Prospectus

LF Canada Life Investments Fund

(An open-ended investment company incorporated with limited liability and registered in England and Wales under registered number IC000941. A UCITS Scheme)

VCN: 2856

Part of **Link Group**

IMPORTANT: IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS PROSPECTUS YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER.

Link Fund Solutions Limited, the authorised corporate director of the Company, is the person responsible for the information contained in this Prospectus. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained herein does not contain any untrue or misleading statement or omit any matters required by the Collective Investment Schemes Sourcebook to be included in it. Link Fund Solutions Limited accepts responsibility accordingly.

This document constitutes the Prospectus for LF Canada Life Investments Fund which has been prepared in accordance with the Collective Investment Schemes Sourcebook (COLL).

This Prospectus is dated, and is valid as at, 29 March 2019.

Copies of this Prospectus have been sent to the Financial Conduct Authority and the Depositary.

The LF Canlife Total Return Fund is no longer available for investment.

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Important Information

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

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

The Shares have not been and will not be registered in the United States of America under any applicable legislation. They may not be offered or sold in the United States of America, any state of the United States of America or in its territories and possessions or offered or sold to US persons. The Company and the ACD have not been and will not be registered in the United States of America under any applicable legislation.

Potential investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or any other matters and are recommended to consult their own professional advisers concerning the acquisition, holding or disposal of Shares.

The provisions of the Instrument of Incorporation are binding on each of the Shareholders and a copy of the Instrument of Incorporation is available on request from Link Fund Solutions Limited.

This Prospectus has been issued for the purpose of section 21 of the Financial Services and Markets Act 2000 by Link Fund Solutions Limited.

The distribution of this Prospectus in certain jurisdictions may require that this Prospectus is translated into the official language of those countries. Should any inconsistency arise between the translated version and the English version, the English version shall prevail.

This Prospectus is based on information, law and practice at the date hereof. The Company and ACD cannot be bound by an out of date prospectus when a new version has been issued and investors should check with Link Fund Solutions Limited that this is the most recently published prospectus.

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

1. Definitions

"ACD" Link Fund Solutions Limited, the authorised corporate director of the Company.

"ACD Agreement" An agreement between the Company and the ACD.

"Approved Bank" (in relation to a bank account opened by the Company):

(a) if the account is opened at a branch in the United Kingdom:

(i) the Bank of England; or

(ii) the central bank of a member state of the OECD; or

(iii) a bank; or

(iv) a building society; or

(v) a bank which is supervised by the central bank or other banking regulator of a member state of the OECD; or

(b) if the account is opened elsewhere:

(i) a bank in (a); or

(ii) a credit institution established in an EEA State other than in the United Kingdom and duly authorised by the relevant Home State Regulator; or

(iii) a bank which is regulated in the Isle of Man or the Channel Islands; or

(iv) a bank supervised by the South African Reserve Bank.

"Associate" any other person whose business or domestic relationship with the ACD or the ACD's associate might reasonably be expected to give rise to a community of interest between them which may involve a conflict of interest in dealings with third parties.

"Auditor" Ernst & Young LLP, or such other entity as is appointed to act as auditor to the Company from time to time.

"AUT" Authorised Unit Trust.

"Business Day" a day on which the London Stock Exchange is open. (However, in respect of the LF Canlife Total Return Fund and the LF Canlife Global High Yield Bond Fund only, a business day is one on which the London, New York and Irish Stock Exchanges are all open.) If the London Stock Exchange (or the New York or Irish Stock Exchange in the case of the LF Canlife Total Return Fund and the LF Canlife Global High Yield Bond Fund) is closed as a result of a holiday or for any other reason, or there is a holiday elsewhere or other reason which impedes the calculation of the fair market value of a Sub-fund's portfolio of securities or a significant portion thereof, the ACD may decide that any business day shall not be construed as such.

"China A-Shares" the shares of the mainland China-incorporated companies which are accepted for listing and admitted to trading on the stock exchanges of mainland China from time to time.

"ChinaClear" the China Securities Depository and Clearing Corporation Limited.

"ChiNext Board" the CHiNext market operated by SZSE.

"Class" or "Classes" in relation to Shares, means (according to the context) all of the Shares related to a single Sub-fund or a particular class or classes of Share related to a single Sub-fund.

"COLL" refers to the appropriate chapter or rule in the COLL Sourcebook.

"the COLL Sourcebook" the Collective Investment Schemes Sourcebook issued by the FCA as amended from time to time.

"Company" LF Canada Life Investments Fund.

"Conversion" the exchange of Shares in one Class for Shares of another Class in the same Sub-fund and the act of so exchanging and "Convert" shall be construed accordingly.

"Dealing Day" Monday to Friday where these days are Business Days.

"Depositary" The Bank of New York Mellon (International) Limited, or such other entity as is appointed to act as Depositary.

"Director" or "Directors" the directors of the Company from time to time (including the ACD).

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

"Efficient Portfolio Management" or "EPM" for the purposes of this prospectus, techniques and instruments which relate to transferable securities and approved money-market instruments and which fulfil the following criteria:

(a) they are economically appropriate in that they are realised in a cost effective way; and

(b) they are entered into for one or more of the following specific aims:

(i) reduction of risk;

(ii) reduction of cost; or

(iii) generation of additional capital or income for a Sub-fund with a risk level which is consistent with the risk profile of the Sub-fund and the risk diversification rules laid down in COLL as more fully described in Appendix III.

"Eligible Institution" one of certain eligible institutions as defined in the glossary of definitions to the FCA Handbook.

"the FCA" the Financial Conduct Authority or any other regulatory body which may assume its regulatory responsibilities from time to time.

"the FCA Handbook" the FCA Handbook, as amended from time to time.

"the Financial Services Register" the public record, as required by section 347 of the Financial Services and Markets Act 2000 (The public record) of every:

(a) authorised person;

(b) AUT;

(c) ICVC;

(d) recognised scheme;

(e) recognised investment exchange;

(f) recognised clearing house;

(g) individual to whom a prohibition order relates;

(h) approved person; and

(i) person within such other class (if any) as the FCA may determine except as provided by any transitional provisions.

"HKSCC" the Hong Kong Securities Clearing Company Limited.

"HKEx" the Hong Kong Exchanges and Clearing Limited.

"Home State"

(1) (in relation to a credit institution) the EEA State in which the credit institution has been authorised in accordance with the Banking Consolidation Directive.

(2) (in relation to an investment firm):

(a) where the investment firm is a natural person, the EEA State in which his head office is situated;

(b) where the investment firm is a legal person, the EEA State in which its registered office is situated or, if under its national law it has no registered office, the EEA State in which its head office is situated.

(3) (in relation to an insurer with an EEA right) the EEA State in which the registered office of the insurer is situated.

(4) (in relation to a market) the EEA State in which the registered office of the body which provides trading facilities is situated or, if under its national law it has no registered office, the EEA State in which that body's head office is situated.

(5) (in relation to a Treaty firm) the EEA State in which its head office is situated, in accordance with paragraph 1 of Schedule 4 to the Financial Services and Markets Act 2000 (Treaty rights).

"ICVC" Investment Company with Variable Capital.

"Instrument of Incorporation" the instrument of incorporation of the Company as amended from time to time.

"IOSCO" the International Organisation of Securities Commissions.

"Investment Manager" Canada Life Asset Management Limited, the investment manager to the ACD in respect of the Company.

"KIID" the key investor information document of a Sub-fund or class of Shares of a Sub-fund prepared in accordance with the COLL Sourcebook.

"Main Board" the Main Board of the Shenzhen Stock Exchange.

"Money Market Funds Regulation" Regulation (EU) No 2017/1131 of the European Parliament and the Council of 14 June 2017 on money market funds;

"Net Asset Value" or "NAV" the value of the Scheme Property of the Company or of any Sub-fund (as the context may require) less the liabilities of the Company (or of the Sub-fund concerned) as calculated in accordance with the Instrument of Incorporation.

"OEIC Regulations" the Open-Ended Investment Companies Regulations 2001 as amended or re-enacted from time to time.

"OTC" Over-the-counter derivative: a derivative transaction which is not traded on an investment exchange.

"PRC / China" the People's Republic of China.

"Register" the register of Shareholders of the Company.

"Registrar" Link Fund Administrators Limited, or such other entity as is appointed to act as Registrar to the Company from time to time.

"Regulated Activities Order" the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544).

"Regulations" the OEIC Regulations and the FCA Handbook (including the COLL Sourcebook).

"Regulated Money Market Fund" a UCITS scheme or alternative investment fund that is authorised as a money market fund as envisaged in Article 4 of the Money Market Funds Regulation.

"RMB / Renminbi" the lawful currency of the PRC.

"Scheme Property" the scheme property of the Company or a Sub-fund (as appropriate) required under the COLL Sourcebook to be given for safekeeping to the Depositary.

"SEHK" the Stock Exchange of Hong Kong.

"Share" or "Shares" a share or shares in the Company (including larger denomination shares, and smaller denomination shares equivalent to one thousandth of a larger denomination share).

"Shareholder" a holder of registered Shares in the Company.

"SME Board" the Small and Medium Enterprise Board of the Shenzhen Stock Exchange.

"SSE Securities" the China A-Shares listed in the Shanghai Stock Exchange.

"Standard MMF" a Regulated Money Market Fund as defined in the Money Market Funds Regulation.

"Stock Connect" the Shanghai-Hong Kong Stock Connect Programme and the Shenzhen-Hong Kong Stock Connect Programme.

"Sub-fund" or "Sub-funds" a sub-fund of the Company (being part of the Scheme Property of the Company which is pooled separately) to which specific assets and liabilities of the Company may be allocated and which is invested in accordance with the investment objective applicable to such sub-fund.

"Switch" the exchange of Shares of one Class in a Sub-fund for Shares in a Class of a different Sub-fund and the act of so exchanging and "Switching" shall be construed accordingly.

"SZSE Securities" the China A-Shares listed in the Shenzhen Stock Exchange.

"The International Tax Compliance Regulations" The International Tax Compliance Regulations – means SI 878/2015 implementing obligations arising under the following agreements and arrangements: European Union Council Directive 2011/16/EU (sometimes known as "the DAC"); the Multilateral Competent Authority Agreement on the Automatic exchange of Financial Account Information signed by the government of the UK on 29th October 2014 in relation to agreements with various jurisdictions to improve international tax compliance based on the standard for automatic exchange of financial account information developed by the Organisation for Economic Co-Operation and Development (sometimes known as “the CRS”); and the agreement reached between the government of the UK and the government of the USA to improve tax compliance (sometimes known as ”the FATCA Agreement”)

“UCITS Scheme” a scheme which is constituted in accordance with the UCITS Directive (a European Directive relating to undertakings for collective investment in transferable securities which has been adopted in the UK).

“Valuation Point” the point on a Dealing Day whether on a periodic basis or for a particular valuation, at which the ACD carries out a valuation of the Scheme Property for the Company or a Sub-fund (as the case may be) for the purpose of determining the price at which Shares of a Class may be issued, cancelled or redeemed. The valuation point is on each Dealing Day with the exception of a bank holiday in England and Wales, or the last Business Day prior to those days annually where the valuation may be carried out at a time agreed in advance between the ACD and the Depositary. The current Valuation Point is set out in Part I of Appendix I for each Sub-fund. The regular valuation point may be changed on reasonable notice being given to Shareholders.

“VAT” Value Added Tax.

2. Details of the Company

2.1 General Information

2.1.1 General

LF Canada Life Investments Fund (the Company) is an investment company with variable capital incorporated in England and Wales under registered number IC000941 and authorised by the FCA with effect from 13 April 2012. Please note that approval by the FCA in this context does not in any way indicate or suggest endorsement or approval of the Company as an investment. The FCA's Product Reference Number ("PRN") for the Company is 575684. The product reference number of each Sub-fund is set out in Appendix I. The Company has an unlimited duration.

Shareholders are not liable for the debts of the Company. A Shareholder is not liable to make any further payment to the Company after he has paid the price on purchase of the Shares.

The ACD is also the manager of certain AUTs and open-ended investment companies details of which are set out in Appendix IV.

2.1.2 Head Office

The head office of the Company is at 6th Floor, 65 Gresham Street, London EC2V 7NQ.

2.1.3 Address for Service

The head office is the address of the place in the UK for service on the Company of notices or other documents required or authorised to be served on it.

2.1.4 Base Currency

The base currency of the Company and each Sub-fund is Pounds Sterling.

2.1.5 Share Capital

Maximum	£100,000,000,000
Minimum	£1

Shares have no par value. The share capital of the Company at all times equals the sum of the Net Asset Values of each of the Sub-funds.

