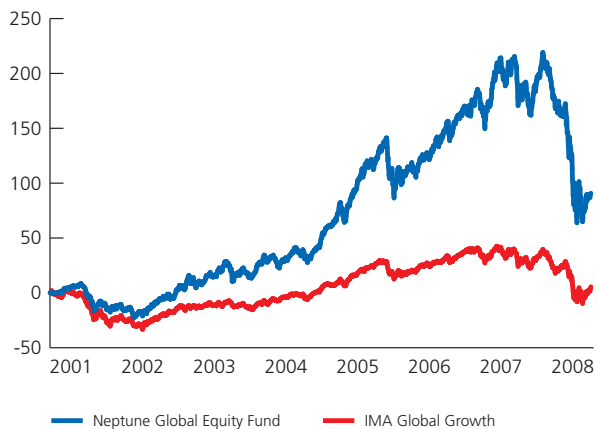


### Neptune Global Equity Fund

Discrete annual performance (%)

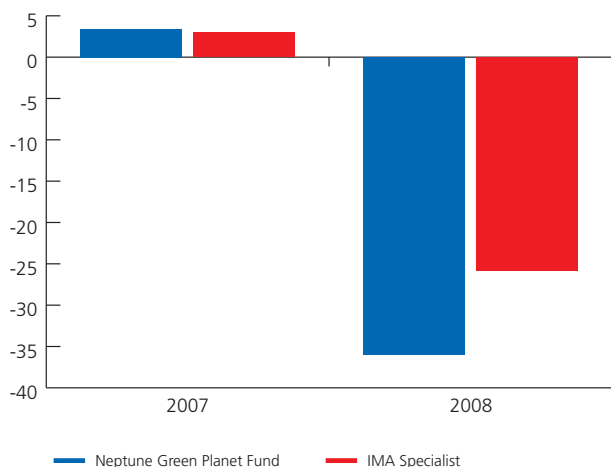


Cumulative performance (%)



### Neptune Green Planet Fund

Discrete annual performance (%)

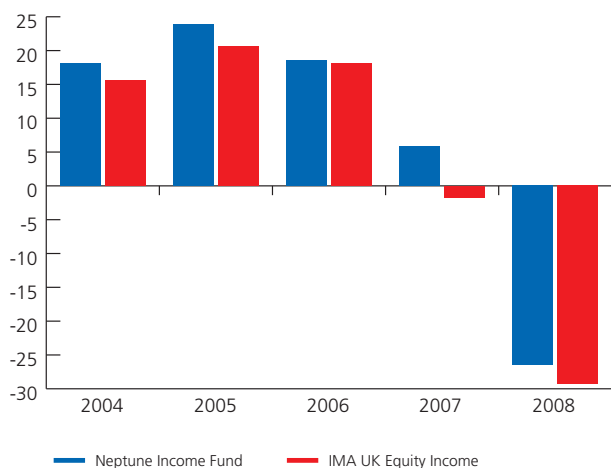


Cumulative performance (%)

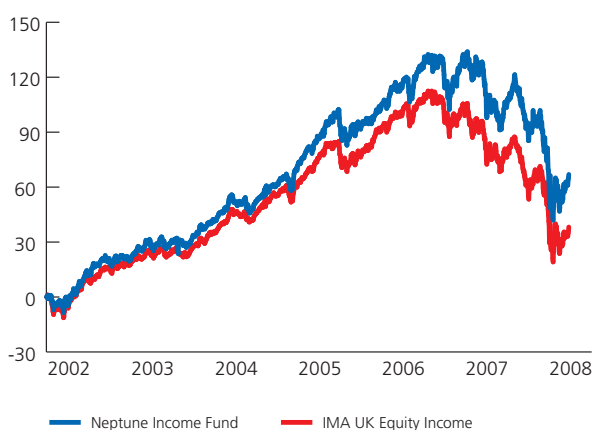


### Neptune Income Fund

Discrete annual performance (%)

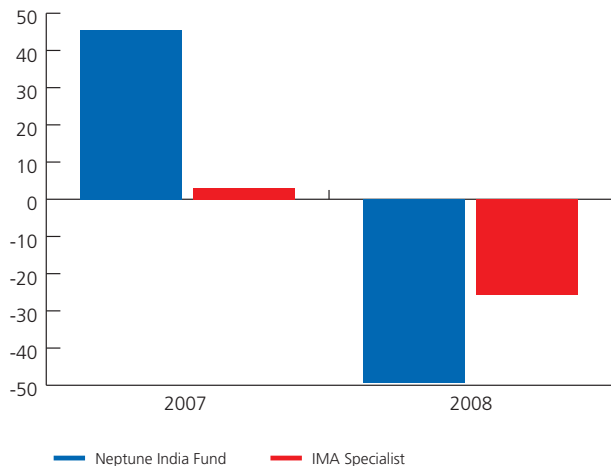


Cumulative performance (%)

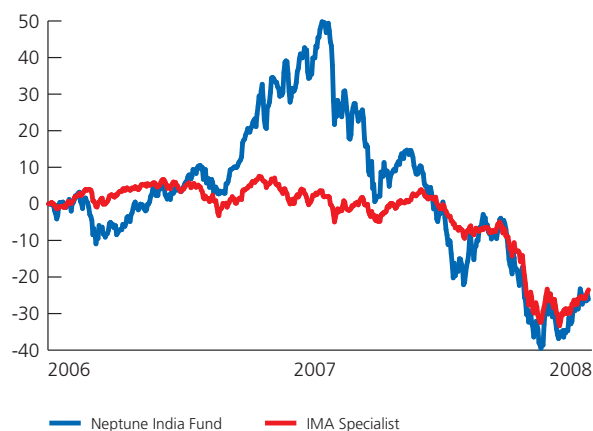


### Neptune India Fund

Discrete annual performance (%)

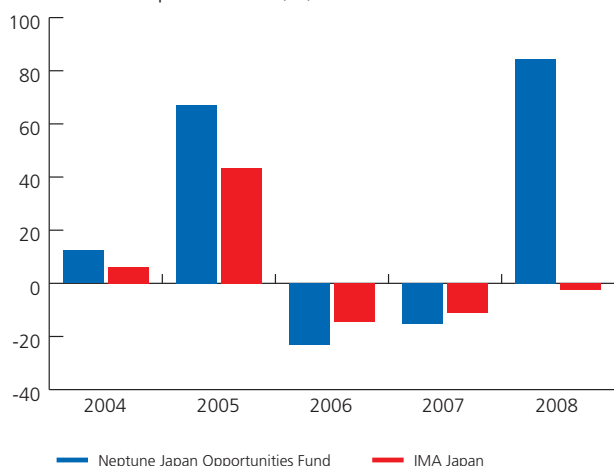


Cumulative performance (%)

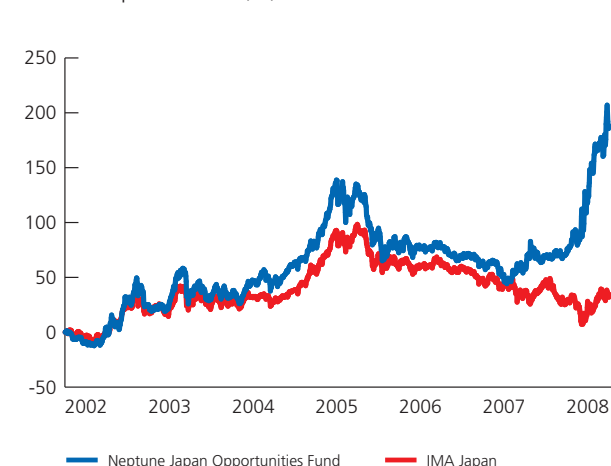


### Neptune Japan Opportunities Fund

Discrete annual performance (%)

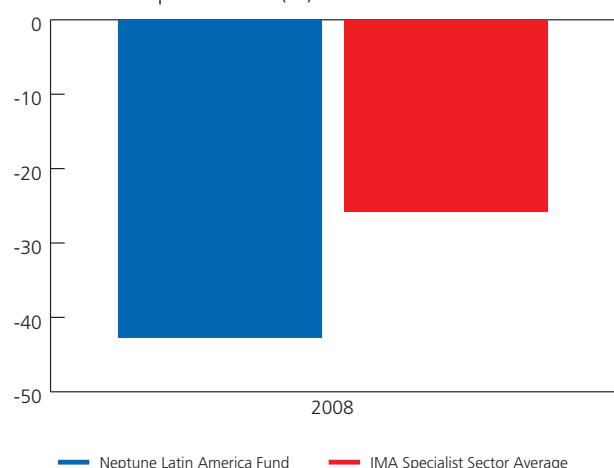


Cumulative performance (%)



### Neptune Latin America Fund

Discrete annual performance (%)

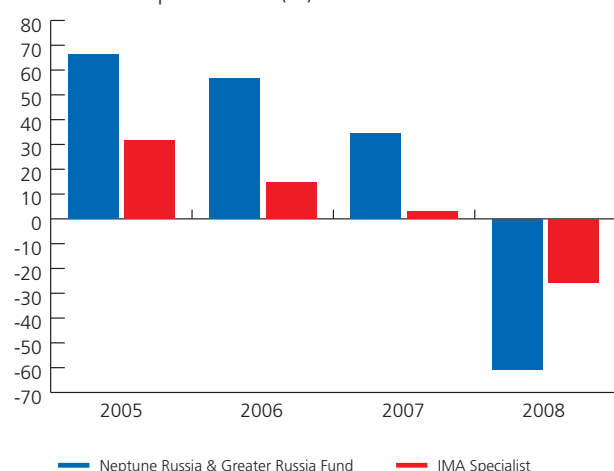


Cumulative performance (%)

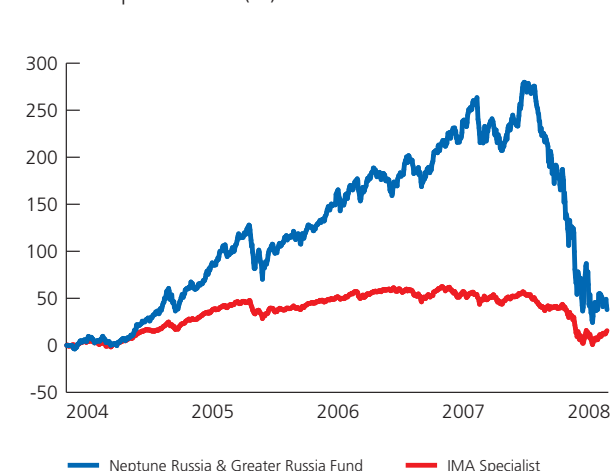


### Neptune Russia & Greater Russia Fund

Discrete annual performance (%)

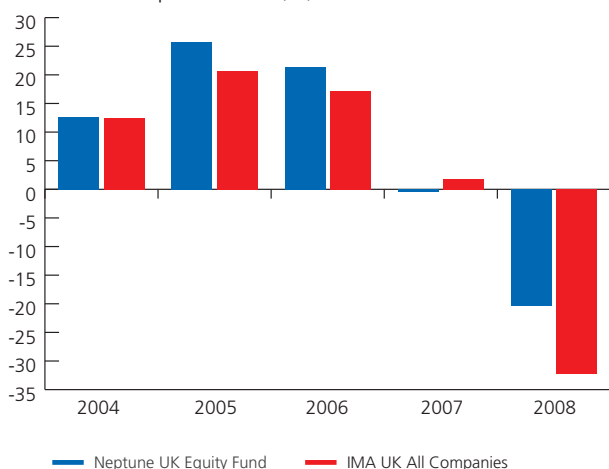


Cumulative performance (%)



### Neptune UK Equity Fund

Discrete annual performance (%)

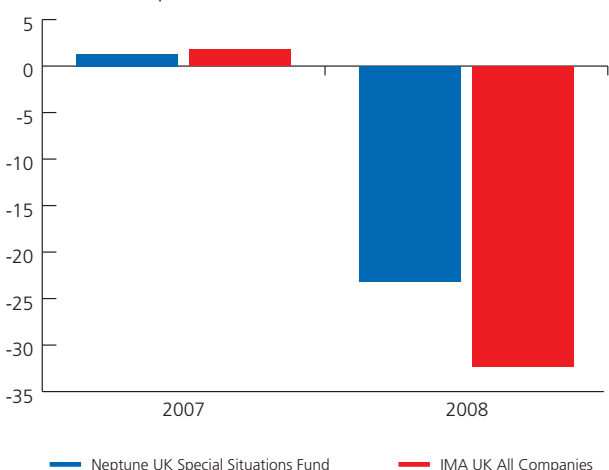


Cumulative performance (%)

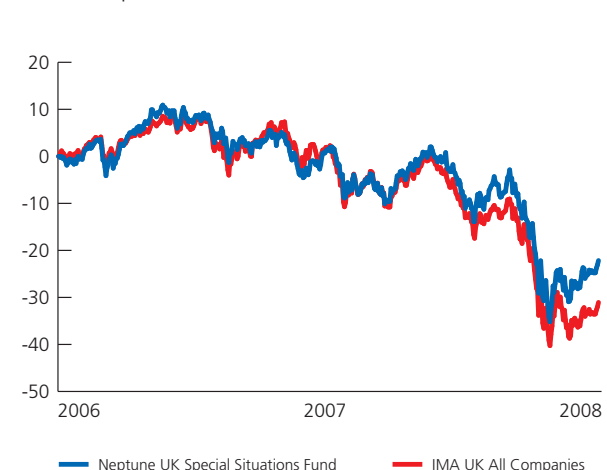


### Neptune UK Special Situations Fund

Discrete annual performance (%)

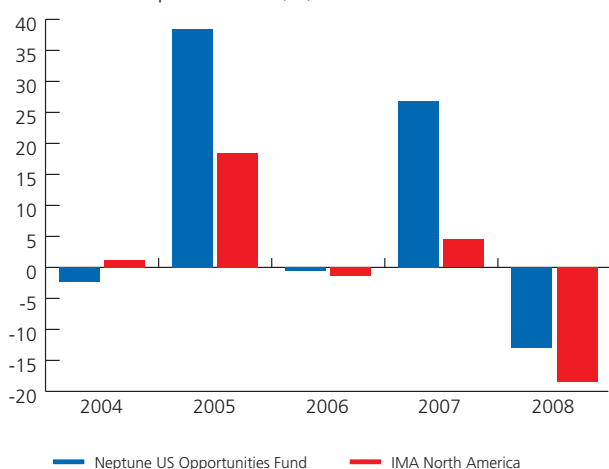


Cumulative performance (%)

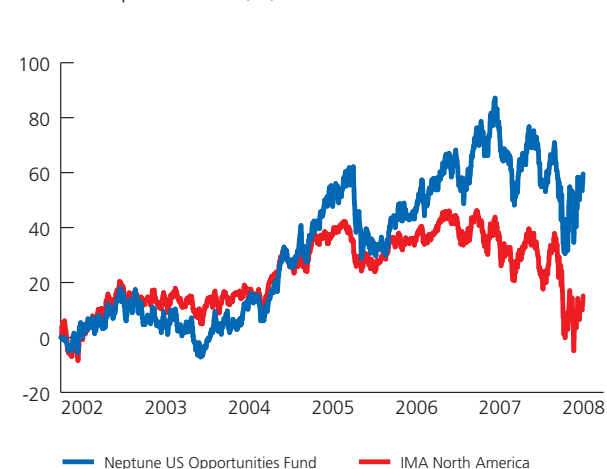


### Neptune US Opportunities Fund

Discrete annual performance (%)



Cumulative performance (%)



We only show performance data for funds with a track record of at least one calendar year therefore the figures for the Neptune European Income Fund (launched 15.12.09), the Neptune Greater China Income Fund (launched 15.12.09) and the Neptune UK Mid Cap Fund (launched 15.12.08), will be updated when available.

## WHAT IS THE PROFILE OF THE TYPICAL INVESTOR THE FUNDS ARE DESIGNED FOR?

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### General

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Neptune funds are available to all retail investors. Because of the nature of the investments held, the performance of the funds may be volatile. Investors must be able to accept significant temporary losses therefore the funds are suitable for investors who can afford to set aside capital for at least five years. The funds are more suitable for those who have a certain experience in financial markets.

### What is the minimum age for investment?

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The minimum age of investment into our OEIC is 18 years. However, an investment can be made on behalf of a minor from the age of 14 if the account is held in an adult's name and designated on behalf of the child i.e. Mrs J Smith re: Joanne. At the age of 18, you can instruct us in writing to transfer ownership into the child's sole name.

The minimum age of investment into an ISA is 18 years. An ISA cannot be held in an adult's name on behalf of a child.

### Who should invest in these funds?

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The following funds are suitable for those investors wishing to generate capital growth:

Neptune Asia Pacific Opportunities Fund  
Neptune China Fund  
Neptune European Opportunities Fund  
Neptune Global Alpha Fund  
Neptune Global Equity Fund  
Neptune Green Planet Fund  
Neptune India Fund  
Neptune Japan Opportunities Fund  
Neptune Latin America Fund  
Neptune Russia and Greater Russia Fund  
Neptune UK Equity Fund  
Neptune UK Mid Cap Fund  
Neptune UK Special Situations Fund  
Neptune US Opportunities Fund

The Neptune Cautious Managed Fund is suitable for those investors wishing to generate a combination of income and capital growth.

The Neptune European Income Fund, the Neptune Greater China Income Fund and the Neptune Income Fund are suitable for those investors wishing to generate a rising level of income; whilst income is the main objective there is also the potential for capital growth.

### Regular Savings Plan (RSP)

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The Regular Savings Plan is a scheme which allows regular contributions to be made by Direct Debit and provides an alternative to lump sum investments. It can be used either for direct investment into our funds or as a means of regular investment into our ISA.

### ISAs

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The Neptune Investment Management Limited Individual Savings Account (ISA) is a product which allows investors to invest in our funds in a tax-free wrapper. It is classified as a Stocks & Shares ISA and is not managed in accordance with HM Treasury's CAT Standards.

- Qualifying Requirements – to invest in our ISA you must be a UK resident for tax purposes and over 18 years of age.

## WHAT CHARGES AND EXPENSES APPLY TO THE FUNDS?

### Paid directly by investors

Initial charge      The current initial charge (per transaction – A shares only) for the funds is 5% .

### Paid out of the funds' assets

- Annual management charge (AMC)

| Fund                               | Share currency | Share class | Share type   | AMC (%) | Taken from |
|------------------------------------|----------------|-------------|--------------|---------|------------|
| Neptune Asia Pacific Opportunities | EUR            | A           | Accumulation | 1.75    | Income     |
| Neptune Asia Pacific Opportunities | EUR            | B           | Accumulation | 1.25    | Income     |
| Neptune Asia Pacific Opportunities | GBP            | A           | Accumulation | 1.75    | Income     |
| Neptune Asia Pacific Opportunities | GBP            | B           | Accumulation | 1.25    | Income     |
| Neptune Asia Pacific Opportunities | USD            | A           | Accumulation | 1.75    | Income     |
| Neptune Asia Pacific Opportunities | USD            | B           | Accumulation | 1.25    | Income     |
| Neptune Cautious Managed           | GBP            | A           | Accumulation | 1.60    | Capital    |
| Neptune Cautious Managed           | GBP            | B           | Accumulation | 1.10    | Capital    |
| Neptune Cautious Managed           | GBP            | A           | Income       | 1.60    | Capital    |
| Neptune Cautious Managed           | GBP            | B           | Income       | 1.10    | Capital    |
| Neptune China                      | EUR*           | A           | Accumulation | 1.75    | Income     |
| Neptune China                      | EUR*           | B           | Accumulation | 1.25    | Income     |
| Neptune China                      | GBP            | A           | Accumulation | 1.75    | Income     |
| Neptune China                      | GBP            | B           | Accumulation | 1.25    | Income     |
| Neptune China                      | USD*           | A           | Accumulation | 1.75    | Income     |
| Neptune China                      | USD*           | B           | Accumulation | 1.25    | Income     |
| Neptune European Income            | GBP            | A           | Accumulation | 1.75    | Capital    |
| Neptune European Income            | GBP            | B           | Accumulation | 1.25    | Capital    |
| Neptune European Income            | GBP            | A           | Income       | 1.75    | Capital    |
| Neptune European Income            | GBP            | B           | Income       | 1.25    | Capital    |
| Neptune European Opportunities     | EUR            | A           | Accumulation | 1.75    | Income     |
| Neptune European Opportunities     | EUR            | B           | Accumulation | 1.25    | Income     |
| Neptune European Opportunities     | GBP            | A           | Accumulation | 1.75    | Income     |
| Neptune European Opportunities     | GBP            | B           | Accumulation | 1.25    | Income     |
| Neptune European Opportunities     | GBP            | A           | Income       | 1.75    | Income     |
| Neptune European Opportunities     | GBP            | B           | Income       | 1.25    | Income     |
| Neptune Global Alpha               | GBP            | A           | Accumulation | 2.00    | Income     |
| Neptune Global Alpha               | GBP            | B           | Accumulation | 1.50    | Income     |
| Neptune Global Equity              | EUR            | A           | Accumulation | 1.75    | Income     |
| Neptune Global Equity              | EUR            | B           | Accumulation | 1.25    | Income     |
| Neptune Global Equity              | GBP            | A           | Accumulation | 1.75    | Income     |
| Neptune Global Equity              | GBP            | B           | Accumulation | 1.25    | Income     |
| Neptune Global Equity              | GBP            | A           | Income       | 1.75    | Income     |
| Neptune Global Equity              | GBP            | B           | Income       | 1.25    | Income     |
| Neptune Global Equity              | USD            | A           | Accumulation | 1.75    | Income     |
| Neptune Global Equity              | USD            | B           | Accumulation | 1.25    | Income     |
| Neptune Greater China Income       | GBP            | A           | Accumulation | 1.75    | Capital    |
| Neptune Greater China Income       | GBP            | B           | Accumulation | 1.25    | Capital    |
| Neptune Greater China Income       | GBP            | A           | Income       | 1.75    | Capital    |
| Neptune Greater China Income       | GBP            | B           | Income       | 1.25    | Capital    |
| Neptune Green Planet               | GBP            | A           | Accumulation | 1.75    | Income     |
| Neptune Green Planet               | GBP            | B           | Accumulation | 1.25    | Income     |
| Neptune Income                     | GBP            | A           | Accumulation | 1.60    | Capital    |