Shares in the Company may be marketed in other EEA States and in countries outside the European Economic Area, subject to the Regulations, and any regulatory constraints in those countries, if the ACD so decides.

Each of the Sub-funds of the Company is designed and managed to support longer-term investment and active trading is discouraged. Short-term or excessive trading into and out of a Sub-fund may harm performance by disrupting portfolio management strategies and by increasing expenses. The ACD may at its discretion refuse to accept applications for, or switching of, Shares, especially where transactions are deemed disruptive, particularly from possible market timers or investors who, in its opinion, have a pattern of short-term or excessive trading or whose trading has been or may be disruptive to a Sub-fund(s). For these purposes, the ACD may consider an investor's trading history in the Sub-fund(s) or other Link Fund Solutions Limited funds and accounts under common ownership or control.

2.2 The Structure of the Company

2.2.1 The Sub-funds

The Company is structured as an umbrella company, in that different Sub-funds may be established from time to time by the ACD with the approval of the FCA. On the introduction of any new Sub-fund or Class, a revised prospectus will be prepared setting out the relevant details of each Sub-fund or Class.

The Company is a UCITS scheme.

The assets of each Sub-fund will be treated as separate from those of every other Sub-fund and will be invested in accordance with the investment objective and investment policy applicable to that Sub-fund. Investment of the assets of each of the Sub-funds must comply with the COLL Sourcebook and the investment objective and policy of the relevant Sub-fund. Details of the Sub-funds, including their investment objectives and policies, are set out in Appendix I.

The eligible securities markets and eligible derivatives markets in which the Sub-funds may invest are set out in Appendix II. A detailed statement of the general investment and borrowing restrictions in respect of each type of Sub-fund is set out in Appendix III.

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

Subject to the above, each Sub-fund will be charged with the liabilities, expenses, costs and charges of the Company attributable to that Sub-fund, and within each Sub-fund charges will be allocated between Classes in accordance with the terms of issue of Shares of those Classes. Any assets, liabilities, expenses, costs or charges not attributable to a particular Sub-fund may be allocated by the ACD in a manner which it believes is fair to the Shareholders generally. This will normally be pro rata to the Net Asset Value of the relevant Sub-funds.

Please also see paragraph 5.7 below "Liabilities of the Company and the Sub-funds".

2.2.2 Shares

Classes of Share within the Sub-funds

Shares will be issued in larger and smaller denominations. There are 1,000 smaller denomination Shares to each larger denomination Share. Smaller denomination Shares represent what, in other terms, might be called fractions of a larger Share and have proportionate rights.

Shares have no par value and, within each Class in each Sub-fund subject to their denomination, are entitled to participate equally in the profits arising in respect of, and in the proceeds of, the liquidation of the Company or termination of a relevant Sub-fund. Shares do not carry preferential or pre-emptive rights to acquire further Shares.

The details of the Shares presently available for each Sub-fund, including details of their criteria for subscription and fee structure, are set out in Appendix I. Further Classes of Share may be established from time to time by the ACD with the agreement of the Depositary and in accordance with the Instrument of Incorporation and the Regulations. On the introduction of any new Sub-fund or Class, either a revised prospectus or a supplemental prospectus will be prepared, setting out the details of each Sub-fund or Class.

The currency in which each new Class of Shares will be denominated will be determined at the date of creation and set out in the Prospectus issued in respect of the new Class of Shares.

The net proceeds from subscriptions to a Sub-fund will be invested in the specific pool of assets constituting that Sub-fund. The Company will maintain for each current Sub-fund a separate pool of assets, each invested for the exclusive benefit of the relevant Sub-fund.

To the extent that any Scheme Property, or any assets to be received as part of the Scheme Property, or any costs, charges or expenses to be paid out of the Scheme Property, are not attributable to one Sub-fund only, the ACD will allocate such Scheme Property, assets, costs, charges or expenses between Sub-funds in a manner which is fair to all Shareholders of the Company.

A Regular Savings Plan may be made available on certain Classes of Share on certain Sub-funds. Details of current Classes of Shares and Sub-funds which are available are set out in Appendix I.

Holders of income Shares are entitled to be paid the distributable income attributed to such Shares on any relevant interim and annual allocation dates.

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

Holders of accumulation Shares are not entitled to be paid the income attributed to such Shares, but that income is automatically transferred to (and retained as part of) the capital assets of the relevant Sub-fund on the relevant interim and/or annual accounting dates. This is reflected in the price of an accumulation Share.

Where a Sub-fund has different Classes, each Class may attract different charges and so monies may be deducted from the Scheme Property attributable to such Classes in unequal proportions. In these circumstances, the proportionate interests of the Classes within a Sub-fund will be adjusted accordingly.

Shareholders are entitled (subject to certain restrictions) to Switch all or part of their Shares in a Class or a Sub-fund for Shares of another Class within the same Sub-fund or for Shares of the same or another Class within a different Sub-fund of the Company. Details of this switching facility and the restrictions are set out in paragraph 3.4 "Switching".

3. Buying, Redeeming and Switching Shares

The dealing office of the ACD is normally open from 8.30 a.m. to 5.30 p.m. (London time) on each Business Day to receive postal requests for the purchase, sale and switching of Shares. The ACD may vary these times at its discretion. Requests to deal in Shares may also be made by telephone on each Business Day (at the ACD's discretion) between 8.30 a.m. and 5.30 p.m. (London time) directly to the office of the ACD (telephone: 0345 606 6180 or such other number as published from time to time). The initial purchase must, at the discretion of the ACD, be accompanied by an application form.

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

(a) prior agreement between the ACD and the person making the communication as to:

(i) the electronic media by which such communications may be delivered; and

(ii) how such communications will be identified as conveying the necessary authority; and

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

Telephone calls will be recorded. The ACD may also, at its discretion, introduce further methods of dealing in Shares in the future.

In its dealings in Shares of the Sub-funds the ACD is dealing as principal. The ACD does not actively seek to make a profit from dealing in Shares as principal but does so in order to facilitate the efficient management of the Company. The ACD is not accountable to Shareholders for any profit it makes from dealing in Shares as principal.

3.1 Money Laundering

As a result of legislation in force in the UK to prevent money laundering, the ACD is responsible for compliance with anti-money laundering regulations. In order to implement these regulations, in certain circumstances investors may be asked to provide proof of identity when buying or redeeming Shares. Until satisfactory proof of identity is provided, the ACD reserves the right to refuse to issue Shares, pay the proceeds of a redemption of Shares, or pay income on Shares to the investor. In the case of a purchase of Shares where the applicant is not willing or is unable to provide the information requested within a reasonable period, the ACD also reserves the right to sell the Shares purchased and return the proceeds to the account from which the subscription was made. These proceeds may be less than the original investment.

3.2 Buying Shares

3.2.1 Procedure

Shares may be bought directly from the ACD or through a professional adviser or other intermediary. For details of dealing charges see paragraph 3.5 below. Application forms may be obtained from the ACD.

Valid applications to purchase Shares in a Sub-fund will be processed at the Share price calculated, based on the Net Asset Value per Share, at the next Valuation Point following receipt of the application, except in the case where dealing in a Sub-fund has been suspended as set out in paragraph 3.10.

The ACD, at its discretion, has the right to request, and be in receipt of cleared funds before processing an application or other instruction to purchase Shares.

Settlement is due within one Business Day of the Valuation Point for orders to purchase Shares in LF Canlife Sterling Liquidity Fund and within four Business Days of the Valuation Point for orders to purchase Shares in all other Sub-funds. An order for the purchase of Shares will only be deemed to have been accepted by the ACD once it is in receipt of cleared funds for the application. Applicants will not receive title to Shares until cleared funds have been received from the applicant and received by the Sub-fund.

For amounts in excess of £50,000, settlement must be made by electronic bank transfer to the bank account detailed on the application form. Otherwise, a cheque may be sent for the net amount, made payable to "Link Fund Solutions Limited", at: LFS, PO Box 389, Unit 1, Roundhouse Road, Darlington DL1 9UF.

The ACD, at its discretion, has the right to cancel a purchase deal if settlement is overdue (being more than five Business Days of receipt of an application form or other instruction) and any loss arising on such cancellation shall be the liability of the applicant. The ACD is not obliged to issue Shares unless it has received cleared funds from an investor.

The ACD reserves the right to charge interest at 4% above the prevailing Bank of England base rate, on the value of any settlement received later than the first Business Day following the Valuation Point for orders to purchase Shares in LF Canlife Sterling Liquidity Fund and the fourth Business Day following the Valuation Point for all other Sub-funds. No interest will be paid on funds held prior to investment.

A purchase of Shares in writing or by telephone or any other communication media made available is a legally binding contract. Applications to purchase, once made are, except in the case where cancellation rights are applied, irrevocable. For postal applications payment in full must accompany the instruction. At the ACD's discretion, payment for large purchases of Shares may be made electronically. However, subject to its obligations under the Regulations, the ACD has the right to reject, on reasonable grounds relating to the circumstances of the applicant, any application for Shares in whole or part, and in this event the ACD will return any money sent, or the balance of such monies, at the risk of the applicant.

Any subscription monies remaining after a whole number of Shares have been issued will not be returned to the applicant. Instead, smaller denomination Shares will be issued. A smaller denomination Share is equivalent to one thousandth of a larger denomination Share.

Applicants who have received advice may have the right to cancel their application to buy Shares at any time during the 14 days after the date on which they receive a cancellation notice from the ACD. If an applicant (except for those investors who subscribe through the Regular Savings Plan) decides to cancel the contract, and the value of the investment has fallen at the time the ACD receives the completed cancellation notice, they will not receive a full refund as an amount equal to any fall in value will be deducted from the sum originally invested. Investors who invest through the Regular Savings Plan will be entitled to cancel their first subscription only; if a regular saver decides to cancel their contract within 14 days after the date on which they receive the cancellation notice then they will receive back the full amount of their initial subscription. The ACD may extend cancellation rights to other investors but is under no obligation to do so.

3.2.2 Documents the Buyer Will Receive

A confirmation giving details of the number and price of Shares bought will be issued no later than the end of the Business Day following the Valuation Point by reference to which the price is determined, together with, where appropriate, a notice of the applicant's right to cancel.

Registration of Shares can only be completed by the ACD upon receipt of any required registration details. These details may be supplied in writing to the ACD or by returning to the ACD the properly completed registration form and copy of the confirmation.

Share certificates will not be issued in respect of Shares. Ownership of Shares will be evidenced by an entry on the Register. Tax vouchers in respect of periodic distributions on Shares will show the number of Shares held by the recipient.

3.2.3 Regular Savings Plan

The ACD may make available certain Classes of Shares of any Sub-fund through the Regular Savings Plan (details of current Classes of Shares and Sub-funds which are available are shown in Appendix I). Further information on how to invest through the Regular Savings Plan is available from the ACD.

3.2.4 Minimum Subscriptions and Holdings

The minimum initial subscriptions, subsequent subscriptions and holdings levels for each Class of Share in a Sub-fund are set out in Appendix I.

The ACD may at its sole discretion accept subscriptions and/or holdings lower than the minimum amount(s).

If following a redemption, Switch or transfer, a holding in any Class of Share should fall below the minimum holding for that Class, the ACD has the discretion to effect a redemption of that Shareholder's entire holding in that Class of Share. The ACD may use this discretion at any time. Failure not to do so immediately after such redemption, Switch or transfer does not remove this right.

3.3 Redeeming Shares

3.3.1 Procedure

Every Shareholder is entitled on any Dealing Day to redeem its Shares, which shall be purchased by the ACD dealing as principal.

Valid instructions to the ACD to redeem Shares in a Sub-fund will be processed at the Share price calculated, based on the Net Asset Value per Share, at the next Valuation Point following receipt of the instruction, except in the case where dealing in a Sub-fund has been suspended as set out in paragraph 3.10.

A redemption instruction in respect of Shares in writing or by telephone or any other communication media made available is a legally binding contract. However, an instruction to the ACD to redeem Shares, although irrevocable, may not be settled by either the Company or the ACD if the redemption represents Shares where the money due on the earlier purchase of those Shares has not yet been received or if insufficient documentation or anti-money laundering information has been received by the ACD.

For details of dealing charges see paragraph 3.5 below.

3.3.2 Documents a Redeeming Shareholder Will Receive

A confirmation giving details of the number and price of Shares redeemed will be sent to the redeeming Shareholder (or the first named Shareholder, in the case of joint Shareholders) together with (if sufficient written instructions have not already been given) a form of renunciation for completion and execution by the Shareholder (or, in the case of a joint holding, by all the joint Shareholders) no later than the end of the Business Day following the later of the request to redeem Shares or the Valuation Point by reference to which the price is determined.

Payment of redemption proceeds will normally be made by cheque to the first named Shareholder (at their risk), or, at the ACD's discretion, via electronic transfer in accordance with any instruction received (the ACD may recover any bank charge levied on such transfers). Instructions to make payments to third parties (other than intermediaries associated with the redemption) will not normally be accepted.

Such payment will be made within one Business Day, in respect of Shares held in LF Canlife Sterling Liquidity Fund, or four Business Days for all other Sub-funds, of the later of (a) receipt by the ACD of the form of renunciation (or other sufficient written instructions) duly signed and completed by all the relevant Shareholders together with any other documentation and appropriate evidence of title, any required anti-money laundering related documentation, and (b) the Valuation Point following receipt by the ACD of the request to redeem.

No interest will be paid on funds held whilst the ACD awaits receipt of all relevant documentation necessary to complete a redemption. Shares that have not been paid for cannot be redeemed.

3.3.3 Minimum Redemption

Part of a Shareholder's holding may be redeemed but the ACD reserves the right to refuse a redemption request if the value of the Shares of any Sub-fund to be redeemed is less than the minimum stated in respect of the appropriate Class in the Sub-fund in question (see Appendix I).

3.4 Conversions and Switching

Subject to any restrictions on the eligibility of investors in relation to a particular Share Class, a Shareholder in a Sub-fund may at any time Convert or Switch all or some of his Shares ("Original Shares") for Shares in a different Class or Sub-fund ("New Shares").

A Conversion is an exchange of Shares in one Class for Shares of another Class in the same Sub-fund.

A Switch is an exchange of Shares of one Class for Shares in a Class of another Sub-fund.

Conversions and Switches will be effected by the ACD recording the change of Class (and, in the case of Switches the change of Sub-fund) on the Register of the Company at the next Valuation Point following receipt of instructions by the ACD.

The number of New Shares issued to a Shareholder following a Conversion or a Switch will be determined by reference to the price of the Original Shares relative to the price of the New Shares at the relevant Valuation Point. Shareholders wishing to Switch Original Shares to New Shares in the LF Canlife Sterling Liquidity Fund should be sure to read paragraph 3.4.1 below.

If a Shareholder wishes to Convert or Switch Shares he should apply to the ACD in the same manner as for a redemption of Shares in accordance with paragraph 3.3 above. Instructions may be given by telephone but Shareholders are required to provide written instructions to the ACD (which, in the case of joint Shareholders, must be signed by all the joint Shareholders) before the Switch or Conversion is effected.

The ACD may at its discretion make a charge on the Switching of Shares (but does not currently do so). Any such charge on Switching does not constitute a separate charge payable by a Shareholder, but is rather the application of any redemption charge on the Shares originally held and any initial charge on the Shares into which the Shareholder has Switched. For details of the charges on Switching currently payable, please see the "Charges on Switching" paragraph below. There is no charge payable on a Conversion.

If a partial Conversion or Switch would result in the Shareholder holding a number of Original Shares or New Shares of a value which is less than the minimum holding in the Class concerned, the ACD may, if it thinks fit, exchange the whole of the applicant's holding of Original Shares to New Shares (and make a charge for this) or refuse to effect any Conversion or Switch of the Original Shares.

Save as otherwise specifically set out, the general provisions on procedures relating to redemption will apply equally to a Conversion or a Switch. Written instructions must be received by the ACD before the Valuation Point on a Dealing Day in the Sub-funds concerned to be dealt with at the prices at the Valuation Point on that Dealing Day or at such other Valuation Point as the ACD at the request of the Shareholder giving the relevant instruction may agree. Requests to Switch or Convert received after a Valuation Point will be held over until the next day which is a Dealing Day for the relevant Sub-fund or Sub-funds.

The ACD may adjust the number of New Shares to be issued to reflect the application of any charge on Switching together with any other charges or levies in respect of the application for the New Shares or redemption of the Original Shares as may be permitted pursuant to the COLL Sourcebook.

Please note that under UK tax law a Switch of Shares is treated as a redemption of the Original Shares and a purchase of New Shares and will, for persons subject to taxation, be a realisation of the Original Shares for UK tax purposes. It may give rise to a liability to tax, depending upon the Shareholder's circumstances. Conversions will not generally be treated as a disposal for capital gains tax purposes.

A Shareholder who Switches Shares in one Sub-fund for Shares in any other Sub-fund or who Converts between Classes of Shares will not be given a right by law to withdraw from or cancel the transaction.

3.4.1 Switches to the LF Canlife Sterling Liquidity Fund

Where a Shareholder applies to Switch Original Shares to New Shares in the LF Canlife Sterling Liquidity Fund there will be a delay of three Business Days between the redemption of the Original Shares and the purchase of New Shares in the LF Canlife Sterling Liquidity Fund. This means that valid applications to Switch Shares to the LF Canlife Sterling Liquidity Fund will be processed at the Share price calculated, based on the Net Asset Value per Share, at the Valuation Point of the LF Canlife Sterling Liquidity Fund on the third Business Day following receipt of the application. This is because it will take four Business Days following receipt of the application to Switch before the redemption proceeds relating to the redemption of the Original Shares are realised (see paragraph 3.3.2), whereas settlement for the purchase of Shares in the LF Canlife Sterling Liquidity Fund is required no later than the first Business Day following an application to purchase or Switch into Shares in the LF CanLife Sterling Liquidity Fund (see paragraph 3.2.1). Shareholders will not benefit from any increase or suffer from any loss in the Original or New Shares during the period between an application to Switch and the processing of that application.

3.5 Dealing Charges

The price per Share at which Shares are bought, redeemed or switched is the Net Asset Value per Share. Any initial charge or redemption charge (or dilution levy on a specific deal, if applicable) is payable in addition to the price or deducted from the proceeds and is taken from the gross subscription or redemption monies.

3.5.1 Initial Charge

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

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

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

From the initial charge received, or out of its other resources, the ACD may pay a commission to relevant intermediaries.

3.5.2 Redemption Charge

The ACD may make a charge on the redemption of Shares in each Class. At present, no redemption charge is levied.

The ACD may only introduce a redemption charge in accordance with the Regulations. Also, if such a charge was introduced, it would not apply to Shares issued before the date of the introduction (i.e., those not previously subject to a redemption charge).

3.5.3 Charges on Switching and Conversions

The Company is permitted to impose a charge where a Shareholder Switches or Converts his Shares.

If a redemption charge is payable in respect of the Original Shares, this may become payable instead of, or as well as, the then prevailing initial charge for the New Shares. The charge on Switching and Conversions is payable by the Shareholder to the ACD.

The ACD's current policy is to allow Switches free of any initial charge. The charge will be no more than the excess of the initial charge applicable to New Shares over the initial charge applicable to the Original Shares as specified in Appendix I.

There is currently no charge for Conversions of Shares in one Class of a Sub-fund for Shares in another Class of the same Sub-fund.

3.5.4 Dilution Levy

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

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

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

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

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

Shareholders should note that the Putnam Total Return Fund and the Putnam Global High Yield Bond Fund operate a dilution policy and therefore transactions by the LF Canlife Total Return Fund and the LF Canlife Global High Yield Bond Fund may be subject to the application of a dilution levy. However, to the extent that a transaction in units of Putnam Total Return Fund or Putnam Global High Yield Bond Fund are subject to a dilution levy on any Dealing Day, the ACD may, where necessary to prevent or reduce a dilutive impact on existing Shareholders who are not dealing, impose a dilution levy on those Shareholders making the corresponding purchase or sale orders in the LF Canlife Total Return Fund or the LF Canlife Global High Yield Bond Fund on that Dealing Day. The dilution policy applied by the manager of the Putnam Total Return Fund and Putnam Global High Yield Bond Fund are subject to change at the discretion of the manager of that fund.

Based on future projections and where applicable on its experience of managing the Sub-funds the ACD is unlikely to impose a dilution levy unless it considers that the dealing costs relating to a Shareholder transaction are significant and will have a material impact on the relevant Sub-fund.

If a dilution levy is required (with the execption of for the LF Canlife Sterling Liquidity Fund) then, based on future projections, the estimated rate of such a levy would be up to 0.75% under normal market conditions. The ACD, in its absolute discretion, may waive or reduce the dilution levy. The ACD may alter its current dilution policy in accordance with the procedure set out in the Regulations.

If a dilution levy is required for the LF Canlife Sterling Liquidity Fund then, based on future projections, the estimated rate of such a levy would be up to 0.1% under normal market conditions. The ACD, in its absolute discretion, may waive or reduce the dilution levy. The ACD may alter its current dilution policy in accordance with the procedure set out in the Regulations.

3.6 Transfers

Shareholders are entitled to transfer their Shares to another person or body. Transfers must be in writing in the form of an instrument of transfer approved by the ACD for this purpose. However, the ACD in its discretion, may also accept electronic transfers in a format specified by the ACD. Completed instruments of transfer must be returned to the ACD in order for the transfer to be registered by the ACD.

3.7 Restrictions and Compulsory Transfer and Redemption

The ACD may from time to time impose such restrictions as it may think necessary for the purpose of ensuring that no Shares are acquired or held by any person in breach of the law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory or which would result in the Company incurring any liability to taxation which the Company is not able to recoup itself or suffering any other adverse consequence. In this connection, the ACD may, inter alia, reject in its discretion any application for the purchase, redemption, transfer or switching of Shares.

If it comes to the notice of the ACD that any Shares ("affected Shares"):

(a) are owned directly or beneficially in breach of any law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory; or

(b) would result in the Company incurring any liability to taxation which the Company would not be able to recoup itself or suffering any other adverse consequence (including a requirement to register under any securities or investment or similar laws or governmental regulation of any country or territory); or

(c) are held in any manner by virtue of which the Shareholder or Shareholders in question is/are not qualified to hold such Shares or if it reasonably believes this to be the case,

the ACD may give notice to the Shareholder(s) of the affected Shares requiring the transfer of such Shares to a person who is qualified or entitled to own them or that a request in writing be given for the redemption of such Shares in accordance with the COLL Sourcebook. If any Shareholder upon whom such a notice is served does not within 30 days after the date of such notice transfer his affected Shares to a person qualified to own them or submit a written request for their redemption to the ACD or establish to the satisfaction of the ACD (whose judgement is final and binding) that he or the beneficial owner is qualified and entitled to own the affected Shares, he shall be deemed upon the expiry of that 30 day period to have given a request in writing for the redemption or cancellation (at the discretion of the ACD) of all the affected Shares.

A Shareholder who becomes aware that he is holding or owns affected Shares shall immediately, unless he has already received a notice as set out above, either transfer all his affected Shares to a person qualified to own them or submit a request in writing to the ACD for the redemption of all his affected Shares.

Where a request in writing is given or deemed to be given for the redemption of affected Shares, such redemption will (if effected) be effected in the same manner as provided for in the COLL Sourcebook.

3.8 Issue of Shares in Exchange for In Specie Assets

The ACD may arrange for the Company to issue Shares in exchange for assets other than cash, but will only do so where the Depositary has taken reasonable care to determine that the Company's acquisition of those assets in exchange for the Shares concerned is not likely to result in any material prejudice to the interests of Shareholders.

The ACD will ensure that the beneficial interest in the assets is transferred to the Company with effect from the issue of the Shares.

The ACD will not issue Shares in any Sub-fund in exchange for assets the holding of which would be inconsistent with the investment objective or policy of that Sub-fund.

3.9 In Specie Redemptions

If a Shareholder requests the redemption of Shares the ACD may, where it considers that deal to be substantial in relation to the total size of a Sub-fund or in some way detrimental to the Sub-fund, arrange for scheme property having the appropriate value to be transferred to the Shareholder (an 'in specie transfer'), in place of payment for the Shares in cash. Before the redemption is effected, the ACD must give written notice to the Shareholder of the intention to make an in specie transfer. The ACD will select the property to be transferred in consultation with the Depositary.

The ACD and Depositary must ensure that the selection is made with a view to achieving no more advantage or disadvantage to the Shareholder requesting the redemption than to the continuing Shareholders.

If a Shareholder redeems Shares in specie in return for an appropriate value of assets out of the Company, there will be no Stamp Duty Reserve Tax 'SDRT' on UK equities provided the Shareholder receives a proportionate part of each holding. Otherwise the Shareholder will be liable to SDRT at 0.5% on the value of any UK equities transferred.

3.10 Suspension of Dealings in the Company

The ACD may, with the prior agreement of the Depositary, and must without delay if the Depositary so requires temporarily suspend the issue, cancellation, sale and redemption of Shares in any or all of the Sub-funds where due to exceptional circumstances it is in the interests of all the Shareholders in the relevant Sub-fund or Sub-funds.