|                                   |      |   |              |      |         |
|-----------------------------------|------|---|--------------|------|---------|
| Neptune Income                    | GBP  | B | Accumulation | 1.10 | Capital |
| Neptune Income                    | GBP  | A | Income       | 1.60 | Capital |
| Neptune Income                    | GBP  | B | Income       | 1.10 | Capital |
| Neptune India                     | EUR* | A | Accumulation | 1.75 | Income  |
| Neptune India                     | EUR* | B | Accumulation | 1.25 | Income  |
| Neptune India                     | GBP  | A | Accumulation | 1.75 | Income  |
| Neptune India                     | GBP  | B | Accumulation | 1.25 | Income  |
| Neptune India                     | USD* | A | Accumulation | 1.75 | Income  |
| Neptune India                     | USD* | B | Accumulation | 1.25 | Income  |
| Neptune Japan Opportunities       | GBP  | A | Accumulation | 1.60 | Income  |
| Neptune Japan Opportunities       | GBP  | B | Accumulation | 1.10 | Income  |
| Neptune Japan Opportunities       | USD  | A | Accumulation | 1.60 | Income  |
| Neptune Japan Opportunities       | USD  | B | Accumulation | 1.10 | Income  |
| Neptune Latin America             | GBP  | A | Accumulation | 1.75 | Income  |
| Neptune Latin America             | GBP  | B | Accumulation | 1.25 | Income  |
| Neptune Russia and Greater Russia | EUR  | A | Accumulation | 1.75 | Income  |
| Neptune Russia and Greater Russia | EUR  | B | Accumulation | 1.25 | Income  |
| Neptune Russia and Greater Russia | GBP  | A | Accumulation | 1.75 | Income  |
| Neptune Russia and Greater Russia | GBP  | B | Accumulation | 1.25 | Income  |
| Neptune Russia and Greater Russia | USD  | A | Accumulation | 1.75 | Income  |
| Neptune Russia and Greater Russia | USD  | B | Accumulation | 1.25 | Income  |
| Neptune UK Equity                 | EUR* | A | Accumulation | 1.60 | Income  |
| Neptune UK Equity                 | EUR* | B | Accumulation | 1.10 | Income  |
| Neptune UK Equity                 | GBP  | A | Accumulation | 1.60 | Income  |
| Neptune UK Equity                 | GBP  | B | Accumulation | 1.10 | Income  |
| Neptune UK Mid Cap                | GBP  | A | Accumulation | 1.60 | Income  |
| Neptune UK Mid Cap                | GBP  | B | Accumulation | 1.10 | Income  |
| Neptune UK Special Situations     | GBP  | A | Accumulation | 1.75 | Income  |
| Neptune UK Special Situations     | GBP  | B | Accumulation | 1.25 | Income  |
| Neptune US Opportunities          | EUR  | A | Accumulation | 1.60 | Income  |
| Neptune US Opportunities          | EUR  | B | Accumulation | 1.10 | Income  |
| Neptune US Opportunities          | GBP  | A | Accumulation | 1.60 | Income  |
| Neptune US Opportunities          | GBP  | B | Accumulation | 1.10 | Income  |
| Neptune US Opportunities          | USD  | A | Accumulation | 1.60 | Income  |
| Neptune US Opportunities          | USD  | B | Accumulation | 1.10 | Income  |

\*These shares are currently not available for clients to invest in.



- Redemption charge

Neptune reserves the right to charge a redemption charge where appropriate. Full details of the circumstances for charging a redemption charge may be found in the Full Prospectus.

- Switching charge

Neptune may at its discretion make a charge on the switching of shares between funds or classes of shares within a fund. Any such charge on switching does not constitute a separate charge payable by a shareholder, but the initial charge is applied on the new shares. However, currently there is no charge for switching between classes of shares in the same fund.

- Stamp Duty Reserve Tax (SDRT) charges

In certain circumstances a payment of SDRT may be payable on the purchase or redemption of shares. More information on SDRT can be found in the Full Prospectus.

- Other charges and expenses

In addition to the charges detailed above, there are administration and registrar's fees. International Financial Data Services (UK) Limited (IFDS) carries out the registrar function for the funds. The fees and expenses due to IFDS are paid out of the funds' assets. IFDS currently charges £14.46 per unitholding per annum and £16.26 per ISA holding per annum. IFDS also carries out administration functions for the funds for which it is paid a fee. The administration fee is paid by us out of the annual management charge.

- Depositary remuneration and expenses

The depositary (State Street Trustees Limited) is entitled to receive a fee (plus VAT) for its services:

#### **Where Neptune's total funds under management is less than £500m<sup>1</sup>**

|                          |                   |
|--------------------------|-------------------|
| Tier A on the first £10m | 0.025% p.a. + VAT |
| Tier B on the next £40m  | 0.020% p.a. + VAT |
| Tier C on the next £50m  | 0.015% p.a. + VAT |
| Tier D on the balance    | 0.010% p.a. + VAT |

#### **Where Neptune's total funds under management is between £500m -£1bn<sup>2</sup>**

|                          |                   |
|--------------------------|-------------------|
| Tier A on the first £25m | 0.025% p.a. + VAT |
| Tier B on the next £75m  | 0.020% p.a. + VAT |
| Tier C on the next £100m | 0.015% p.a. + VAT |
| Tier D on the balance    | 0.010% p.a. + VAT |

#### **Where Neptune's total funds under management is in excess of £1bn<sup>3</sup>**

|                          |                   |
|--------------------------|-------------------|
| Tier A on the first £50m | 0.025% p.a. + VAT |
| Tier B on the next £100m | 0.020% p.a. + VAT |
| Tier C on the next £150m | 0.015% p.a. + VAT |
| Tier D on the balance    | 0.010% p.a. + VAT |

<sup>1</sup>Subject to a minimum of £10,000 per fund

<sup>2</sup>Subject to a minimum of £7,000 per fund

<sup>3</sup>Subject to a minimum of £5,000 per fund

The depositary is also paid custody and transaction charges. The cost of custody generally depends upon the value of each fund and currently ranges from 0% to 0.5% per annum (subject to a minimum amount of £900 per month). The transaction charges are determined by the territory, or country, in which the transaction is effected. The current range of transaction charges is £9 – £90.

- Manager's expenses

We are entitled to be paid by the funds a number of other expenses, for example the cost of convening shareholder meetings and the fees and expenses of the funds' auditor. A list of these expenses are detailed in the Full Prospectus.

- Fee sharing and soft commissions

The funds may enter into fee sharing agreements and soft commission arrangements.

Under soft commission arrangements, our affiliates may from time to time have entered into arrangements with brokers, under which the brokers will provide or procure services or other benefits which can be reasonably expected to assist in the provision of investment services. No direct payment is made for these services. Any transactions conducted under these arrangements are done so on a best execution basis as required by our regulator, the FSA, and in accordance with other applicable FSA rules.

More detailed information on soft commission arrangements are available on request.

We may on occasion share our fees and commission with external agents, intermediaries or introducers. Details of any such shared fees or commission may be disclosed in our contract note or are otherwise available on request.

## HOW WILL CHARGES AND EXPENSES AFFECT MY INVESTMENT?

### Total Expense Ratio (TER)

The TER is the annual percentage reduction in returns that would result from largely fixed operational costs (AMC, additional expenses etc) if the markets were to remain flat and a fund's portfolio was to remain unchanged.

The TER is based on the Net Asset Value (NAV) of a fund. All funds registered in the European Union highlight the TER to help you compare the annual operating expenses of different funds. In the table below we have highlighted the AMC, additional expenses and TERs for the funds. Any new funds or share classes will not have TER figures until the first set of audited report and accounts are produced. For this reason the Neptune European Income Fund, the Neptune Greater China Income Fund and the Neptune UK Mid Cap Fund, and EUR and USD share classes on relevant funds do not appear in the list below.

| Fund                               | Share class | Share type   | AMC (%) | Additional expenses (%) | TER (%)     |
|------------------------------------|-------------|--------------|---------|-------------------------|-------------|
| Neptune Asia Pacific Opportunities | A           | Accumulation | 1.75    | 0.76                    | <b>2.50</b> |
| Neptune Asia Pacific Opportunities | B           | Accumulation | 1.25    | 1.21                    | <b>2.50</b> |
| Neptune Cautious Managed           | A           | Accumulation | 1.60    | 0.00                    | <b>0.00</b> |
| Neptune Cautious Managed           | B           | Accumulation | 1.10    | 0.00                    | <b>0.00</b> |
| Neptune Cautious Managed           | A           | Income       | 1.60    | 0.00                    | <b>0.00</b> |
| Neptune Cautious Managed           | B           | Income       | 1.10    | 0.00                    | <b>0.00</b> |
| Neptune China                      | A           | Accumulation | 1.75    | 0.13                    | <b>1.95</b> |
| Neptune China                      | B           | Accumulation | 1.25    | 0.18                    | <b>1.43</b> |
| Neptune European Opportunities     | A           | Accumulation | 1.75    | 0.06                    | <b>1.79</b> |
| Neptune European Opportunities     | B           | Accumulation | 1.25    | 0.05                    | <b>1.30</b> |
| Neptune European Opportunities     | A           | Income       | 1.75    | 0.07                    | <b>1.80</b> |
| Neptune European Opportunities     | B           | Income       | 1.25    | 0.06                    | <b>1.30</b> |
| Neptune Global Alpha               | A           | Accumulation | 2.00    | 0.12                    | <b>2.16</b> |
| Neptune Global Alpha               | B           | Accumulation | 1.50    | 0.14                    | <b>1.74</b> |
| Neptune Global Equity              | A           | Accumulation | 1.75    | 0.05                    | <b>1.83</b> |
| Neptune Global Equity              | B           | Accumulation | 1.25    | 0.05                    | <b>1.32</b> |
| Neptune Global Equity              | A           | Income       | 1.75    | 0.16                    | <b>1.80</b> |
| Neptune Global Equity              | B           | Income       | 1.25    | 0.37                    | <b>1.53</b> |
| Neptune Green Planet               | A           | Accumulation | 1.75    | 0.77                    | <b>2.55</b> |
| Neptune Green Planet               | B           | Accumulation | 1.25    | 1.04                    | <b>2.33</b> |
| Neptune Income                     | A           | Accumulation | 1.60    | 0.03                    | <b>1.62</b> |
| Neptune Income                     | B           | Accumulation | 1.10    | 0.03                    | <b>1.22</b> |
| Neptune Income                     | A           | Income       | 1.60    | 0.03                    | <b>1.65</b> |
| Neptune Income                     | B           | Income       | 1.10    | 0.03                    | <b>1.13</b> |
| Neptune India                      | A           | Accumulation | 1.75    | 0.65                    | <b>2.38</b> |
| Neptune India                      | B           | Accumulation | 1.25    | 0.75                    | <b>1.96</b> |
| Neptune Japan Opportunities        | A           | Accumulation | 1.60    | 0.27                    | <b>1.72</b> |
| Neptune Japan Opportunities        | B           | Accumulation | 1.10    | 0.53                    | <b>1.67</b> |
| Neptune Latin America              | A           | Accumulation | 1.75    | 0.49                    | <b>2.50</b> |
| Neptune Latin America              | B           | Accumulation | 1.25    | 0.55                    | <b>2.50</b> |
| Neptune Russia & Greater Russia    | A           | Accumulation | 1.75    | 0.06                    | <b>1.85</b> |
| Neptune Russia & Greater Russia    | B           | Accumulation | 1.25    | 0.07                    | <b>1.38</b> |
| Neptune UK Equity                  | A           | Accumulation | 1.60    | 0.18                    | <b>1.80</b> |
| Neptune UK Equity                  | B           | Accumulation | 1.10    | 0.21                    | <b>1.31</b> |
| Neptune UK Special Situations      | A           | Accumulation | 1.75    | 0.27                    | <b>2.00</b> |
| Neptune UK Special Situations      | B           | Accumulation | 1.25    | 0.73                    | <b>2.00</b> |
| Neptune US Opportunities           | A           | Accumulation | 1.60    | 0.08                    | <b>1.61</b> |
| Neptune US Opportunities           | B           | Accumulation | 1.10    | 0.10                    | <b>1.15</b> |

## Reduction in Yield (RIY)

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The reduction in yield tables on the following pages show the effect of all applicable charges, what you might get back from your investment and the reduced rate of growth that this would equate to. No allowances are made for any taxation that may be paid or received by the funds and for any discount on the initial charge that you may receive when you invest.

Reduction in yield tables are only available following the production of the first set of audited accounts. For this reason, there are no figures available for the Neptune European Income Fund, the Neptune Greater China Income Fund and the Neptune UK Mid Cap Fund.

Initial charges will reduce the value of your investment. The rate of growth of an investment is also offset by the annual charges and expenses deducted from the fund, these include Neptune's management charges and charges and expenses paid to trustees, registrars, auditors and regulators.

The tables also show how much income may be paid out, on the basis of the current yield of the fund (as shown in the tables). In practice, income paid may be more or less than that indicated. Up-to-date yields for all our funds may be found in the Financial Times or on our website at [www.neptunefunds.com](http://www.neptunefunds.com). If you take the income from your fund, this may cause a further reduction in what you might get back at the end of the investment period.