In the case of the LF Canlife Sterling Liquidity Fund, the ACD must ensure that any such suspension is consistent with the Money Market Funds Regulation.

In the case of the LF Canlife Total Return Fund and the LF Canlife Global High Yield Bond Fund, as feeder UCITS schemes, where the master scheme in which it invests, the Putnam Total Return Fund and the Putnam Global High Yield Bond Fund respectively, temporarily suspends the issue, cancellation, sale and redemption of units, whether on its own initiative, that of its trustee or the Central Bank of Ireland, the ACD shall be entitled to suspend dealing in Shares of the LF Canlife Total Return Fund and the LF Canlife Global High Yield Bond Fund. In such an event, Shareholders in that Sub-fund should note that the ACD will not be in a position to end the suspension and commence dealing until the suspension of dealing in the master scheme has ceased.

The ACD and the Depositary must ensure that the suspension is only allowed to continue for as long as is justified having regard to the interests of Shareholders.

The ACD or the Depositary (as appropriate) will immediately inform the FCA of the suspension and the reasons for it and will follow this up as soon as practicable with written confirmation of the suspension and the reasons for it to the FCA and the regulator in each EEA state where the Company is offered for sale.

The ACD will notify Shareholders as soon as is practicable after the commencement of the suspension, including details of the exceptional circumstances which have led to the suspension, in a clear, fair and not misleading way and giving Shareholders details of how to find further information about the suspension.

Where such suspension takes place, the ACD will publish on its website or through other general means, sufficient details to keep Shareholders appropriately informed about the suspension, including, if known, its possible duration.

During the suspension none of the obligations in COLL 6.2 (Dealing) will apply but the ACD will comply with as much of COLL 6.3 (Valuation and Pricing) during the period of suspension as is practicable in light of the suspension.

Suspension will cease as soon as practicable after the exceptional circumstances leading to the suspension have ceased but the ACD and the Depositary will formally review the suspension at least every 28 days and will inform the FCA of the review and any change to the information given to Shareholders. For the LF Canlife Total Return Fund or the LF Canlife Global High Yield Bond Fund, in the case of a suspension in dealing arising from a suspension imposed by the corresponding master UCITS, the suspension will only cease when the corresponding master UCITS resumes dealing in its units.

The ACD may agree during the suspension to deal in Shares in which case all deals accepted during and outstanding prior to the suspension will be undertaken at a price calculated at the first Valuation Point after the restart of dealings in Shares.

3.11 Deferral Policy

3.11.1 **The ACD may, in relation to redemption requests of Shares in LF Canlife Global Equity Income Fund, LF Canlife Global Infrastructure Fund, LF Canlife Global Resource Fund, LF Canlife Global High Yield Bond Fund, LF Canlife Total Return Fund, LF Canlife Sterling Liquidity Fund or LF Canlife Strategic Return Fund only, defer redemptions at a Valuation Point to the next Valuation Point where the requested redemptions exceed 10% of the Sub-fund's value. For all Shareholders looking to redeem at that Valuation Point**, their requests will be proportionately settled to the extent possible up to the overall limit of 10% across all requests and the same proportion of Shares constituting each Shareholder's redemption request will be deferred to the next Valuation Point. The ACD will ensure that all redemptions relating to an earlier Valuation Point are completed before those relating to a later Valuation Point are considered.

3.11.2 **Investors or potential investors in LF Canlife Total Return Fund and LF Canlife Global High Yield Bond Fund should also note that redemption requests of shares in the Sub-funds may also be deferred in further circumstances.** This is because LF Canlife Total Return Fund and LF Canlife Global High Yield Bond Fund are a feeder funds which invests not less than 85% of their assets in the Putnam Total Return Fund and the Putnam Global High Yield Bond Fund respectively. Consequently the capacity of the LF Canlife Total Return Fund and the LF Canlife Global High Yield Bond Fund to meet redemption requests from Shareholders on a Dealing Day depends largely on the capacity of Putnam Total Return Fund and Putnam Global High Yield Bond Fund to meet the corresponding redemption requests made to it by LF Canlife Total Return Fund and LF Canlife Global High Yield Bond Fund.

The manager of the Putnam Total Return Fund and the Putnam Global High Yield Bond Fund is permitted to defer redemption requests from a fund where such requests in total amount to 10% or more of the total number of units in issue in the respective fund on a Dealing Day. Where the manager so refuses to redeem units in full on a dealing day, the redemptions will be reduced rateably and deferred to each subsequent dealing day until all of the relevant units are redeemed.

Where requests are deferred in this manner by the manager of the Putnam Total Return Fund and Putnam Global High Yield Bond Fund, the ACD of LF Canlife Total Return Fund and LF Canlife Global High Yield Bond Fund may likewise need to defer corresponding redemption requests of Shareholders in LF Canlife Total Return Fund and LF Canlife Global High Yield Bond Fund to each subsequent

Dealing Day either rateably or in full until the redemption request can be settled in full. This may be the case even where the combined redemption requests of Shareholders on a particular Dealing Day do not exceed the 10% threshold for the LF Canlife Total Return Fund and LF Canlife Global High Yield Bond Fund referred to above.

The manager of the Putnam Total Return Fund and Putnam Global High Yield Bond Fund is also permitted (in summary) to defer a redemption request in relation to units of the Putnam Total Return Fund and Putnam Global High Yield Bond Fund respectively until the next dealing day in the Putnam Total Return Fund or Putnam Global High Yield Bond Fund if that redemption is likely to be deemed by it to be greater than 3% or more of the value of the Putnam Total Return Fund or Putnam Global High Yield Bond Fund. Where a redemption request made by the ACD of LF Canlife Total Return Fund and LF Canlife Global High Yield Bond Fund is deferred in this manner by the manager of the Putnam Total Return Fund or Putnam Global High Yield Bond Fund as applicable, the ACD of LF Canlife Total Return Fund and/or LF Canlife Global High Yield Bond Fund may likewise need to defer corresponding redemption requests of Shareholders in LF Canlife Total Return Fund and/or LF Canlife Global High Yield Bond Fund to the next subsequent Dealing Day.

3.12 Governing Law

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

4. Valuation of the Company

4.1 General

The price of a Share is calculated at a Valuation Point by reference to the Net Asset Value of the Sub-fund to which it relates. The Valuation Point of each Sub-fund is set out at Part I of Appendix I.

The ACD may at any time during a Business Day carry out an additional valuation if it considers it desirable to do so. The ACD shall inform the Depositary of any decision to carry out any such additional valuation. Valuations may be carried out for effecting a scheme of amalgamation or reconstruction which do not create a Valuation Point for the purposes of dealings. Where permitted and subject to the Regulations, the ACD may, in certain circumstances (for example where a significant event has occurred since the closure of a market) substitute a price with a more appropriate price which in its opinion reflects a fair and reasonable price for that investment.

The ACD will, upon completion of each valuation, notify the Depositary of the price of Shares, of each Class of each Sub-fund and the amount of any dilution levy applicable in respect of any purchase or redemption of Shares.

“Late Trading” is defined as the acceptance of a subscription, redemption or Switch order received after a Sub-fund’s applicable Valuation Point for that Dealing Day. Late Trading is not permitted. A request for dealing in Shares must be received by the Valuation Point on a particular Dealing Day in order to be processed on that Dealing Day. A dealing request received after this time will be held over and processed on the next Dealing Day, using the Net Asset Value per Share calculated as at the Valuation Point on that next Dealing Day. Late Trading will not include a situation in which the ACD is satisfied that orders which are received after the Valuation Point have been made by investors before then (e.g. where the transmission of an order has been delayed for technical reasons).

4.2 Calculation of the Net Asset Value

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

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

4.2.2 Scheme Property which is not cash (or other assets dealt with in paragraph 4.2.2.4 below) or a contingent liability transaction shall be valued as follows and the prices used shall (subject to the following) be the most recent prices which it is practicable to obtain:

4.2.3 Units or shares in a collective investment scheme:

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

(b) if separate buying and redemption prices are quoted, at the average of the two prices provided the buying price has been reduced by any initial charge included therein and the redemption price has been increased by any exit or redemption charge attributable thereto; or

(c) if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no recent price exists or if the most recent price available does not reflect the ACD's best estimate of the value of the units or shares, at a value which, in the opinion of the ACD, is fair and reasonable;

4.2.3.1 Any other transferable security:

(a) if a single price for buying and redeeming the security is quoted, at that price; or

(b) if separate buying and redemption prices are quoted, at the average of the two prices; or

(c) if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no recent price exists or if the most recent price available does not reflect the ACD's best estimate of the value of the security, at a value which, in the opinion of the ACD, is fair and reasonable;

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

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

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

4.2.4.1 if it is a written option (and the premium for writing the option has become part of the Scheme Property), deduct the amount of the net valuation of premium receivable. If the Scheme Property is an off exchange option the method of valuation shall be agreed between the ACD and the Depositary;

4.2.4.2 if it is an off-exchange future, include it at the net value of closing out in accordance with a valuation method agreed between the ACD and the Depositary;

4.2.4.3 if it is any other form of contingent liability transaction, include it at the net value of margin on closing out (whether as a positive or negative value). If the Scheme Property is an off exchange derivative, include it at a valuation method agreed between the ACD and the Depositary.

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

4.2.6 Subject to paragraphs 4.2.6 and 4.2.7 below, agreements for the unconditional sale or purchase of Scheme Property which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the valuation takes place and if, in the opinion of the ACD, their omission will not materially affect the final net asset amount.

4.2.7 Futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options shall not be included under paragraph 4.2.5.

4.2.8 All agreements are to be included under paragraph 4.2.5 which are, or ought reasonably to have been, known to the person valuing the Scheme Property.

4.2.9 Deduct an estimated amount for anticipated tax liabilities at that point in time including (as applicable and without limitation) capital gains tax, income tax, corporation tax, VAT and any foreign taxes or duties.

4.2.10 Deduct an estimated amount for any liabilities payable out of the Scheme Property and any tax or duty thereon, treating periodic items as accruing from day to day.

4.2.11 Deduct the principal amount of any outstanding borrowings whenever repayable and any accrued but unpaid interest on borrowings.

4.2.12 Add an estimated amount for accrued claims for tax of whatever nature which may be recoverable.

4.2.13 Add any other credits or amounts due to be paid into the Scheme Property.

4.2.14 Add a sum representing any interest or any income accrued due or deemed to have accrued but not received.

4.2.15 Currencies or values in currencies other than Sterling shall be converted at the relevant Valuation Point at a rate of exchange that is not likely to result in any material prejudice to the interests of Shareholders or potential Shareholders.

4.2.16 In relation to the LF Canlife Sterling Liquidity Fund, the following provisions also apply and in the event of any conflict with the provisions of paragraph 4.2 above, shall prevail.

LF Canlife Sterling Liquidity Fund only: Calculation of Net Asset Value per Share

4.2.16.1 The Net Asset Value per Share of a Regulated Money Market Fund shall be the value of its assets less the value of its liabilities determined in accordance with mark-to-market or mark-to-model (or both), as described below, divided by the number of outstanding Shares in the Regulated Money Market Fund.

4.2.16.2 This Net Asset Value per Share shall be rounded to the nearest basis point or its equivalent when the Net Asset Value is published in a currency unit, (the "Market NAV").

4.2.16.3 The Net Asset Value per or Share of a Regulated Money Market Fund shall be calculated and published at least daily at the following website www.linkfundsolutions.co.uk.

LF Canlife Sterling Liquidity Fund only: Valuation

4.2.16.4 The assets of the Regulated Money Market Fund will be valued on at least a daily basis.

4.2.16.5 The Scheme Property of the Regulated Money Market Fund will be valued by using mark-to-market whenever possible.

4.2.16.6 When using mark-to-market: (a) the asset of the Regulated Money Market Fund will be valued at the more prudent side of bid and offer unless the asset can be closed out at mid-market; (b) only good quality market data shall be used; such data shall be assessed on the basis of all of the following factors: (i) the number and quality of the counterparties; (ii) the volume and turnover in the market of the asset of the Regulated Money Market Fund; (iii) the issue size and the portion of the issue that the Regulated Money Market Fund plans to buy or sell.

4.2.16.7 Where use of mark-to-market is not possible or the market data is not of sufficient quality, an asset of the Regulated Money Market Fund will be valued conservatively by using mark-to-model. The model shall accurately estimate the intrinsic value of the asset of the Regulated Money Market Fund, based on all of the following up-to-date key factors: (a) the volume and turnover in the market of that asset; (b) the issue size and the portion of the issue that the Regulated Money Market Fund plans to buy or sell; (c) market risk, interest rate risk, credit risk attached to the asset.

4.3 Price per Share in each Sub-fund and each Class

The price per Share at which Shares are bought or are redeemed is the Net Asset Value per Share. Any initial charge or redemption charge (or dilution levy on a specific deal, if applicable) is payable in addition to the price or deducted from the proceeds and is taken from the gross subscription or redemption monies.

Each allocation of income made in respect of any Sub-fund at a time when more than one Class is in issue in respect of that Sub-fund shall be done by reference to the relevant Shareholder's proportionate interest in the income property of the Sub-fund in question calculated in accordance with the Instrument of Incorporation.

4.4 Fair Value Pricing

4.4.1 Where the ACD has reasonable grounds to believe that:

4.4.1.1 no reliable price exists for a security (including a unit/share in a collective investment scheme) at a Valuation Point; or

4.4.1.2 the most recent price available does not reflect the ACD's best estimate of the value of the security (including a unit/share in a collective investment scheme) at the Valuation Point,

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

4.4.2 The circumstances which may give rise to a fair value price being used include:

4.4.2.1 no recent trade in the security concerned; or

4.4.2.2 suspension of dealings in the security concerned; or

4.4.2.3 the occurrence of a significant event since the most recent closure of the market where the price of the security is taken.

4.4.3 In determining whether to use such a fair value price, the ACD will include in its consideration but need not be limited to:

4.4.3.1 the type of authorised fund concerned;

4.4.3.2 the securities involved;

4.4.3.3 whether the underlying collective investment schemes may already have applied fair value pricing;

4.4.3.4 the basis and reliability of the alternative price used; and

4.4.3.5 the ACD's policy on the valuation of Scheme Property as disclosed in this Prospectus.

4.5 Pricing Basis

The ACD deals on a forward pricing basis. A forward price is the price calculated at the next Valuation Point after the purchase or redemption is deemed to be accepted by the ACD. Shares in the Company are single priced.

4.6 Publication of Prices

The prices of all Shares are published on the website of the ACD: www.linkfundsolutions.co.uk. The prices of Shares may also be obtained by calling 0345 606 6180 during the ACD's normal business hours. As the ACD deals on a forward pricing basis, the price that appears in these sources will not necessarily be the same as the one at which investors can currently deal. The ACD may also, at its sole discretion, decide to publish certain Share prices in other third party websites or publications but the ACD does not accept responsibility for the accuracy of the prices published in, or for the non-publication of prices by, these sources for reasons beyond the control of the ACD.

5. Risk Factors

Potential investors should consider the following risk factors before investing in the Company (or in the case of specific risks applying to specific Sub-funds, in those Sub-funds).

5.1 General

The investments of the Sub-fund are subject to normal market fluctuations and other risks inherent in investing in securities. There can be no assurance that any appreciation in the value of investments will occur. The value of investments and the income derived from them may fall as well as rise and investors may not recoup the original amount they invest in the Sub-fund. There is no certainty that the investment objective of the Sub-funds will actually be achieved and no warranty or representation is given to this effect. The level of any yield for a Sub-fund may be subject to fluctuations and is not guaranteed.

The entire market of a particular asset class or geographical sector may fall, having a more pronounced effect on Sub-funds heavily invested in that asset class or region.

There will be a variation in performance between Sub-funds with similar objectives due to the different assets selected.

5.2 Effect of Initial Charge or Redemption Charge

Where an initial charge or redemption charge is imposed, an investor who realises his Shares may not (even in the absence of a fall in the value of the relevant investments) realise the amount originally invested.

In particular, where a redemption charge is payable, investors should note that the percentage rate at which the redemption charge is calculated is based on the market value rather than the initial value of the Shares. If the market value of the Shares has increased the redemption charge will show a corresponding increase. Currently there is no redemption charge levied on Shares.

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

5.3 Dilution

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

5.4 Charges applied to Capital

Where charges are taken from a Sub-fund's capital, this will increase the amount of income available for distribution; however, this will erode capital and may constrain capital growth.

5.5 Suspension of Dealings in Shares

Investors are reminded that in certain circumstances their right to redeem Shares (including a redemption by way of switching) may be suspended.

5.6 Deferrals of redemptions in Shares

Investors or potential investors in LF Canlife Global Equity Income Fund, LF Canlife Global Infrastructure Fund, LF Canlife Global Resource Fund, LF Canlife Global High Yield Bond Fund, LF Canlife Total Return Fund, LF Canlife Sterling Liquidity Fund and LF Canlife Strategic Return Fund should note that redemption requests of shares in the Sub-funds may be deferred in certain circumstances. Please see section 3.11 for further details.

The ACD may defer redemptions at a particular valuation point to the next valuation point where the requested redemptions exceed 10% of a Fund's value. The ACD will ensure the consistent treatment of all holders who have sought to redeem shares at any valuation point at which redemptions are deferred. The ACD will pro-rata all such redemption requests to the stated level (i.e. 10% of the Sub-fund's value) and will defer the remainder until the next valuation point. The ACD will also ensure that all deals relating to an earlier valuation point are completed before those relating to a later valuation point are considered. In such cases, investors will be exposed to any rise or falls of the respective markets prior to the next valuation point.

5.7 Liabilities of the Company and the Sub-funds

As explained in paragraph 2.2.1, under the OEIC Regulations, each Sub-fund is a segregated portfolio of assets and those assets can only be used to meet the liabilities of, or claims against, that Sub-fund. Whilst the provisions of the OEIC Regulations provide for segregated liability between Sub-funds, the concept of segregated liability is relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known whether a foreign court would give effect to the segregated liability and cross-investment provisions contained in the OEIC Regulations. Therefore, it is not possible to be certain that the assets of a Sub-fund will always be completely insulated from the liabilities of another Sub-fund of the Company in every circumstance.

5.8 Derivatives

With the exception of LF Canlife Total Return Fund and LF Canlife Global High Yield Bond Fund, the Investment Manager may employ derivatives for the purposes of Efficient Portfolio Management (including hedging) with the aim of reducing the risk profile of a Sub-fund, reducing costs or generating additional capital or income.

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

The Investment Manager may employ more sophisticated derivatives over the longer term in the pursuit of the investment objectives of the LF Canlife Global Resource Fund and the LF Canlife Strategic Return Fund, as stated in this Prospectus, and in accordance with its risk management policy. This means that the net asset value of the LF Canlife Global Resource Fund and the LF Canlife Strategic Return Fund may at times be highly volatile (in the absence of compensating investment techniques). However, it is the Investment Manager's intention that the LF Canlife Global Resource Fund and the LF Canlife Strategic Return Fund, owing to their portfolio compositions or the portfolio management techniques used, will not have volatility over and above the general market volatility of the markets of their underlying investments. The risk profile of the LF Canlife Global Resource Fund and the LF Canlife Strategic Return Fund may be higher than it would otherwise have been as a consequence of the use of derivatives as described above.

The LF Canlife Strategic Return Fund may at times be almost wholly invested through derivatives which may result in the Sub-fund maintaining high levels of short fixed term interest securities, cash and cash equivalent instruments which serve as margin or collateral on the derivative positions. This approach may increase the volatility of the Sub-fund and cause the risk profile to change.

For further information on the use of derivatives by the 'master funds' of the LF Canlife Total Return Fund and LF Canlife Global High Yield Bond Fund namely the Putnam Total Return Fund and the Putnam Global High Yield Bond Fund respectively, please refer to Appendix I Part II.

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

5.9 Leverage

A proportion of the capital may be leveraged. While leverage presents opportunities for increasing the capital return, it has the effect of potentially increasing losses as well. Any event which adversely affects the underlying investment vehicles would be magnified to the extent the capital is leveraged. The cumulative effect of the use of leverage in a market that moves adversely to the underlying investment vehicles would result in a substantial loss to capital that would be greater than if the capital were not leveraged.

Calculation of Leverage of the Sub-fund

The expected aggregate level of leverage (excluding cash) for the Sub-fund is between 0% and 801.08% of Net Asset Value (as an indication, not absolute limit). However, the *reported* level of leverage may significantly exceed this level, as the *reported* leverage figure is based on the sum of the equivalent underlying position of the derivatives used (the Notional Amount). This calculation method does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as hedging and duration management. For example, the sum of Notional Amount calculation aggregates each forward FX trade and so will report a 50% net reduction in a forward FX position as a 50% increase. Furthermore, short dated government bonds are not adjusted on a ten year basis and both sides of a non-base currency position are added to the calculation, thus further increasing the sum of Notional Amount leverage figure. Therefore, the leverage figure may not be a good guide to the overall level of risk run by the Sub-fund and the Value at Risk (VaR) figure may be a better guide to the risk of the Sub-fund. The global exposure of this Sub-fund is measured by the VaR approach rather than the Commitment approach. The level of gross leverage may not bear any relation to the VaR run by the Sub-fund: Two Sub-funds having the same gross leverage may have very different risk characteristics.

This risk is particularly applicable to the LF Canlife Strategic Return Fund.

5.10 Tax

Tax laws currently in place may change in the future which could affect the value of a Shareholder's investments. See the section headed 'Taxation' for further details about taxation of the Sub-funds.

Currently, the Sub-funds rely extensively on tax treaties between the United Kingdom and other countries to reduce domestic rates of withholding tax being applied on income arising where a Sub-fund holds underlying assets in those countries. A risk exists that these treaties may change or that tax authorities may change their position on the application of a relevant tax treaty. As a consequence, any such change (i.e. the imposition of, or increase in, withholding tax in that foreign jurisdiction) may result in higher rates of tax being applied to income from underlying investments and this may have a negative effect on the returns to the Sub-fund and investors.

In addition, under some treaties the rate of withholding tax applied to a Sub-fund may be affected by the tax profiles of investors in the Sub-fund (or by the tax profiles of investors in other Sub-funds of the Company). This is because such treaties may require a majority of investors in the Sub-fund (or the other Sub-funds of the Company) to be resident in either the UK or another specified jurisdiction as a condition of relief. Failing to satisfy this test may also result in increased withholding tax and therefore a negative effect on the returns to the Sub-fund and investors.

5.11 Counterparty and Settlement

A Sub-fund will be exposed to a credit risk on parties with whom it trades and will also bear the risk of settlement default.

5.12 Custody

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

5.13 Counterparty Risk in OTC Markets

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

This risk is particularly applicable to LF Canlife Asia Pacific Fund, LF Canlife Global Resource Fund and LF Canlife Strategic Return Fund.

5.14 Currency Exchange Rates

Funds investing in overseas securities are exposed to, and may hold, currencies other than the operational currency of the Sub-funds (GBP). As a result, exchange rate movements may cause the GBP value of investments to decrease or increase.

This risk is particularly applicable to LF Canlife Global Equity Income Fund, LF Canlife Global Macro Bond Fund, LF Canlife Asia Pacific Fund, LF Canlife Global Equity Fund, LF Canlife Global Resource Fund, LF Canlife Global Infrastructure Fund, LF Canlife North American Fund, LF Canlife Global High Yield Bond Fund, LF Canlife Total Return Fund, LF Canlife Strategic Return Fund, LF Canlife European Fund, LF Canlife Balanced Fund and LF Canlife Japan Fund.

Depending on the currency of an investor's share class; currency fluctuations may adversely affect the value (and the income) of his investment in Shares.

5.15 Liquidity

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

5.16 Credit and Fixed Income Securities

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital. The value of a fixed interest security will fall in the event of the default or reduced credit rating of the issuer. Generally, the higher the level of income (yield) receivable, the higher the perceived credit risk of the issuer. High yield bonds with lower credit ratings (also known as sub-investment grade bonds) are potentially more risky (higher credit risk) than investment grade bonds.

As a general rule, fixed interest securities with an above average yield tend to be less liquid than securities issued by issuers with a higher investment grade. Investment in fixed interest securities with a higher yield also generally brings an increased risk of default on repayment by the issuer which could affect the income and capital of the Sub-fund. Furthermore, the solvency of issuers of such fixed interest securities may not be guaranteed in respect of either the principal amount or the interest payments and the possibility of such issuers becoming insolvent cannot be excluded. The value of a fixed interest security may fall in the event of the default or a downgrading of the credit rating of the issuer.

"Investment Grade" holdings are generally considered to be a rating of BBB- (or equivalent) and above by leading credit rating agencies (such as S&P, Moodys or Fitch). "Sub-investment Grade" is generally considered to be a rating below BBB- (or equivalent) by the leading rating agencies.

Holdings that have not been rated by the leading credit rating agencies will adopt the risk rating of the "parent company" as an indicator of their credit risk or an unrated holding will be assessed using fundamental data to analyse the likelihood of the company defaulting. An issuer with a rating of at least BBB- (or equivalent) is generally considered as having adequate capacity to meet its financial commitments. However, adverse economic conditions or changing circumstances may lead to a weakened capacity of the issuer to meet its commitments.