The tables are set out in the manner prescribed by our regulator, the FSA, using standard growth rates to help you compare the charges and expenses of our funds with other funds in the industry.

The tables have been produced to show the effect of charges on the sterling A share classes and do not reflect either the B share classes or the EUR and USD share classes. If you would like to see the effect of charges on the B share classes or currency share classes please contact us on 0800 587 5051 between 9am and 5pm.

Investment for growth

The effect of charges on a £1,000 investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment for growth.

**Table 1: Neptune Asia Pacific Opportunities Fund – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 1000                  | 77                           | 982                     | 78                           | 991                     |
| 3              | 1000                  | 141                          | 1040                    | 145                          | 1070                    |
| 5              | 1000                  | 216                          | 1120                    | 226                          | 1170                    |
| 10             | 1000                  | 466                          | 1320                    | 512                          | 1450                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £466 for a direct investment or £512 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 2.85% a year for a direct investment and from 7% a year down to 3.82% a year for an ISA investment.

Regular Savings Plans

The effect of charges on a £50 investment per month assuming a growth rate of 6% p.a. for a direct investment or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment through Regular Savings Plan.

**Table 2: Neptune Asia Pacific Opportunities Fund Regular Savings Plan – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 600                   | 38                           | 580                     | 39                           | 583                     |
| 3              | 1800                  | 171                          | 1800                    | 173                          | 1820                    |
| 5              | 3000                  | 386                          | 3100                    | 397                          | 3180                    |
| 10             | 6000                  | 1390                         | 6770                    | 1480                         | 7120                    |

The last column of the table shows that over 10 years the effect of the total charges and expenses could amount to £1,390 for a direct investment or £1,480 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 2.38% a year for a direct investment and from 7% a year down to 3.36% a year for an ISA investment.

[Investment for growth](#)

The effect of charges on a £1,000 investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment for growth.

**Table 1: Neptune Cautious Managed Fund – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 1000                  | 53                           | 1000                    | 53                           | 1010                    |
| 3              | 1000                  | 59                           | 1130                    | 61                           | 1160                    |
| 5              | 1000                  | 66                           | 1270                    | 70                           | 1330                    |
| 10             | 1000                  | 89                           | 1700                    | 98                           | 1860                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £89 for a direct investment or £98 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 5.46% a year for a direct investment and from 7% a year down to 6.45% a year for an ISA investment.

[Investment for income](#)

The effect of charges on a £1,000 investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment for growth.

**Table 2: Neptune Cautious Managed Fund – Class A (Income Shares – paid out)**

| At end of year | Direct investment     |                              |                     |                         | ISA investment               |                     |                         |
|----------------|-----------------------|------------------------------|---------------------|-------------------------|------------------------------|---------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | Income paid to date | What you might get back | Effect of deductions to date | Income paid to date | What you might get back |
| 1              | 1000                  | 52                           | 27                  | 979                     | 53                           | 27                  | 988                     |
| 3              | 1000                  | 59                           | 85                  | 1030                    | 61                           | 86                  | 1060                    |
| 5              | 1000                  | 66                           | 146                 | 1100                    | 70                           | 150                 | 1150                    |
| 10             | 1000                  | 89                           | 316                 | 1280                    | 98                           | 333                 | 1410                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £89 for a direct investment or £98 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 5.38% a year for a direct investment and from 7% a year down to 6.38% a year for an ISA investment.

## Regular Savings Plans

The effect of charges on a £50 investment per month assuming a growth rate of 6% p.a. for a direct investment or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment through Regular Savings Plan.

**Table 3: Neptune Cautious Managed Fund Regular Savings Plan – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 600                   | 30                           | 588                     | 31                           | 591                     |
| 3              | 1800                  | 98                           | 1870                    | 100                          | 1900                    |
| 5              | 3000                  | 174                          | 3310                    | 178                          | 3400                    |
| 10             | 6000                  | 408                          | 7750                    | 430                          | 8170                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £408 for a direct investment or £430 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 5.46% a year for a direct investment and from 7% a year down to 6.45% a year for an ISA investment.

**Table 4: Neptune Cautious Managed Fund Regular Savings Plan – Class A (Income Shares – paid out)**

| At end of year | Direct investment     |                              |                     |                         | ISA investment               |                     |                         |
|----------------|-----------------------|------------------------------|---------------------|-------------------------|------------------------------|---------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | Income paid to date | What you might get back | Effect of deductions to date | Income paid to date | What you might get back |
| 1              | 600                   | 30                           | 12                  | 576                     | 31                           | 12                  | 578                     |
| 3              | 1800                  | 98                           | 87                  | 1780                    | 100                          | 88                  | 1800                    |
| 5              | 3000                  | 174                          | 233                 | 3060                    | 178                          | 237                 | 3130                    |
| 10             | 6000                  | 408                          | 938                 | 6620                    | 430                          | 971                 | 6960                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £408 for a direct investment or £430 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 5.38% a year for a direct investment and from 7% a year down to 6.38% a year for an ISA investment.

Investment for growth

The effect of charges on a £1,000 investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment for growth.

**Table 1: Neptune China Fund – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 1000                  | 72                           | 987                     | 73                           | 996                     |
| 3              | 1000                  | 123                          | 1060                    | 127                          | 1090                    |
| 5              | 1000                  | 185                          | 1150                    | 194                          | 1200                    |
| 10             | 1000                  | 391                          | 1390                    | 429                          | 1530                    |

The last column of the table shows that over 10 years the effect of the total charges and expenses could amount to £391 for a direct investment or £429 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 3.42% a year for a direct investment and from 7% a year down to 4.40% a year for an ISA investments.

Regular Savings Plans

The effect of charges on a £50 investment per month assuming a growth rate of 6% p.a. for a direct investment or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment through Regular Savings Plan.

**Table 2: Neptune China Fund Regular Savings Plan – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 600                   | 37                           | 582                     | 37                           | 585                     |
| 3              | 1800                  | 155                          | 1810                    | 157                          | 1840                    |
| 5              | 3000                  | 341                          | 3140                    | 351                          | 3220                    |
| 10             | 6000                  | 1180                         | 6970                    | 1260                         | 7330                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £1,180 for a direct investment or £1,260 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 2.95% a year for a direct investment and from 7% a year down to 3.94% a year for an ISA investment.



[Investment for growth](#)

The effect of charges on a £1,000 investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment for growth.

**Table 1: Neptune European Opportunities Fund – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 1000                  | 70                           | 989                     | 71                           | 998                     |
| 3              | 1000                  | 118                          | 1070                    | 122                          | 1100                    |
| 5              | 1000                  | 175                          | 1160                    | 184                          | 1210                    |
| 10             | 1000                  | 368                          | 1420                    | 404                          | 1560                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £368 for a direct investment or £404 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 3.59% a year for a direct investment and from 7% a year down to 4.56% a year for an ISA investment.

[Investment for income](#)

The effect of charges on a £1,000 investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment for income.

**Table 2: Neptune European Opportunities Fund – Class A Income Shares (paid out)**

| At end of year | Direct investment     |                              |                     |                         | ISA investment               |                     |                         |
|----------------|-----------------------|------------------------------|---------------------|-------------------------|------------------------------|---------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | Income paid to date | What you might get back | Effect of deductions to date | Income paid to date | What you might get back |
| 1              | 1000                  | 70                           | 0                   | 989                     | 71                           | 0                   | 988                     |
| 3              | 1000                  | 119                          | 0                   | 1070                    | 122                          | 0                   | 1110                    |
| 5              | 1000                  | 176                          | 0                   | 1160                    | 184                          | 0                   | 1210                    |
| 10             | 1000                  | 369                          | 0                   | 1420                    | 406                          | 0                   | 1560                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £369 for a direct investment or £406 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 3.58% a year for a direct investment and from 7% a year down to 4.55% a year for an ISA investment.

## Regular Savings Plans

The effect of charges on a £50 per month investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment through Regular Savings Plan.

**Table 3: Neptune European Opportunities Fund Regular Savings Plan – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 600                   | 36                           | 582                     | 36                           | 585                     |
| 3              | 1800                  | 150                          | 1820                    | 153                          | 1840                    |
| 5              | 3000                  | 327                          | 3160                    | 337                          | 3240                    |
| 10             | 6000                  | 1120                         | 7030                    | 1280                         | 7400                    |

The last column of the table shows that over 10 years the effect of the total charges and expenses could amount to £1,120 for a direct investment or £1,280 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 3.12% a year for a direct investment and from 7% a year down to 4.11% a year for an ISA investment.

**Table : Neptune European Opportunities Fund Regular Savings Plan – Class A Income Shares (paid out)**

| At end of year | Direct investment     |                              |                     |                         | ISA investment               |                     |                         |
|----------------|-----------------------|------------------------------|---------------------|-------------------------|------------------------------|---------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | Income paid to date | What you might get back | Effect of deductions to date | Income paid to date | What you might get back |
| 1              | 600                   | 36                           | 0                   | 579                     | 36                           | 0                   | 585                     |
| 3              | 1800                  | 151                          | 0                   | 1790                    | 153                          | 0                   | 1840                    |
| 5              | 3000                  | 328                          | 0                   | 3090                    | 338                          | 0                   | 3240                    |
| 10             | 6000                  | 1130                         | 0                   | 6730                    | 1200                         | 0                   | 7390                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £1,130 for a direct investment or £1,200 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 3.11% a year for a direct investments and from 7% a year down to 4.10% a year for an ISA investment.

[Investment for growth](#)

The effect of charges on a £1,000 investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment for growth.

**Table 1: Neptune Global Alpha Fund – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 1000                  | 74                           | 985                     | 75                           | 994                     |
| 3              | 1000                  | 130                          | 1060                    | 134                          | 1090                    |
| 5              | 1000                  | 197                          | 1140                    | 206                          | 1190                    |
| 10             | 1000                  | 420                          | 1370                    | 461                          | 1500                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £420 for a direct investment or £461 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 3.20% a year for a direct investment and from 7% a year down to 4.18% a year for an ISA investment.

[Regular Savings Plans](#)

The effect of charges on a £50 per month investment assuming a growth rate of 6% p.a. for ordinary investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment through Regular Savings Plan.

**Table 2: Neptune Global Alpha Fund Regular Savings Plan – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 600                   | 37                           | 581                     | 38                           | 584                     |
| 3              | 1800                  | 161                          | 1810                    | 164                          | 1830                    |
| 5              | 3000                  | 358                          | 3130                    | 369                          | 3210                    |
| 10             | 6000                  | 1260                         | 6890                    | 1340                         | 7250                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £1,260 for a direct investment or £1,340 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 2.74% a year for a direct investment and from 7% a year down to 3.72% a year for an ISA investment.

[Investment for growth](#)

The effect of charges on a £1,000 investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment for growth.

**Table 1: Neptune Global Equity Fund – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 1000                  | 71                           | 988                     | 71                           | 998                     |
| 3              | 1000                  | 120                          | 1070                    | 123                          | 1100                    |
| 5              | 1000                  | 178                          | 1160                    | 186                          | 1210                    |
| 10             | 1000                  | 374                          | 1410                    | 411                          | 1550                    |

The last column of the table shows that over 10 years the effect of the total charges and expenses could amount to £374 for a direct investment or £411 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 3.54% a year for a direct investment and from 7% a year down to 4.52% a year for an ISA investment.

[Investment for growth](#)

The effect of charges on a £1,000 investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment for growth.

**Table 2: Neptune Global Equity Fund – Class A (Income Shares – paid out)**

| At end of year | Direct investment     |                              |                     |                         | ISA investment               |                     |                         |
|----------------|-----------------------|------------------------------|---------------------|-------------------------|------------------------------|---------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | Income paid to date | What you might get back | Effect of deductions to date | Income paid to date | What you might get back |
| 1              | 1000                  | 70                           | 0                   | 989                     | 71                           | 0                   | 988                     |
| 3              | 1000                  | 119                          | 0                   | 1070                    | 122                          | 0                   | 1110                    |
| 5              | 1000                  | 176                          | 0                   | 1160                    | 184                          | 0                   | 1210                    |
| 10             | 1000                  | 369                          | 0                   | 1420                    | 406                          | 0                   | 1560                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £369 for a direct investment or £406 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 3.58% a year for a direct investment and from 7% a year down to 4.55% a year for an ISA investment.

## Regular Savings Plans

The effect of charges on a £50 per month investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment through Regular Savings Plan.

**Table 3: Neptune Global Equity Fund Regular Savings Plan – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 600                   | 36                           | 582                     | 37                           | 585                     |
| 3              | 1800                  | 151                          | 1810                    | 154                          | 1840                    |
| 5              | 3000                  | 331                          | 3150                    | 340                          | 3230                    |
| 10             | 6000                  | 1140                         | 7010                    | 1210                         | 7380                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £1,140 for a direct investment or £1,210 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 3.08% a year for a direct investment and from 7% a year down to 4.07% a year for an ISA investment.

**Table 4: Neptune Global Equity Fund Regular Savings Plan – Class A (Income Shares – paid out)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 600                   | 36                           | 582                     | 36                           | 585                     |
| 3              | 1800                  | 151                          | 1820                    | 153                          | 1840                    |
| 5              | 3000                  | 328                          | 3160                    | 338                          | 3240                    |
| 10             | 6000                  | 1130                         | 7020                    | 1200                         | 7390                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £1,130 for a direct investment or £1,200 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 5.38% a year for a direct investment and from 7% a year down to 6.38% a year for an ISA investment.

Investment for growth

The effect of charges on a £1,000 investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment for growth.

**Table 1: Neptune Green Planet Fund – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 1000                  | 78                           | 981                     | 79                           | 990                     |
| 3              | 1000                  | 142                          | 1040                    | 147                          | 1070                    |
| 5              | 1000                  | 219                          | 1110                    | 229                          | 1170                    |
| 10             | 1000                  | 472                          | 1310                    | 519                          | 1440                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £472 for a direct investment or £519 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 2.80% a year for a direct investment and from 7% a year down to 3.77% a year for an ISA investment.

Regular Savings Plans

The effect of charges on a £50 per month investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment through Regular Savings Plan.

**Table 2: Neptune Green Planet Fund Regular Savings Plans – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 600                   | 39                           | 580                     | 39                           | 583                     |
| 3              | 1800                  | 172                          | 1790                    | 175                          | 1820                    |
| 5              | 3000                  | 390                          | 3110                    | 401                          | 3170                    |
| 10             | 6000                  | 1410                         | 6750                    | 1490                         | 7100                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £1,410 for a direct investment or £1,490 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 2.33% a year for a direct investment and from 7% a year down to 3.31% a year for an ISA investment.

[Investment for growth](#)

The effect of charges on a £1,000 investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment for growth.

**Table 1: Neptune Income Fund – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 1000                  | 69                           | 990                     | 69                           | 1000                    |
| 3              | 1000                  | 113                          | 1070                    | 116                          | 1100                    |
| 5              | 1000                  | 165                          | 1170                    | 173                          | 1220                    |
| 10             | 1000                  | 344                          | 1440                    | 378                          | 1580                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £344 for a direct investment or £378 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 3.76% a year for a direct investment and from 7% a year down to 4.74% a year for an ISA investment.

[Investment for income](#)

The effect of charges on a £1,000 investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment for income.

**Table 2: Neptune Income Fund – Class A Income Shares (paid out)**

| At end of year | Direct investment     |                              |                     |                         | ISA investment               |                     |                         |
|----------------|-----------------------|------------------------------|---------------------|-------------------------|------------------------------|---------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | Income paid to date | What you might get back | Effect of deductions to date | Income paid to date | What you might get back |
| 1              | 1000                  | 69                           | 34                  | 956                     | 70                           | 34                  | 965                     |
| 3              | 1000                  | 111                          | 103                 | 968                     | 115                          | 104                 | 995                     |
| 5              | 1000                  | 160                          | 172                 | 980                     | 167                          | 177                 | 1020                    |
| 10             | 1000                  | 310                          | 351                 | 1010                    | 341                          | 369                 | 1110                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £310 for a direct investment or £341 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 3.64% a year for a direct investment and from 7% a year down to 4.62% a year for an ISA investment.

## Regular Savings Plans

The effect of charges on a £50 per month investment assuming a growth rate of 6% p.a. for a direct investment or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment through Regular Savings Plan.

**Table 3: Neptune Income Fund Regular Savings Plan – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 600                   | 36                           | 583                     | 36                           | 586                     |
| 3              | 1800                  | 145                          | 1820                    | 148                          | 1850                    |
| 5              | 3000                  | 313                          | 3170                    | 322                          | 3250                    |
| 10             | 6000                  | 1060                         | 7090                    | 1130                         | 7460                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £1,060 for a direct investment or £1,130 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 3.30% a year for a direct investment and from 7% a year down to 4.29% a year for an ISA investment.

**Table 4: Neptune Income Fund Regular Savings Plan – Class A Income Shares (paid out)**

| At end of year | Direct investment     |                              |                     |                         | ISA investment               |                     |                         |
|----------------|-----------------------|------------------------------|---------------------|-------------------------|------------------------------|---------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | Income paid to date | What you might get back | Effect of deductions to date | Income paid to date | What you might get back |
| 1              | 600                   | 36                           | 15                  | 567                     | 36                           | 15                  | 570                     |
| 3              | 1800                  | 145                          | 107                 | 1710                    | 147                          | 108                 | 1730                    |
| 5              | 3000                  | 308                          | 281                 | 2870                    | 317                          | 286                 | 2940                    |
| 10             | 6000                  | 1000                         | 1080                | 5840                    | 1060                         | 1120                | 6130                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £1000 for a direct investment or £1,060 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 3.15% a year for a direct investment and from 7% a year down to 4.14% a year for an ISA investment.



Investment for growth

The effect of charges on a £1,000 investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment for growth.

**Table 1: Neptune India Fund – Class A Accumulation Shares**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 1000                  | 76                           | 983                     | 77                           | 992                     |
| 3              | 1000                  | 137                          | 1050                    | 141                          | 1080                    |
| 5              | 1000                  | 209                          | 1120                    | 219                          | 1180                    |
| 10             | 1000                  | 450                          | 1340                    | 494                          | 1470                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £450 for a direct investment or £494 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 2.97% a year for a direct investment and from 7% a year down to 3.95% a year for an ISA investment.

Regular Savings Plans

The effect of charges on a £50 per month investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment through Regular Savings Plan.

**Table 2: Neptune India Fund Regular Savings Plan – Class A Accumulation Shares**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 600                   | 38                           | 580                     | 38                           | 583                     |
| 3              | 1800                  | 167                          | 1800                    | 170                          | 1830                    |
| 5              | 3000                  | 376                          | 3110                    | 387                          | 3190                    |
| 10             | 6000                  | 1340                         | 6810                    | 1430                         | 7160                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £1,340 for a direct investment or £1,430 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 2.51% a year for a direct investment and from 7% a year down to 3.49% a year for an ISA investment.

Investment for growth

The effect of charges on a £1,000 investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment for growth.

**Table 1: Neptune Japan Opportunities Fund – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 1000                  | 70                           | 989                     | 70                           | 999                     |
| 3              | 1000                  | 116                          | 1070                    | 119                          | 1100                    |
| 5              | 1000                  | 171                          | 1160                    | 180                          | 1220                    |
| 10             | 1000                  | 358                          | 1430                    | 393                          | 1570                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £358 for a direct investment or £393 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 3.66% a year for a direct investment and from 7% a year down to 4.64% a year for an ISA investment.

Regular Savings Plans

The effect of charges on a £50 per month investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment through Regular Savings Plan.

**Table 2: Neptune Japan Opportunities Fund Regular Savings Plan – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 600                   | 36                           | 582                     | 36                           | 585                     |
| 3              | 1800                  | 148                          | 1820                    | 151                          | 1850                    |
| 5              | 3000                  | 322                          | 3160                    | 331                          | 3240                    |
| 10             | 6000                  | 1100                         | 7060                    | 1170                         | 7420                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £1,100 for a direct investment or £1,170 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 3.20% a year for a direct investment and from 7% a year down to 4.18% a year for an ISA investment.

[Investment for growth](#)

The effect of charges on a £1,000 investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment for growth.

**Table 1: Neptune Latin America Fund – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 1000                  | 77                           | 982                     | 78                           | 991                     |
| 3              | 1000                  | 141                          | 1040                    | 145                          | 1070                    |
| 5              | 1000                  | 216                          | 1120                    | 226                          | 1170                    |
| 10             | 1000                  | 466                          | 1320                    | 512                          | 1450                    |

The last column of the table shows that over 10 years the effect of the total charges and expenses could amount to £466 for a direct investment or £512 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 2.85% a year for a direct investment and from 7% a year down to 3.82% a year for an ISA investment.

[Regular Savings Plans](#)

The effect of charges on a 50 per month investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investments is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment through Regular Savings Plan

**Table 2: Neptune Latin America Fund Regular Savings Plan – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 600                   | 38                           | 580                     | 39                           | 583                     |
| 3              | 1800                  | 171                          | 1800                    | 173                          | 1820                    |
| 5              | 3000                  | 386                          | 3100                    | 397                          | 3180                    |
| 10             | 6000                  | 1390                         | 6770                    | 1480                         | 7120                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £1,390 for a direct investment or £1,470 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 2.38% a year for a direct investment and from 7% a year down to 3.36% a year for an ISA investment.

Investment for growth

The effect of charges on a £1,000 investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment for growth.

**Table 1: Neptune Russia and Greater Russia Fund – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 1000                  | 71                           | 988                     | 72                           | 997                     |
| 3              | 1000                  | 120                          | 1070                    | 124                          | 1100                    |
| 5              | 1000                  | 179                          | 1150                    | 187                          | 1210                    |
| 10             | 1000                  | 377                          | 1410                    | 414                          | 1550                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £377 for a direct investment or £414 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 3.52% a year for a direct investments and from 7% a year down to 4.50% a year for an ISA investment.

Regular Savings Plans

The effect of charges on a £50 per month investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment through Regular Savings Plan.

**Table 2: Neptune Russia and Greater Russia Fund Regular Savings Plan – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 600                   | 36                           | 582                     | 37                           | 585                     |
| 3              | 1800                  | 152                          | 1810                    | 155                          | 1840                    |
| 5              | 3000                  | 332                          | 3150                    | 342                          | 3230                    |
| 10             | 6000                  | 1150                         | 7010                    | 1220                         | 7370                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £1,150 for a direct investment or £1,220 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 3.06% a year for a direct investment and from 7% a year down to 4.05% a year for an ISA investment.

Investment for growth

The effect of charges on a £1,000 investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment for growth.

**Table 1: Neptune UK Equity Fund – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 1000                  | 70                           | 989                     | 71                           | 998                     |
| 3              | 1000                  | 119                          | 1070                    | 122                          | 1100                    |
| 5              | 1000                  | 176                          | 1160                    | 184                          | 1210                    |
| 10             | 1000                  | 369                          | 1420                    | 406                          | 1560                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £369 for a direct investments or £406 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 3.58% a year for a direct investment and from 7% a year down to 4.55% a year for an ISA investment.

Regular Savings Plans

The effect of charges on a £50 per month investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment through Regular Savings Plan.