Where the Sub-fund(s) invests in fixed income securities, the portfolio composition may change over time, this means the yield on the fund is not fixed and may go up or down.

This risk is particularly applicable to LF Canlife Global Equity Income Fund, LF Canlife Global Macro Bond Fund, LF Canlife UK Equity Income Fund, LF Canlife UK Equity and Bond Income Fund, LF Canlife Global Resource Fund, LF Canlife Global High Yield Bond Fund, LF Canlife Corporate Bond Fund, LF Canlife Short Duration Corporate Bond Fund, LF Canlife UK Government Bond Fund, LF Canlife Sterling Liquidity Fund and LF Canlife Strategic Return Fund.

5.17 Smaller Companies

Investment in smaller companies can be higher risk than investment in well established blue chip companies. Sub-funds investing significantly in smaller companies can be subject to more volatility due to the limited marketability of the underlying asset.

This risk is particularly applicable to LF Canlife UK Equity Income Fund, LF Canlife UK Equity and Bond Income Fund, LF Canlife Global Resource Fund, LF Canlife Global High Yield Bond Fund and LF Canlife UK Equity Fund.

5.18 Unlisted Investments

Unlisted investments are generally not publicly traded. As there may be no open market for a particular security it may be difficult to see and cause liquidity issues.

The lack of an open market may also restrict the establishment of a fair value for an unlisted investment when compared to an equivalent listed investment.

5.19 Inflation and Interest Rates

The real value of any returns that an investor may receive from a Sub-fund could be affected by interest rates and inflation over time.

This risk is particularly applicable to the LF Canlife Corporate Bond Fund, LF Canlife Global Macro Bond Fund, LF Canlife Global High Yield Bond Fund, LF Canlife Short Duration Corporate Bond Fund, LF Canlife UK Government Bond Fund and LF Canlife Sterling Liquidity Fund.

5.20 Higher Volatility and Concentrated Portfolios

A Sub-fund may invest in one particular type of asset, industry, or geographical preference (e.g. the technology or oil sectors). Such concentration can give rise to higher risk than a Sub-fund which has spread its investments more broadly. This risk is particularly applicable to LF Canlife North American Fund, LF Canlife UK Equity Income Fund, LF Canlife UK Equity and Bond Income Fund, LF Canlife Corporate Bond Fund, LF Canlife Short Duration Corporate Bond Fund, LF Canlife Total Return Fund, LF Canlife Global Resource Fund, LF Canlife Global Infrastructure Fund, LF Canlife Global Equity Income Fund, LF Canlife Global High Yield Bond Fund, LF Canlife UK Equity Fund, LF Canlife European Fund and LF Canlife Japan Fund.

A Sub-fund may also simply hold a limited number of investments. Should one or more of those investments decline or be otherwise adversely affected, it may have a greater effect on the Sub-fund's value than if a larger number of investments were held. This may lead to a high turnover of stocks in the Sub-fund. This risk is particularly applicable to the LF Canlife Total Return Fund and the LF Canlife Global High Yield Bond Fund which are each never less than 85% invested in single master UCITS schemes (although this risk is mitigated by the portfolio diversification measures in the master UCITS scheme).

5.21 Emerging Markets

Emerging markets tend to be more volatile than more established markets and therefore your money is at greater risk. Risk factors such as local political and economic conditions should also be considered.

The reliability of trading and settlement systems in some emerging markets may not be equal to that available in more developed markets, which may result in delays in realising investments within the Sub-fund(s). A counterparty may not pay or deliver on time or as expected.

Lack of liquidity or efficiency in certain stock markets or foreign exchange markets in certain emerging markets may mean that from time to time the Investment Manager may experience more difficulty in purchasing or selling securities than it would in a more developed market.

Given the possible lack of a regulatory structure it is possible that securities in which investments are made may be found to be fraudulent. As a result, it is possible that loss may be suffered.

The currencies of certain emerging countries prevent the undertaking of currency hedging techniques.

Some emerging markets may restrict the access of foreign investors to securities. As a result, certain securities may not always be available to the Sub-fund(s) because the maximum permitted number of an investment by foreign shareholders has been reached. In addition, the outward remittance by foreign investors of their share of net profits, capital and dividends may be restricted or require governmental approval.

Accounting, financial reporting standards and disclosure requirements in emerging markets may differ from those in more developed markets and, accordingly, investment possibilities may be difficult to properly assess.

This risk is particularly applicable to LF Canlife Asia Pacific Fund, LF Canlife Global Equity Fund, LF Canlife Global Resource Fund, LF Canlife Global Infrastructure Fund and LF Canlife Global Equity Income Fund.

5.22 Risks Associated with Investing in PRC Market

Investing in equities of companies with substantial assets in or revenues derived from the PRC involves special considerations and certain risks not typically associated with more developed markets or economies. The risks inherent in the PRC can generally be expected to result in increased volatility in the shares of companies in the PRC and portfolios which invest in them when compared to their counterparts in developed markets. Investment companies investing in the PRC generally can be expected to display greater share price and Net Asset Value volatility than those investing in developed markets.

Sub-funds that invest in PRC are subject to the following risks:

Legal risk

The legal system of the PRC is based on the PRC Constitution and is made up of written laws, regulations, circulars and directives which may not afford the Company the same level of certainty in relation to matters such as contracts and disputes as may be available in more developed markets. Accordingly, the returns to the Sub-funds may be materially and adversely affected.

Changes in government policies and the regulatory environment

Certain investments of the Sub-funds may be subject to PRC laws and regulations and policies implemented by the PRC government from time to time. PRC government policies may have a material impact on the industries in which the Sub-funds invest. If any company in which the Sub-funds invest should become subject to any form of negative governmental control, there could be a material adverse effect on the value of the Sub-funds' investments.

Economic considerations

The economy of the PRC differs from the economies of most developed countries in many respects, including the amount of governmental involvement, the level of development, the growth rate, the controls on foreign exchange and allocation of resources. The economy of the PRC has experienced significant and consistent growth in the past 20 years but growth has been uneven both geographically and among various sectors of the economy. Economic growth has been accompanied by a period of high inflation. The PRC government has implemented various measures from time to time to control inflation and restrain the rate of economic growth.

Devaluation or appreciation in the value of the Renminbi, restrictions on convertibility of the Renminbi and exchange control restrictions in the PRC

The Renminbi is currently not freely convertible and is subject to exchange controls and restrictions.

The external value of the Renminbi is subject to changes in policies of the PRC government and to international economic and political developments. There is therefore a risk that fluctuations in the Renminbi exchange rate may be experienced exposing non-Renminbi based investors to foreign exchange risk. There is no guarantee that the value of Renminbi against the investors' base currencies will not depreciate. Any large movement in the value of the Renminbi could have an adverse effect on the Sub-funds' portfolio of Chinese investments and the value of investments investing in the Sub-funds.

Although offshore Renminbi (CNH) and onshore Renminbi (CNY) are the same currency, they trade at different rates. Any divergence between CNH and CNY may adversely impact investors.

High market volatility and potential settlement difficulties in the equity market in the PRC may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may adversely affect the value of the Sub-funds.

Tax uncertainty

Tax laws and regulations in the PRC are under constant development and often subject to change as a result of changing government policy. Such changes may occur without sufficient warning. There is a risk that changes in tax policy and regulations may adversely affect the Sub-funds' return on investments.

Increased brokerage commissions and transaction charges
Brokerage commissions and other transaction costs and custody fees are generally higher in the PRC than they are in Western securities markets.

The above risks associated with investing in the PRC market are particularly applicable to LF Canlife Asia Pacific Fund.

5.23 Stock Connect Risk in Relation to LF Canlife Asia Pacific Fund

(a) Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect

LF Canlife Asia Pacific Fund, which can, in accordance with its investment policy, invest in China A-Shares through Stock Connect, will be subject to any applicable regulatory limits as set out by the securities regulators in Hong Kong and the PRC.

Stock Connect is a securities trading and clearing linked programme developed by SEHK, HKEx, Shanghai Stock Exchange or Shenzhen Stock Exchange, and ChinaClear with an aim to achieve mutual stock market access between mainland China and Hong Kong. Stock Connect allows foreign investors to trade certain Shanghai Stock Exchange or Shenzhen Stock Exchanges listed China A-Shares through their Hong Kong based brokers.

In addition to the risks regarding “Risks associated with investing in the PRC market” and other risks applicable to LF Canlife Asia Pacific Fund, the following additional risks apply in relation to Stock Connect:

General risk
The relevant rules and regulations on Stock Connect are untested and subject to change which may have potential retrospective effect. There is no certainty as to how they will be applied which could adversely affect LF Canlife Asia Pacific Fund. Stock Connect requires use of new information technology systems which may be subject to operational risk due to its cross-border nature. If the relevant systems fail to function properly, trading in Hong Kong and Shanghai/Shenzhen markets through Stock Connect could be disrupted. Where a suspension in the trading through the programme is effected, LF Canlife Asia Pacific Fund’s ability to invest in China A-Shares or access the PRC market through the programme will be adversely affected. In such event, LF Canlife Asia Pacific Fund’s ability to achieve their investment objective could be negatively affected.

Legal/beneficial ownership
Where securities are held in custody on a cross-border basis, there are specific legal/beneficial ownership risks linked to compulsory requirements of the local Central Securities Depositaries, HKSCC (a wholly owned subsidiary of HKex) and ChinaClear.

As in other emerging and less developed markets, the legislative framework in the PRC is only beginning to develop the concept of legal/formal ownership and of beneficial ownership or interest in securities. In addition, HKSCC, as nominee holder, does not guarantee the title to Stock Connect securities held through it and is under no obligation to enforce title or other rights associated with ownership on behalf of beneficial owners. Consequently, the courts may consider that any nominee or custodian as registered holder of Stock Connect securities would have full ownership thereof, and that those Stock Connect securities would form part of the pool of assets of such entity available for distribution to creditors of such entities and/or that a beneficial owner may have no rights whatsoever in respect thereof. Consequently LF Canlife Asia Pacific Fund and the Depositary cannot ensure that LF Canlife Asia Pacific Fund’s ownership of these securities or title thereto is assured.

To the extent that HKSCC is deemed to be performing safekeeping functions with respect to assets held through it, it should be noted that the Depositary and LF Canlife Asia Pacific Fund will have no legal relationship with HKSCC and no direct legal recourse against HKSCC in the event that LF Canlife Asia Pacific Fund suffers losses resulting from the performance or insolvency of HKSCC.

In the event ChinaClear defaults, HKSCC's liabilities under its market contracts with clearing participants will be limited to assisting clearing participants with claims. HKSCC will act in good faith to seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or the liquidation of ChinaClear. In this event, LF Canlife Asia Pacific Fund may not fully recover its losses or its Stock Connect securities and the process of recovery could also be delayed.

Operational risk
The "connectivity" in Stock Connect requires routing of orders across the border. SEHK has set up an order routing system ("China Stock Connects System") to capture, consolidate and route the cross-boundary orders input by exchange participants. There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems fail to function properly, trading in both markets through the programme could be disrupted. LF Canlife Asia Pacific Fund's ability to access the China A-Share market (and hence to pursue its investment strategy) will be adversely affected.

Quota limitations
Trading under Stock Connect will be subject to daily limitations which may restrict LF Canlife Asia Pacific Fund's ability to invest in China A-Shares through Stock Connect.

Foreign shareholding restrictions
China Securities Regulatory Commission stipulates that, when holding China A-Shares through Stock Connect, Hong Kong and overseas investors are subject to the following shareholding restrictions:

- shares held by a single foreign investor (such as LF Canlife Asia Pacific Fund) investing in a listed company must not exceed 10% of the total issued shares of such listed company; and
- total shares held by all foreign investors (i.e. Hong Kong and overseas investors) in a listed company must not exceed 30% of the total issued shares of such listed company.

When the aggregate foreign shareholding of an individual China A-Share reaches 26%, Shanghai Stock Exchange or Shenzhen Stock Exchange, as the case may be, will publish a notice on its website (http://www.sse.com.cn/disclosure/diclosure/qfii for Shanghai Stock Exchange and http://www.szse.cn/main/disclosure/news/qfii/ for Shenzhen Stock Exchange). If the aggregate foreign shareholding exceeds the 30% threshold, the foreign investors concerned will be requested to sell the shares on a last-in-first-out basis within five trading days.

Differences in trading days
Stock Connect will only operate on days when both the PRC and Hong Kong stock markets are open for trading and when banks in both markets are open on the corresponding settlement days. There may be occasions when it is a normal trading day for the PRC stock market but the Hong Kong and overseas investors (such as LF Canlife Asia Pacific Fund) cannot carry out any China A-Shares trading. Due to this , LF Canlife Asia Pacific Fund may be subject to risks of price fluctuations in China A-Shares on a day that the PRC stock markets are open for trading but the Hong Kong stock market is closed.

Regulatory risk
Stock Connect will be subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in the PRC and Hong Kong. Further, new regulations may be promulgated from time to time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under Stock Connect.

There can be no assurance that Stock Connect will not be abolished. LF Canlife Asia Pacific Fund, which may invest in the PRC markets through Stock Connect, may be adversely affected as a result of such changes.

Suspension Risk
Each of the Shanghai Stock Exchange, Shenzhen Stock Exchange and SEHK reserves the right to suspend Northbound and/or Southbound trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension in the Northbound trading through Stock Connect is effected, LF Canlife Asia Pacific Fund's ability to access the PRC market will be adversely affected.

Restrictions on selling imposed by front-end monitoring
PRC regulations require that before an investor sells any share, there should be sufficient shares in the account otherwise Shanghai Stock Exchange or Shenzhen Stock Exchange will reject the sell order concerned.

Recalling of eligible stocks
When a stock is recalled from the scope of eligible stocks for trading via Stock Connect, the stock can only be sold, not bought. This may affect the investment portfolio or strategies of LF Canlife Asia Pacific Fund, for example, when LF Canlife Asia Pacific Fund wishes to purchase a stock which is recalled from the scope of eligible stocks.

Risks associated with the SME Board and/or ChiNext Board
LF Canlife Asia Pacific Fund may invest in the SME Board and/or the ChiNext Board of the SZSE via the Shenzhen-Hong Kong Stock Connect and the following risks apply:

- *Higher fluctuation on stock prices*
  Listed companies on the SME Board and/or ChiNext Board are usually of emerging nature with smaller operating scale. Hence, they are subject to higher fluctuation in stock prices and liquidity and have higher risks and turnover ratios than companies listed on the Main Board.

- *Over-valuation risk*
  Stocks listed on SME Board and/or ChiNext Board may be overvalued and such valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.

- *Differences in regulation*
  The rules and regulations regarding companies listed on ChiNext Board are less stringent in terms of profitability and share capital than those in the Main Board and SME Board.

- *Delisting risk*
  It may be more common and faster for companies listed on the SME Board and/or ChiNext Board to delist. This may have an adverse impact on LF Canlife Asia Pacific Fund if the companies that it invests in are delisted. Investments in the SME Board and/or ChiNext Board may result in significant losses for LF Canlife Asia Pacific Fund and its investors.

5.24 Mispricing Risk in Relation to LF Canlife Total Return Fund and LF Canlife Global High Yield Bond Fund

If there is a material error in the pricing of shares or units in the master funds which LF Canlife Total Return Fund and LF Canlife Global High Yield Bond Fund invest resulting in a compensation payment to the affected shareholders or former shareholders in the master fund, any such payment would be made to LF Canlife Total Return Fund and LF Canlife Global High Yield Bond Fund rather than directly to the Shareholders or former Shareholders in LF Canlife Total Return Fund and LF Canlife Global High Yield Bond Fund. If the payment was retained in full in LF Canlife Total Return Fund and LF Canlife Global High Yield Bond Fund this would only benefit Shareholders in LF Canlife Total Return Fund and LF Canlife Global High Yield Bond Fund at that time and former Shareholders may therefore not be compensated unless there was an obligation on the ACD to do so under the Regulations.

5.25 Suspension of Dealing in LF Canlife Total Return Fund and LF Canlife Global High Yield Bond Fund

Investors are reminded that the right to subscribe for or redeem Shares in the LF Canlife Total Return Fund and LF Canlife Global High Yield Bond Fund may be suspended in circumstances where dealing in the master fund in which it invests is suspended. Please see paragraph 3.10 above.

5.26 Concentrated Portfolio in LF Canlife Global Infrastructure Fund

Infrastructure Risks

The following is a brief summary of some of the more common risks associated with infrastructure investment:

Industry Concentration and Infrastructure Industry Risk – To the extent a Sub-fund is invested in infrastructure investments it will be more susceptible to adverse economic or regulatory occurrences affecting that industry than an investment company that is not concentrated in a single industry. Infrastructure Issuers, including utilities and companies involved in infrastructure projects, may be subject to a variety of factors that may adversely affect their business or operations, including high interest costs in connection with capital construction programs, high leverage, costs associated with environmental and other regulations, the effects of economic slowdown, surplus capacity, increased competition from other providers of services, uncertainties concerning energy costs (among other things), the effects of energy conservation policies and other factors. Infrastructure Issuers may also be affected by or subject to:

- service interruption due to environmental, operational or other mishaps;
- the imposition of special tariffs and changes in tax laws, regulatory policies and accounting standards; and
- general changes in market sentiment towards infrastructure assets.

This industry also has some special features that cause certain risks to be more prevalent than in other industry sectors. Below is a summary of these risks:

- Regional or Geographic Risk: This risk arises where an infrastructure issuer's assets are not moveable. Should an event that somehow impairs the performance of an infrastructure issuer's assets occur in the geographic location where the issuer operates those assets, the performance of the issuer may be adversely affected.

- Regulation Risk: Infrastructure Issuers may be affected by or subject to regulation by various government authorities and government regulation of rates charged to customers.
- Through-put Risk: The revenue of many infrastructure issuers may be impacted by the number of users who use the products or services produced by the infrastructure issuers' assets. Any change in the number of users may negatively impact the profitability of the issuer.

Infrastructure Assets – Infrastructure assets can be highly leveraged. As such, movements in the level of interest rates may affect the returns from these assets more significantly than other assets in some instances. The structure and nature of the debt encumbering an infrastructure asset may therefore be an important element to consider in assessing the interest risk of the infrastructure asset. In particular, the type of facilities, maturity profile, rates being paid, fixed versus variable components and covenants in place (including the manner in which they affect returns to equity holders) are crucial factors in assessing any interest rate risk. Due to the nature of infrastructure assets, the impact of interest rate fluctuations may be greater for infrastructure issuers than for the economy as a whole in the country in which the interest rate fluctuation occurs.

5.27 Investment in Regulated Collective Investment Schemes

A Sub-fund may invest in other regulated collective investment schemes. As an investor in another collective investment scheme, a Sub-fund will bear, along with the other investors, its portion of the expenses of the other collective investment scheme, including the management, performance and/or other fees. These fees will be in addition to the management fees and other expenses which a Fund bears directly with its own operations.

5.28 Depositary Receipts

Depositary receipts, such as American Depositary Receipts (ADRs) and Global Depositary Receipts (GDRs), are instruments that represent shares of companies and facilitate trading in those shares outside the markets in which the shares are usually traded. Accordingly whilst the depositary receipts are traded on recognised exchanges, there may be other risks associated with such instruments to consider – for example, the shares underlying the instruments may be subject to political, inflationary, exchange rate or custody risks.

5.29 Structured Products

The Sub-fund may invest in structured products in accordance with COLL. For the purposes of the FCA's rules, structured products may be regarded as either transferable securities, collective investment schemes or derivatives depending on the product in question. Structured products typically are investments which are linked to the performance of one or more underlying instruments or assets such as market prices, rates, indices, securities, currencies and commodities and other financial instruments that may introduce significant risk that may affect the performance of the Sub-funds. However, in addition to providing exposure to the asset classes described in the investment objective, the intention is that the use of structured products in the context of the Sub-funds should assist with keeping the volatility levels of the Sub-funds relatively low. With the exception of the LF Canlife Total Return Fund and the LF Canlife Global High Yield Bond Fund the Investment Manager, all sub-funds may employ derivatives for the purposes of Efficient Portfolio Management.

5.30 Regulated Money Market Funds

LF Canlife Sterling Liquidity Fund is a Regulated Money Market Fund. The Sub-fund aims to provide stability of principal amount invested and an income in line with sterling money market rates. An investment in this Sub-fund is not the same as a deposit or an obligation guaranteed or endorsed by a bank or building society. The value of an investment in the Sub-fund can fall as well as rise and involves investment risk, including the possibility for loss of principal amount invested.

6. Management and Administration

6.1 Regulatory Status

The ACD, the Depositary and the Investment Manager are authorised and regulated by the Financial Conduct Authority of 12 Endeavour Square, London E20 1JN.

6.2 Authorised Corporate Director

6.2.1 General

The ACD is Link Fund Solutions Limited which is a private company limited by shares incorporated in England and Wales on 21 November 1973.

The directors of the ACD are:

C Addenbrooke
N Boyling
B Hammond
P Hugh Smith
K Midl
A Stuart

Mr Stuart is a Non-Executive Director of the ACD. Mr Stuart is also engaged in other business activity not connected with the business of the ACD. Such business activities are not considered to be of significance to the business of the ACD.

No other director is engaged in any significant business activity not connected with the business of the ACD or other subsidiaries of Link Administration Holdings Limited.

Registered Office: 6th Floor, 65 Gresham Street, London EC2V 7NQ

Principal Place of Business: 6th Floor, 65 Gresham Street, London EC2V 7NQ

Share Capital: It has a share capital of £1,247,636 issued and paid up

Ultimate Holding Company: Link Administration Holdings Limited, a company incorporated in Australia and listed on the Australian Securities Exchange.

The ACD is responsible for managing and administering the Company's affairs in compliance with the COLL Sourcebook. The ACD may delegate its management and administration functions, but not responsibility, to third parties, including Associates subject to the rules in the COLL Sourcebook.

It has therefore delegated to the Investment Manager the function of managing and acting as the investment adviser for the investment and reinvestment of the assets of the Sub-funds (as further explained in paragraph 6.4 below). The ACD has delegated to the Registrar certain functions relating to the Register (as further explained in paragraph 6.5 below). It has also delegated The Bank of New York Mellon (International) Limited to provide fund accounting services for the Company (as explained in paragraph 6.5.1).

The ACD is required to have a Remuneration Code ("the Code") relating to the way in which it remunerates its staff. The Code is designed to ensure that firms have risk-focused remuneration policies which are consistent with and promote effective risk management and do not expose the ACD or the funds it operates to excessive risk.

Full details of the Code are available on the website of the ACD: www.linkfundsolutions.co.uk. This sets out a description of how remuneration and benefits are calculated and the identities of persons responsible for awarding the remuneration and benefits. A paper copy of that website information will be made available free of charge on request from the ACD.

6.2.2 Terms of Appointment

The appointment of the ACD has been made under an agreement between the Company and the ACD, as amended from time to time (the "ACD Agreement").

Pursuant to the ACD Agreement, the ACD manages and administers the affairs of the Company in accordance with the Regulations, the Instrument of Incorporation and this Prospectus. The ACD Agreement incorporates detailed provisions relating to the ACD's responsibilities.

The ACD Agreement may be terminated by the Company on not less than twelve months' written notice or earlier upon the happening of certain specified events. The ACD Agreement contains detailed provisions relating to the responsibilities of the ACD and excludes it from any liability to the Company or any Shareholder for any act or omission except in the case of negligence, wilful default, breach of duty or breach of trust in relation to the Company on its part. The ACD Agreement provides indemnities to the ACD to the extent allowed by the Regulations and other than for matters arising by reason of its negligence, wilful default, breach of duty or breach of trust in the performance of its duties and obligations. Subject to certain limited exceptions set out in the Regulations, the ACD may retain the services of any person to assist it in the performance of its functions.

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

The ACD is also under no obligation to account to the Depositary, the Company or the Shareholders for any profit it makes on the issue or re-issue or cancellation of Shares which it has redeemed.

The Company has no directors other than the ACD. The ACD is the manager of certain AUTs and open-ended investment companies details of which are set out in Appendix IV.

6.3 The Depositary

6.3.1 General

The Depositary of the Company is The Bank of New York Mellon (International) Limited (registered no. 03236121)

The ACD has appointed the Depositary to act as depositary for the purposes of the Company being a UCITS Scheme.

The Depositary is, a private company limited by shares incorporated in England and Wales on 9 August 1996. Its ultimate holding company is The Bank of New York Mellon Corporation, a public company incorporated in the United States.

The registered and head office of the Depositary is at One Canada Square, London E14 5AL. The Depositary is authorised by the Prudential Regulation Authority and is dual-regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

6.3.2 Duties of the Depositary

The Depositary is responsible for the safekeeping of the Scheme Property, monitoring the cash flows of the Company, and must ensure that certain processes carried out by the ACD are performed in accordance with the Regulations, the Instrument of Incorporation and the Prospectus.