**Table 2: Neptune UK Equity Fund Regular Savings Plan – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 600                   | 36                           | 582                     | 36                           | 585                     |
| 3              | 1800                  | 151                          | 1820                    | 153                          | 1840                    |
| 5              | 3000                  | 328                          | 3160                    | 338                          | 3240                    |
| 10             | 6000                  | 1130                         | 7020                    | 1200                         | 7390                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £1,130 for a direct investment or £1,200 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 3.11% a year for a direct investment and from 7% a year down to 4.10% a year for an ISA investment.

Investment for growth

The effect of charges on a £1,000 investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment for growth.

**Table 1: Neptune UK Special Situations Fund – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 1000                  | 72                           | 987                     | 73                           | 996                     |
| 3              | 1000                  | 125                          | 1060                    | 129                          | 1090                    |
| 5              | 1000                  | 187                          | 1150                    | 197                          | 1200                    |
| 10             | 1000                  | 398                          | 1390                    | 437                          | 1520                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £398 for a direct investment or £437 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 3.37% a year for a direct investment and from 7% a year down to 4.34% a year for an ISA investment.

Regular Savings Plans

The effect of charges on a £50 per month investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investments is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment through Regular Savings Plan.

**Table 2: Neptune UK Special Situations Fund Regular Savings Plan – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 600                   | 37                           | 581                     | 37                           | 584                     |
| 3              | 1800                  | 156                          | 1810                    | 159                          | 1840                    |
| 5              | 3000                  | 345                          | 3140                    | 355                          | 3220                    |
| 10             | 6000                  | 1200                         | 6950                    | 1280                         | 7310                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £1,200 for a direct investment or £1,280 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 2.90% a year for a direct investment and from 7% a year down to 3.89% a year for an ISA investment.

[Investment for growth](#)

The effect of charges on a £1,000 investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment for growth.

**Table 1: Neptune US Opportunities Fund – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 1000                  | 69                           | 990                     | 69                           | 1000                    |
| 3              | 1000                  | 112                          | 1070                    | 116                          | 1100                    |
| 5              | 1000                  | 165                          | 1170                    | 173                          | 1220                    |
| 10             | 1000                  | 342                          | 1440                    | 376                          | 1590                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £342 for a direct investment or £376 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 3.77% a year for a direct investments and from 7% a year down to 4.75% a year for an ISA investment.

[Regular Savings Plans](#)

The effect of charges on a £50 per month investment assuming a growth rate of 6% p.a. for direct investments or 7% p.a. for an ISA investment is set out below. The figures are not guaranteed and serve only to demonstrate the effect of charges and expenses on an investment through Regular Savings Plan.

**Table 2: Neptune US Opportunities Fund Regular Savings Plan – Class A (Accumulation Shares)**

| At end of year | Direct investment     |                              |                         | ISA investment               |                         |
|----------------|-----------------------|------------------------------|-------------------------|------------------------------|-------------------------|
|                | Investments to date £ | Effect of deductions to date | What you might get back | Effect of deductions to date | What you might get back |
| 1              | 600                   | 36                           | 583                     | 36                           | 586                     |
| 3              | 1800                  | 145                          | 1820                    | 148                          | 1850                    |
| 5              | 3000                  | 312                          | 3170                    | 321                          | 3250                    |
| 10             | 6000                  | 1060                         | 7100                    | 1120                         | 7470                    |

The last line of the table shows that over 10 years the effect of the total charges and expenses could amount to £1,060 for a direct investment or £1,120 for an ISA investment. Putting it another way, this would have the same effect as bringing investment growth from 6% a year down to 3.31% a year for a direct investment and from 7% a year down to 4.30% a year for an ISA investment.

## WHAT ARE THE PORTFOLIO TURNOVER RATES OF THE FUNDS?

The portfolio turnover rate shows how frequently a fund buys and sells stocks and shares, highlighting the level of annual activity and how actively the funds are being managed.

$$\frac{(\text{Purchases} + \text{Redemption}) - (\text{Creations} + \text{Liquidations})}{\text{Average daily NAV for the period}}$$

The table below shows the annual portfolio turnover rates of the funds as at 31 December 2008 (source: Neptune). Previous period turnover rates are available from Neptune.

| Fund                               | Turnover rate (%) |
|------------------------------------|-------------------|
| Neptune Asia Pacific Opportunities | 382.90            |
| Neptune Cautious Managed           | -452.59           |
| Neptune China                      | -48.72            |
| Neptune European Opportunities     | 479.29            |
| Neptune Global Alpha               | -36.19            |
| Neptune Global Equity              | -43.49            |
| Neptune Green Planet               | -112.22           |
| Neptune Income                     | 52.05             |
| Neptune India                      | 8.88              |
| Neptune Japan Opportunities        | -160.21           |
| Neptune Latin America              | -52.63            |
| Neptune Russia and Greater Russia  | -106.97           |
| Neptune UK Equity                  | 76.44             |
| Neptune UK Mid Cap                 | 324.16            |
| Neptune UK Special Situations      | 120.59            |
| Neptune US Opportunities           | 257.88            |

The Neptune European Income Fund and the Neptune Greater China Income Fund have only recently been launched, therefore no turnover figures are available.



### [How do I buy shares in the funds?](#)

The following are the minimum initial subscription amounts for investments in our funds or such lower amounts as may be determined by Neptune at its absolute discretion:

#### **GBP**

|           |              |          |
|-----------|--------------|----------|
| A Shares  | Accumulation | £1,000   |
| A Shares  | Income       | £1,000   |
| B Shares* | Accumulation | £250,000 |
| B Shares* | Income       | £250,000 |

\*The minimum initial subscription for B shares in the Neptune European Income Fund and the Neptune Greater China Income Fund is £10m.

#### **EUR**

|                       |          |
|-----------------------|----------|
| A Accumulation Shares | €1,000   |
| B Accumulation Shares | €250,000 |

#### **USD**

|                       |           |
|-----------------------|-----------|
| A Accumulation Shares | \$1,500   |
| B Accumulation Shares | \$350,000 |

If you then wish to top up your holding in either of the A Income or the A Accumulation share classes you can do so with £50 or more at any time for the GBP share classes and €50 for EUR share classes or \$75 for USD share classes. Alternatively, you can start a Regular Savings Plan with a minimum subscription of £50 per month. The Regular Savings Plan is only available for the GBP share classes. There is no maximum limit to the amount you may invest in our funds, but HM Revenue & Customs restricts the amount you may invest each year in an ISA.

### [How do I pay for my investment?](#)

#### **GBP shares**

Please send a cheque made payable to Neptune Investment Management Ltd and/or a Direct Debit form, with your application form, to Neptune Investment Management Ltd, PO Box 9004, Chelmsford, CM99 2WR.

#### **EUR shares**

Please send your payment by electronic transfer to the below bank details:

HSBC  
SWIFT code: MIDLGB22  
Account name: Neptune Investment Management Limited EUR Dealing  
Account number: 69530446  
IBAN: GB49MIDL40051569530446

#### **USD shares**

Please send your payment by electronic transfer to the below bank details:

HSBC  
SWIFT code: MIDLGB22  
Account name: Neptune Investment Management Limited USD Dealing  
Account number: 69529580  
IBAN: GB54MIDL40051569529580

#### [Can I transfer my existing ISA to you?](#)

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You can transfer an existing Stocks and Shares ISA to us from another manager. You can transfer the whole, but not part, of an ISA to us during the same tax-year that you have subscribed to it. You may transfer to us all or part of earlier years' Stocks and Shares ISAs. The transfer authority form must be sent with your application.

You can transfer an existing Cash ISA to us in whole or in part. A transfer authority form must be sent with your application.

You should not withdraw the money from your existing Plan Manager and invest in a Stocks and Shares ISA directly with Neptune as it will count against your ISA investment allowance; you must request the transfer by sending us a completed transfer authority form.

#### [Which telephone number do I call to place a deal?](#)

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Please call 0800 587 5051. Our office is open from 9am until 5pm on each normal business day.

#### [Where do I send my application form?](#)

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You can either ask your financial adviser to send your application on your behalf or send it directly to: Neptune Investment Management Limited, PO Box 9004, Chelmsford CM99 2WR.

#### [When will my investment in the Regular Savings Plan start? \(Not available on EUR or USD share classes\)](#)

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If you would like your investment to start as soon as possible, you should send a cheque for your first installment. Your investment will start immediately on receipt of your application. If you do not enclose a cheque with your application, your first subscription will normally be collected and invested on the first business day of the following month. However, where an application is received in the second half of the month this may not allow sufficient time for us and your bank to process the Direct Debit instruction for collection at that date. For example, an application received on 14 May, will mean the investment starts on 1 June, but an application received on 28 May will mean the investment starts on 1 July. Unfortunately, we cannot be more precise on the cut-off point as this will depend mainly on the response of your bank.

#### [When will my Direct Debit be collected?](#)

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We will collect your Direct Debit on the first business day of each month. We will continue to collect subscriptions from you until you write to us to tell us to stop. You should also remember to cancel the Direct Debit mandate with your bank if you do not wish to subscribe again.

#### [Can I change the amount of my regular investment?](#)

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You may increase or decrease the amount of your regular investment, within the limits set for the fund or the ISA, by sending written instructions to us at our address. You may suspend or stop making investments at any time. The plan will remain open, as long as you leave the minimum level of investment for the fund in your plan.

#### [Can I change my mind about my investment?](#)

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We have at our discretion decided to extend cancellation rights to all investors. We will send you a cancellation notice shortly after receiving your application explaining your rights in more detail (including when it begins and ends and how to exercise it). You will be able to cancel your application within 14 days of receipt of the cancellation notice. Exercising your right to cancel could involve a loss due to adverse market and currency movements. You can withdraw money from your investment at any time and the value you receive will reflect any change in the fund price since the day you invested. However, we reserve the right to retain redemption proceeds until all anti-money laundering documentation has been received. Such redemption proceeds will be held on a client money account and no interest will be payable.

#### [Is this investment suitable for me?](#)

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We do not offer advice on the suitability of our funds and products. If you are in any doubt about the suitability of your investment you should seek advice from a financial adviser before you complete an application form.

#### [How much will advice cost?](#)

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If you seek advice your financial adviser will give you details of the costs involved.

Neptune normally pays advisers initial commission based upon 3% of the amount you invest. For example, if you invest £1,000 your adviser will be paid £30 out of the initial charge that we impose.

We will also pay your adviser a renewal commission of 0.5% per year based upon the value of your investment. For example, if the value of your investment is £1,000 your adviser will be paid £5 out of the AMC that we impose. If the value of your investment doubles to £2,000, then in that year the adviser would be paid £10.

The actual amounts that we pay to your adviser will be stated on the contract note or confirmation of investment sent to you.

#### [What price will I get when I deal?](#)

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All transactions may be aggregated with those from other investors and will normally be carried out at the fund's next valuation point (normally 12 noon each business day) following receipt of your instruction. The use of prices at the next valuation point is called 'forward pricing'. The FSA Rules on 'best execution' do not apply to investments in these funds.

#### [What documents will I receive after I deal?](#)

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We will send a contract note to you or your adviser on the next business day after the valuation point of your deal. It will show the number of shares bought or sold, the type of shares and name of the fund. A contract note for an investment will also show any charges made by us and any commission paid to an adviser. No certificates are issued for any investments in our funds.

In April and October each year you will receive a statement which provides a valuation of your investment and a record of any transactions which have taken place during the period covered.

You will receive a report twice a year providing financial statements, a record of performance and an investment review, of the funds you have invested in.

Your contract for investment is governed by English Law and the Courts of England have exclusive jurisdiction to settle any disputes under this contract. All communications sent to you by us will be in English.

#### [Can I choose to reinvest income?](#)

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For the GBP share classes, we offer two types of share class for the majority of our funds, accumulation or income. Please refer to page 14 for available funds. If you want income to be automatically reinvested, you should choose accumulation shares. Alternatively, if you would like to receive income payments, you should choose income shares and complete the appropriate section of the application form. No income option is available for the EUR and the USD share classes.

#### [If I hold income shares, when will the income be paid to me?](#)

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Income payments are paid twice a year on or before the 28 February and 31 August.

#### [Can I switch investment between funds and/or products?](#)

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You can instruct us to switch your investment between our funds and/or products at any time. Your existing holdings will be sold at the quoted price and your new investments bought at the quoted buying price with no initial charge. A switch from an OEIC holding to an ISA will be treated in this way and this will count towards your current year's ISA allowance. You can not switch between different currency share classes.

#### [Can I switch between types of share holdings?](#)

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You can instruct us to switch your investment between accumulation and income (if available) shares within a fund at any time and at no cost to you. You will receive an amount of the new type of shares equivalent in value to the old type of holding. This will be classed as a share conversion and a contract note will be issued to you on the next business day after the valuation point.

#### [How do I keep track of the price of my investment?](#)

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You can check the price of your fund on a daily basis in the Managed Funds Service section of the Financial Times or on the Neptune website at [www.neptune-im.co.uk](http://www.neptune-im.co.uk). As there are no additional charges for our Regular Savings Plan or ISA, the value of your investment will relate directly to the published prices. The prices for the EUR and USD share classes are published on the Neptune website only.

#### [How do I sell my investments?](#)

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You can sell all or part of your investment at any time and there is no minimum period of investment. Your financial adviser can sell your investment on your behalf or you can place a deal by telephone by calling 0800 857 5051 if the shares are registered in your own name. For ISAs, we can only accept written instructions to sell that have been signed by you. We will send a cheque by the fourth business day following either the valuation point of the redemption, or the receipt of your written renunciation of your investment, whichever is the later.

You may transfer your existing Neptune ISA to another manager, and still retain your investment in a tax-free environment. We make no charge to terminate or transfer your ISA, but other managers may do so. On receipt of instructions from your designated new ISA manager, we will sell your investments and transfer the cash proceeds to your new manager. We cannot transfer the underlying investments in your ISA.

### [Who manages the funds?](#)

Neptune Investment Management Limited is the manager of the funds and acts as principal in the buying and selling of shares. Neptune is authorised and regulated by the Financial Services Authority and is registered on the FSA Register, number: 416015. The main service we provide is the management and administration of the fund which you are considering investing in. Details of all fees and expenses associated with the provision of this service are provided in the 'What charges and expenses apply to the fund?' section of this Simplified Prospectus.

Under this agreement, you will be classified as a Retail Client for the purposes of the FSA Rules. If, however, you are an Eligible Counterparty or a Professional Client, you may not necessarily have the rights of a Retail Client under the Financial Services Compensation Scheme (see below for more information regarding complaints and compensation).

The head office of Neptune Investment Management Limited is One Lyric Square, London W6 0NB.

### [Who manages the portfolio?](#)

The investments held in the portfolio are managed by Neptune Investment Management Limited.

### [Who is the Plan Manager for my RSP and ISA?](#)

Neptune Investment Management Limited manages your plan as your agent on an execution only basis. This means that we will only act on the written instructions contained in your application form and any subsequent written instructions received from yourself.

### [Who looks after the assets of the funds?](#)

The depositary for the funds is State Street Trustees Limited, 525 Ferry Road, Edinburgh EH5 2AW.

### [Who deals with the administration and registration?](#)

Administration and registration of the funds is managed by International Financial Data Services (UK) Limited, PO Box 9004, Chelmsford CM99 2WR.

### [Who values the funds?](#)

Daily prices are calculated by State Street Bank and Trust Company, 20 Churchill Place, London E14 5HJ.

### [Who is the auditor for the funds?](#)

The auditor for the funds is Ernst & Young, 1 More Place, London SE1 2AF.

### [How can I obtain further information on the funds?](#)

You can request a copy of the funds' Full Prospectus and the latest half yearly reports and accounts free of charge by contacting us on 0800 587 5051 between 9am and 5pm on each business day. The funds' Full Prospectus provides more detailed information about our funds than is contained in this document. Investors will automatically be sent a short report of our funds at half-yearly intervals as soon as they are published. The long report is available on request.

### [Who do I complain to if I am not satisfied with the service I receive?](#)

You can write to the Complaints Department, Neptune Investment Management Limited, PO Box 9004, Chelmsford CM99 2WR. Our complaints procedure requires us to resolve complaints promptly and normally within eight weeks. A copy of our complaints procedure is available from us on request. If you are still unsatisfied following our review of the complaint you also have the right to refer your complaint directly to the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR. If we are unable to meet any of our liabilities to you, you may be entitled to compensation under the Financial Services Compensation Scheme. A statement detailing your rights to compensation is available on request.

### [What tax regime are the funds subject to?](#)

The funds themselves are exempt from capital gains tax. However your investment will be subject to capital gains tax.

The funds are taxable on their income (other than UK dividends), after paying management expenses. The tax rate is 20% but in practice most of the funds will pay no or little tax. The funds' distributions carry tax credits.

### [Will you tell me what tax has been paid on the income from my investment?](#)

We will send you a tax voucher twice a year. If you hold income shares, this will provide you with details of the net distribution sent to you. If you hold accumulation shares, the voucher will provide you with details of the net distribution reinvested. In both cases it will show you the tax paid on the income distribution.

### [What are my tax liabilities?](#)

Your tax liabilities depend on your own personal situation and where your investments are located. If you are in any doubt as to your tax position you should contact a financial adviser.

UK investors in the funds will be liable to capital gains tax on realised gains, reduced by any available tapering relief, once their annual allowance has been utilised. The level of tapering relief will depend on the number of years an investment has been held.

For UK investors in the funds who receive income distributions, basic and lower rate tax payers should have no further tax liability but higher rate tax payers will have to pay additional tax.

If you invest in the funds through an ISA, there is no tax liability on income payments and any capital appreciation made is free from capital gains tax.

You should be aware that the Government has given no guarantee that such favourable tax treatments will be maintained.

### [What is Stamp Duty Reserve Tax \(SDRT\)?](#)

SDRT is a tax which is applicable to investment funds in certain circumstances. It is restricted to funds whose assets are liable to UK stamp duty. When SDRT is applicable, it will normally be paid by the fund itself and not by individual investors. We do not charge SDRT to our investors on the purchase or sale of shares but instead charge SDRT as an expense to the property of the funds, which the regulations allow. Our policy on SDRT may restrict the capital growth of the funds and is not guaranteed and may change in the future. SDRT is explained in more detail in the funds' Full Prospectus which is available upon request.

## IMPORTANT INFORMATION

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This document is issued by Neptune Investment Management Limited, One Lyric Square, London W6 0NB.

Neptune is authorised and regulated by the Financial Services Authority of 25 The North Colonnade, Canary Wharf, London E14 5HS. You can contact the FSA on 020 7066 1000, or visit their website at [www.fsa.gov.uk](http://www.fsa.gov.uk).

The information contained in this Simplified Prospectus is valid as at 15 December 2009. Any information in this document is valid only at the date of publication. The information contained in this document can change at any time and it will not always be possible or practical for us to notify you of changes in advance. Please check our website at [www.neptunefunds.com](http://www.neptunefunds.com) or contact us for updates on any of the enclosed information.

## TERMS AND CONDITIONS (KEY FEATURES)

THIS INFORMATION IS IMPORTANT AND YOU SHOULD READ IT CAREFULLY.

These Terms and Conditions, together with the Simplified Prospectus and application form, provide the terms of the agreement between you and us. By signing one of our application forms and returning it to us you (i) confirm that you have read and understood these Terms and Conditions, the Simplified Prospectus and the Application Form and the information contained in them and (ii) will enter into a legal agreement with us which will be subject to these Terms and Conditions, dated 15 December 2009.

### 1 DEFINITIONS

The following definitions are applicable to words and expressions used in these Terms, the Simplified Prospectus and application forms and will apply to all agreements between us. Other words and expressions shown in capitals are defined by financial services regulations in the FSA Handbook.

#### Table of definitions

|                       |  |
|-----------------------|--|
| Application form(s)   | a Neptune application form or transfer form (where appropriate) that you complete when applying to invest in a Neptune fund (photocopies are not acceptable) |
| Depository            | the depository of an OEIC  |
| FSA                   | Financial Services Authority   |
| FSA Rules             | the Collective Investment Schemes Sourcebook, which form part of the FSA Handbook of Rules and Guidance and which govern the operation of the funds          |
| Funds                 | an OEIC managed by Neptune   |
| Holder                | a shareholder of an OEIC   |
| HMRC                  | HM Revenue & Customs   |
| ISA                   | Individual Savings Account   |
| Manager               | the manager or the authorised corporate director of the funds  |
| Neptune               | Neptune Investment Management Limited  |
| OEIC                  | Open Ended Investment Company  |
| RSP                   | Regular Savings Plan   |
| Simplified Prospectus | the document describing the key features of the funds as amended from time to time by us   |
| Statement             | a valuation and transaction report in respect of your holding  |
| us, we or our         | Neptune Investment Management Limited  |

### 2 NEPTUNE INVESTMENT MANAGEMENT LIMITED

#### 2.1 Our regulatory status

Neptune is authorised and regulated by the Financial Services Authority of 25 The North Colonnade, Canary Wharf, London E14 5HS in the conduct of investment business.

We are authorised to act as authorised corporate director of OEICs and as the Plan Manager of ISAs.

#### 2.2 Conflicts of interest

At Neptune Investment Management Limited, we take our fiduciary responsibilities to our investors very seriously. We operate a Conflicts of Interest policy designed to identify, manage and control any possible conflicts inherent in our business and our relationship with our investors. We do not consider that we have any conflicts of interest which would have a material impact on you. A copy of our Conflicts of Interest policy explaining the situations where conflicts of interest may arise and how we will deal with them are available on request.



### 3 UK FUNDS

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This section relates to the purchase or redemption of shares in our funds.

#### 3.1 Our service

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We will provide an execution-only service for the purchase or redemption of shares in our funds. Where we act as manager for a fund we will purchase shares for you and redeem shares you hold, as principal.

We are required to put procedures in place to enable us to deliver the best possible results for our investors when dealing with instructions for them under this agreement. For this purpose we have introduced a Best Execution policy. This policy requires us to consider various execution factors in deciding how to execute a client order. These include price, cost, speed, likelihood of execution and settlement, size, nature and other relevant matters. Ordinarily, we will consider price to be the most important factor for you, as you are classified as a Retail Client. However, Neptune in its capacity as authorised corporate director of the funds will act as the execution agent. This is decided on the basis that Neptune will provide the most reliable price, the widest availability of shares in the funds and more efficient source registration of shares compared to other possible venues. By signing the application form, you consent to our Best Execution policy. We will monitor the effectiveness of our Best Execution policy and will notify you of any material changes to this when they are applicable to you. Please note that any specific instructions from customers as to how their orders are dealt with may prevent us from taking the steps we have designed to obtain the best possible result in relation to their investments.

Under this agreement you will be classified as a Retail Client for the purposes of the FSA Rules. If, however, you would otherwise be an Eligible Counterparty or a Professional Client, you may not necessarily have the rights of a Retail Client under the Financial Services Compensation Scheme (see 6.6). For more information regarding complaints and compensation see page 44.

#### 3.2 Charges

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We are entitled to charge for our services as the operator of the funds. Please refer to the Simplified Prospectus for details of the current charges.

#### 3.3 Your assets

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The depositary takes custody of all assets in the funds and holds them for all holders in accordance with the Trust Deeds or the Instruments of Incorporation. As a holder in an OEIC you own shares in the relevant fund. Your title to the shares you hold in the fund is evidenced by an entry in the Register of Holders. No certificates are issued in respect of any share holding.

#### 3.4 Your money

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All money received will be used immediately for the settlement of a purchase of shares and will be dealt with in accordance with the client money rules of the FSA. We will not normally hold any money on your behalf and therefore any money which we cannot deal with immediately, due to deficiencies in information supplied by you, will be returned. If we are unable to return money to you for any reason, it will be held in a non-interest bearing client money account until such time as we are able to do so. When you sell shares, we will send you a cheque within four business days of either the redemption or the receipt of your written renunciation of the shares, whichever is the later. Where you hold income shares, we will send you money in respect of any distribution declared on your holding by the distribution date for the fund.

### 4 REGULAR SAVINGS PLANS (RSP)

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This section relates to direct investment in our funds using the RSP. All applications must be made with the application form provided with these Terms and accompanied by the Direct Debit authority form.

#### 4.1 Our service

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These Terms confer on us full power, acting as your agent, to manage the RSP on an execution-only basis and to carry out all purchases and redemptions of investments in accordance with your instructions. Further details of this service are contained in the Simplified Prospectus.

#### 4.2 Charges

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We make no additional charges for the RSP. Our charges will be the same as those applying to make a lump sum investment into an OEIC.

#### 4.3 Your assets

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Your assets will be held in the same way, and your rights will be the same, as for other assets held directly in our funds, as described in 3.3.

#### 4.4 Your money

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We will not hold any cash within your plan. All money received will be used immediately to purchase investments and will be dealt with in accordance with the client money rules of the FSA. As your plan will hold no cash on deposit, no interest will accrue within your plan.

### 5 INDIVIDUAL SAVINGS ACCOUNTS (ISAs)

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This section relates to the Neptune ISA, including ISA investment through our Regular Savings Plan. All applications must be made in writing, with the ISA application form provided with these Terms and be accompanied by the Direct Debit authority form where payments are to be made by regular subscriptions.

#### 5.1 Our status

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As an ISA manager, approved by HMRC in respect of the management of the Stocks and Shares component of an ISA, we will manage your ISA in accordance with The Individual Savings Account Regulations 1998, as amended (the ISA Regulations).

#### 5.2 Our service

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Where we act as Plan Manager for the ISA, these Terms confer on us full power, acting as your agent, to manage the ISA on an execution-only basis and to carry out all purchases and redemptions of investments in our funds in accordance with your instructions. Further details of this service are contained in the Simplified Prospectus.

On your written instruction and within the time you stipulate (subject to a minimum of 30 days), we will transfer all or part of your account with all rights and obligations to another account manager, provided they agree with the transfer. You may transfer your entire ISA for the current tax year or part of your prior tax year's ISA(s). Whilst normally we will carry out the transfer within the time you stipulate, occasionally it may take longer to complete due to factors beyond our control. Where cash is transferred directly to another ISA manager, all rights and obligations of the parties to the ISA are transferred with it.

#### 5.3 Subscriptions

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ISA regulations limit the maximum subscription that can be made into an ISA in any tax year. The current limit is shown on the application form. Any breach of this limit may cause the ISA to be voided.

Your ISA will come into force as soon as we accept your application form and subscription.

Where you have indicated that you wish to make regular contributions to your ISA, and have completed and sent to us a Direct Debit authority form, we will treat this as a continuous application to subscribe, for the current and subsequent tax years, until you advise us in writing to the contrary or cancel the Direct Debit authority with your bank. If your subscription level exceeds the maximum subscription limit in any year, we will collect Direct Debits only up to that limit. All other ISA applications will be valid for the tax year shown on the ISA form only and a new application form will be required for investment in any subsequent tax year. Monthly debits will normally be taken from your account on the first of each month or the following business day.

#### 5.4 Termination

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You may terminate your ISA at any time but you must instruct us personally, by writing to us at PO Box 9004, Chelmsford CM99 2WR, or such other address as may be subsequently notified to you. We will acknowledge such instructions by writing to you at the address shown on the register. On your request for termination and within the time you stipulate, all or part of the investments held in the ISA and proceeds arising from those investments shall be transferred or paid to you, subject to any retentions or deductions we may be entitled or bound to make hereunder or under the ISA regulations.

We may terminate your ISA only if it has become void. We will notify you if your ISA has or will become void because of any failure, either on our part or your part, to satisfy the ISA regulations. If your ISA is made void, you may lose part or all of your tax exemption relating to the ISA. We are required to provide HMRC with full details of any void ISA, including the personal details of the investor.

You may withdraw all or part of your investment provided that the minimum withdrawn is £10 and that the remaining investment is more than the minimum investment level for the relevant fund.

Your ISA will automatically cease to be exempt from tax from the date of your death but we will continue to act on any authorisation previously given to us until we are notified of your death. We will then continue to act on the instructions of your personal representatives in accordance with the ISA regulations until the ISA is closed.

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### 5.5 Charges

We make no additional charges for managing the ISA. Our charges will be the same as for those applying to invest outside an ISA.

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### 5.6 Your assets

Your plan investment will be in, and remain in, your beneficial ownership and must not be used as security for a loan. The register records your ISA, the shares being shown as registered jointly in your name and that of Neptune, the ISA manager, therefore providing a sub-register of ISA holders as allowed by the FSA rules. Certificates in the funds are not issued.

We will automatically send you a copy of the annual report and accounts issued by the funds.

If you elect, we will invite for you to attend holders' meetings, to vote and to receive all information issued to holders, however you must provide us with specific written instructions informing us of your wishes. We reserve the right to pass on to you the costs of providing such facilities. We are not entitled to commit you to any underwriting obligations. Unless specifically instructed by you, we may not commit you to supplement your funds in the ISA.

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### 5.7 Your money

We will not hold any cash within your ISA. All money received will be used immediately to purchase investments and will be dealt with in accordance with the client money rules of the FSA. As your ISA will hold no cash on deposit, no interest will accrue within your ISA. Any receipts which we cannot deal with immediately, due to deficiencies in information supplied by you, will be returned. If we are unable to return money to you for any reason, it will be held in a non-interest bearing client money account until such time as we are able to do so.

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### 5.8 Distributions and tax credits

Any distributions and related tax credits in respect of your ISA will be used immediately for the purchase of investments or paid to you, in accordance with your written instructions.

The distribution will be reinvested or paid to you gross on, or soon after, the distribution date for the fund. To enable this to happen we will pre-fund your ISA with an amount equal to the tax credit due on the distribution.

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### 5.9 Statements

In April and October each year you will receive a statement which provides a valuation of your investment and a record of any transactions which have taken place during the period covered.

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## 6 OTHER MATTERS

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### 6.1 Your obligations

You declare that all cash and investments are at all times beneficially owned by you and are free from any charge, lien, pledge or encumbrance, and that the information given to us, either by telephone to our dealing desk or on your application form, is correct. You must notify us immediately of any changes in personal information given to us.

Where you fail to make payment in settlement of a purchase of shares, within a reasonable time, we reserve the right to cancel the investment or redeem the shares at the current price fixed for the redemption of shares, and you will forfeit all claim to increase in value or distribution of income in respect of such shares.

You undertake to indemnify us against all costs, expenses, demands and losses which we may incur in the lawful and proper exercise of our duties as manager of an OEIC and Plan Manager of an ISA and Regular Savings Plans.

## 6.2 Money laundering

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We are required by law to take adequate precautions to prevent our funds and products being used to conceal, retain or transmit money which is the proceeds of criminal conduct. Criminal conduct may include, but is not limited to, drug trafficking, terrorist activity and tax evasion.

To ensure compliance with UK Anti-Money Laundering Regulations, we may, at our absolute discretion, require verification of identity from you. You will supply us, if requested, with original documentary evidence of your identity such as passport or driving license (or original certified true copies which are certified by an authorised financial adviser, bank manager, accountant etc) and permanent residential address at the point of purchase or redemptions of shares in our funds. We may seek to confirm such information by searching electronic registers which are made available for this purpose.

We reserve the right to refuse to deal, or to cancel transactions, where we consider, in our absolute discretion, that satisfactory evidence has not been supplied to us to enable us to meet the requirements of Anti-Money Laundering Law and Regulation. We also reserve the right to refuse to accept instructions to transmit any proceeds from your investment to a third party.

## 6.3 Data protection

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All personal information provided by you will be held, in confidence, in accordance with the Data Protection Act 1998. We act as data controller, as defined by the act, but the information provided may be processed by our administrator. We will hold the information primarily for the purpose of processing and administering your investments.

We may also transfer personal data about you to any member of the Neptune group of companies, to permitted assignees or to third parties which provide services to the fund manager or ISA manager or act as the fund manager's ISA manager's agents, which may be located in any country, including countries outside the European Economic Area, which may not have data protection laws or any proper purpose.

Where we search electronic registers, as described in 6.2 above, this may cause a record of the search to be retained by the company which operates the register. We will regard such companies as a processor for the purposes of the act and will supply you with details of such firms we have used, on request.

Subject to your consent, we may also share your personal information with our associates and use the information for the purpose of marketing products and services to you from time to time.

We undertake not to use confidential information, including your date of birth and national insurance number for any other purpose.

You authorise us to disclose to HMRC all information required by law or the regulations.

We shall be entitled, at our discretion, to disclose any information known to ourselves relating to your investments with us to the FSA on the terms that the information disclosed shall not without our consent be further disclosed otherwise than is permitted by the law.

## 6.4 Third parties and agents

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Our duties under these Terms are owed to you only and not to any third party.

Where you employ an authorised intermediary (e.g. a solicitor or financial adviser) to advise you on your investments or to communicate your orders to us, we will treat such a person as your agent and will accept any valid instructions they may give on your behalf. You must advise us in writing if you wish to amend or cancel this arrangement.

We may delegate any of our functions, powers, discretions, privileges and duties under the terms of our appointment to an agent or associate. We shall satisfy ourselves that any person to whom we delegate any of our functions or responsibilities is competent to carry out these functions and responsibilities. Where we delegate such functions our liability for all matters shall not be affected thereby.

We may upon at least 30 days' written notice to you, and having obtained HMRC's consent to do so, transfer the management of your ISA and the investments to a company within our group or a third party selected by us in good faith on terms and conditions initially substantially the same as these Terms and Conditions. In the event of not having received such notice, if you do not issue any instructions to the contrary you will hereby consent to such transfer should we decide to make it.

#### [6.5 Recording telephone conversations](#)

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Please note that telephone calls to us or our administrators may be recorded without the use of a warning tone. Such recordings are the sole property of the recorder and may be used for training and monitoring purposes and in evidence in the event of a dispute.

#### [6.6 Compensation arrangements](#)

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We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the Scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered for 100% of the first £30,000 and 90% of the next £20,000 so the maximum compensation is £48,000. Further information is available from the Financial Services Compensation Scheme. From 1 January 2010, this limit will change to 100% of £50,000.

#### [6.7 Amendment and termination](#)

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We will give you at least 30 business days' notice of any amendments to these Terms which affect a client agreement with you. There will be no requirement to seek the consent of any third party to amend the client agreement.

Excepting the ISA (see 5.4), either party may terminate the client agreement, with immediate effect, at any time by giving the other notice in writing. The Agreement will automatically terminate when we receive notification of the death of a sole holder.

Any termination will be without prejudice to the completion of transactions already initiated and will require the settlement of any outstanding transactions and the payment of any charges and other amounts due.

If at any time any one or more of the provisions of these Terms is or becomes invalid, illegal or unenforceable in any respect under any law or regulations, the validity, legality and enforceability of the remaining provisions of the client agreement shall not be in any way affected or impaired.

#### [6.8 Cancellation](#)

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In certain circumstances (as set out in the Simplified Prospectus) you will have the right to cancel your ISA within 14 days of receiving notice of your cancellation rights from us. If you exercise your right to cancel, any money paid to us will be repaid to you (subject to deduction of the amount, if any, by which the value of the investments has fallen). If you cancel your ISA following transfer from another manager we will only repay money to you, not to your previous manager.

#### [6.9 Governing law](#)

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All contracts and communications will be in English and are governed by and shall be construed in accordance with the laws of England. We each submit to the jurisdiction of the English court in connection with any matter or dispute.

Terms and Conditions  
15 December 2009



**Neptune Investment Management Limited**

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0800 587 5051

[www.neptunefunds.com](http://www.neptunefunds.com)