In relation to the LF Canlife Sterling Liquidity Fund, the Depositary must take reasonable care to ensure that the Sub-fund is managed in accordance with the provisions of the Money Market Funds Regulation relating to investment and borrowing powers, valuation, pricing and dealing and income.

6.3.3 Delegation of Safekeeping Functions

The Depositary acts as a global custodian and is permitted to delegate (and authorise its delegate to sub-delegate) the safekeeping of Scheme Property.

The Depositary has delegated safekeeping of the Scheme Property to The Bank of New York Mellon SA/NV and The Bank of New York Mellon (the “Global Sub-Custodian”). In turn, the Global Sub-Custodian has sub-delegated the custody of assets in certain markets in which the Company may invest to various sub-delegates (“Sub-Custodians”). A list of Sub-Custodians is given in Appendix VI. Investors should note that, except in the event of material changes requiring a prompt update of this Prospectus, the list of Sub-Custodians is updated only at each Prospectus review.

6.3.4 Updated Information

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

6.3.5 Terms of Appointment

The ACD is required to enter into a written contract with the Depositary to evidence its appointment as depositary of the Company. The Depositary is appointed as depositary of the Company under an agreement entered into between the ACD, the Company and BNY Mellon Trust & Depositary (UK) Limited and as novated in favour of the Depositary with effect from 15 December 2017, pursuant to which the ACD and the Depositary agree to carry out various functions in order to comply with, and facilitate compliance with, the requirements of the Regulations.

Details of the Depositary’s remuneration are set out in 7.3.

6.4 The Investment Manager

6.4.1 General

The ACD has appointed the Investment Manager, Canada Life Asset Management Limited, under an agreement (the “Investment Management Agreement”) to provide investment management services to the ACD.

The Investment Manager's registered office is at Canada Life Place, High Street, Potters Bar, Hertfordshire EN6 5BA. The Investment Manager's business office is at 1-6 Lombard Street, London EC3V 9JU.

The principal activity of the Investment Manager is the provision of investment management services.

6.4.2 Terms of Appointment

The terms of the Investment Management Agreement between the ACD and the Investment Manager include the provision of investment management within the investment objectives of the Sub-funds, the purchase and sale of investments and on the exercise of voting rights relating to such investments. The Investment Manager has authority to make decisions on behalf of the ACD on a discretionary basis in respect of day to day investment management of the Scheme Property including authority to place purchase orders and sale orders with regulated dealers and preparation of the Investment Manager's report half yearly for inclusion in the Company's Report for circulation to Shareholders.

The Investment Management Agreement may be terminated by either party on not less than twelve months' written notice or earlier upon the happening of certain specified events.

The Investment Manager will receive a fee paid by the ACD out of its remuneration received each month from the Sub-funds as explained in paragraph 7.4.

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

6.4.3 Appointment of Sub-investment Manager

The Investment Manager is permitted under the terms of the Investment Management Agreement to delegate functions to third parties in relation to the provision of investment management services to the ACD. The Investment Manager has appointed GLC Asset Management Group Ltd. of 305-200 Dufferin Avenue, London, Ontario N6A 4K1, Canada to provide investment management services in respect of LF Canlife Global Infrastructure Fund. The Investment Manager has appointed Mackenzie Financial Corporation, 180 Queen Street West, Toronto, Ontario M5V 3K1, Canada to provide investment management services in respect of LF Canlife Global Resource Fund. The Investment Manager has appointed Setanta Asset Management Ltd., Beresford Court, Beresford Place Dublin 1, Ireland to provide investment management services in respect of LF Canlife Global Equity Income Fund. The Investment Manager has also appointed PanAgora Asset Management Inc, 470 Atlantic Avenue, 8th Floor, Boston MA 02210 to provide investment management services in respect of the LF Canlife Strategic Return Fund.

6.5 The Registrar

6.5.1 General

On behalf of the Company the ACD has also appointed Link Fund Administrators Limited to act as registrar and provide administration services and has appointed The Bank of New York Mellon (International) Limited to provide fund accounting services to the Company.

The registered office of the Registrar is 6th Floor, 65 Gresham Street, London EC2V 7NQ.

The Register is kept and maintained at Arlington Business Centre, Millshaw Park Lane, Leeds LS11 0PA.

6.5.2 Register of Shareholders

The Register will be maintained by the Registrar at the address of its office as noted above, and may be inspected at that address or the principal place of business of the ACD during normal business hours by any Shareholder or any Shareholder's duly authorised agent.

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

6.6 The Auditors

The auditors of the Company are Ernst & Young LLP, whose address is 25 Churchill Place, Canary Wharf, London E14 5EY.

6.7 Conflicts of Interest

ACD

The ACD, the Investment Manager and other companies within the ACD's and/or the Investment Manager's group may, from time to time, act as investment manager or advisers to other funds or sub-funds which follow similar investment objectives to those of the Sub-funds. It is therefore possible that the ACD and/or the Investment Manager may in the course of their business have potential conflicts of interest with the Company or a particular Sub-fund or that a conflict exists between the Company and other funds managed by the ACD. The ACD and the Investment Manager maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps to prevent such conflicts from adversely affecting the interests of the Company.

The ACD and the Investment Manager will take all appropriate steps to identify and prevent or manage such conflicts and each of the ACD and the Investment Manager will have regard in such event to its obligations under the ACD Agreement and the Investment Management Agreement respectively and, in particular, to its obligation to act in the best interests of the Company so far as practicable, having regard to its obligations to other clients, when undertaking any investment business where potential conflicts of interest may arise. Where a conflict of interest cannot be avoided, the ACD and the Investment Manager will ensure that the Company and other collective investment schemes it manages are fairly treated.

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

Details of the ACD's conflicts of interest policy are available on the ACD's website at www.linkfundsolutions.co.uk.

Depositary

For the purposes of this section, the following definitions shall apply:

"Link" means a situation in which two or more natural or legal persons are either linked by a direct or indirect holding in an undertaking which represents 10% or more of the capital or of the voting rights or which makes it possible to exercise a significant influence over the management of the undertaking in which that holding subsists.

"Group Link" means a situation in which two or more undertakings or entities belong to the same group within the meaning of Article 2(11) of Directive 2013/34/EU or international accounting standards adopted in accordance with Regulation (EC) No. 1606/2002.

The ACD may delegate certain administrative functions to an entity within the same corporate group as the Depositary. If the ACD does so, the Depositary shall ensure that policies and procedures are in place to identify all conflicts of interests arising and shall take all reasonable steps to avoid such conflicts of interests.

At present the ACD delegates certain administrative functions to The Bank of New York Mellon (International) Limited. A Group Link exists where the ACD has delegated certain administrative functions, including but not limited to Fund Accounting, to The Bank of New York Mellon (International) Limited or another entity within the same corporate group as the Depositary.

Where such Group Link exists, the Depositary and the ACD will ensure that such conflicts of interests are managed, monitored and disclosed in order to prevent adverse effects on the interests of the Company and its shareholders.

The Depositary may delegate the safekeeping of the Scheme Property to an entity in the same corporate group as the Depositary and a Group Link exists where the Depositary has delegated, or where any Global Sub-Custodian has sub-delegated, the safekeeping of the Scheme Property to an entity within the same corporate group.

The Depositary shall ensure that policies and procedures are in place to identify all conflicts of interests arising and shall take all reasonable steps to avoid such conflicts of interests. Where such conflicts of interests cannot be avoided, the Depositary will ensure that such conflicts of interests are managed, monitored and disclosed in order to prevent adverse effects on the interests of the Company and its shareholders.

Where a Link exists, for example where one party can exercise significant influence over the management of the other, between the Depositary and any shareholders in the Company, the Depositary shall take all reasonable steps to avoid conflicts of interests arising, and ensure that it complies with the applicable regulations for a UCITS Scheme.

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

7. Fees and Expenses

7.1 Ongoing

All costs, charges, fees or expenses, other than the charges made in connection with the subscription and redemption of Shares (see paragraph 3.5) payable by a Shareholder or out of Scheme Property are set out in this section.

The Company or each Sub-fund (as the case may be) may, so far as the COLL Sourcebook allows, also pay out of the Scheme Property all relevant costs, charges, fees and expenses including the following:

7.1.1 any costs incurred in authorising the Company, any Sub-funds to the Company and any share class to any Sub-funds to the Company at and after initial establishment. Such costs will be apportioned to the appropriate Sub-fund or share class on a monthly basis to the end of the first accounting year;

7.1.2 broker's commission, fiscal charges (including any other transfer tax) and other disbursements which are necessary to be incurred in effecting transactions for the Sub-fund and normally shown in contract notes, confirmation notes and difference accounts as appropriate;

7.1.3 fees and expenses in respect of establishing and maintaining the register of Shareholders, including any sub-registers kept for the purpose of the administration of ISAs, are payable monthly out of the property of the Sub-funds;

7.1.4 any costs incurred in or about the listing of Shares in the Company on any Stock Exchange, and the creation, conversion and cancellation of Shares;

7.1.5 any costs incurred by the Company in publishing the price of the Shares in a national or other newspaper or any other form of media;

7.1.6 any costs incurred in producing, collating, fulfilment, printing, postage and dispatching tax vouchers and any payments made by the Company;

7.1.7 any costs incurred in preparing, translating, producing (including fulfilment, printing and postage), distributing and modifying, any instrument of incorporation any prospectus, any KIID (apart from the cost of distributing the KIID), or reports, accounts, statements, contract notes and other like documentation or any other relevant document required under the Regulations;

7.1.8 any costs incurred as a result of periodic updates of or changes to any prospectus, KIID or instrument of incorporation;

7.1.9 any fees, expenses or disbursements of any legal or other professional adviser of the Company;

7.1.10 any costs incurred in taking out and maintaining an insurance policy in relation to the Company and its Directors;

7.1.11 any costs incurred in respect of meetings of Shareholders convened for any purpose;

7.1.12 any payment permitted by clause 6.7.15R of the COLL Sourcebook;

7.1.13 interest on borrowings and charges incurred in effecting or terminating such borrowings or in negotiating or varying the terms of such borrowings;

7.1.14 taxation and duties payable in respect of the Scheme Property of the Sub-funds or the issue or redemption of Shares;

7.1.15 the audit fees of the Auditors (including VAT) and any expenses of the Auditors;

7.1.16 the fees of the FCA, in accordance with the FCA's Fee Manual, together with any corresponding periodic fees of any regulatory authority in a country or territory outside the United Kingdom in which shares in the Company are or may be marketed;

7.1.17 any expense incurred in relation to company secretarial duties including the cost of maintenance of minute books and other documentation required to be maintained by the Company;

7.1.18 the total amount of any cost relating to the authorisation and incorporation of the Company and of its initial offer or issue of shares;

7.1.19 any expense incurred in conducting risk management Value at Risk (VaR) monitoring and reporting;

7.1.20 any payments otherwise due by virtue of a change to the Regulations;

7.1.21 any value added or similar tax relating to any charge or expense set out herein; and

7.1.22 any other fee, cost, charge or expense permitted to be deducted from Scheme Property under the Regulations.

Each Sub-fund formed after this Prospectus may bear its own direct establishment costs.

The ACD is also entitled to be paid by the Company out of the Scheme Property any expenses incurred by the ACD or its delegates of the kinds described above.

Expenses are allocated between capital and income in accordance with the Regulations. However, the approach for a given Sub-fund is set out in Appendix I. Where expenses are deducted in the first instance from income if and only if this is insufficient, deductions will be made from capital. If deductions were made from capital, this would result in capital erosion and constrain growth.

7.2 Charges Payable to the ACD

7.2.1 Annual Management Charge

In payment for carrying out its duties and responsibilities the ACD is entitled to take an annual fee out of each Sub-fund as set out in Appendix I.

The annual management charge will accrue on a daily basis in arrears by reference to the Net Asset Value of the Sub-funds on the immediately preceding Valuation Point and taking into account any subsequent changes to the fund capital due to the creation or cancellation of shares. The amount due for each month is payable on the last Dealing Day of each month. The current annual management charges for the Sub-funds (expressed as a percentage per annum of the Net Asset Value of the Sub-funds) is set out in Appendix I. Where the annual management charge will be paid out of the capital property of the Company, this may constrain capital growth. The ACD may increase the rate of such charge by giving 60 days' notice to Shareholders and amending this Prospectus. The ACD is responsible for the payment of the fees of the Investment Manager.

For the LF Canlife Sterling Liquidity Fund, the ACD will pay the fees of the Registrar referred to in paragraph 7.2.2, expenses referred to in paragraph 7.2.3 and Depositary's fees and expenses referred to in paragraph 7.3 out of the annual management charge it receives from the Sub-fund as set out in Appendix I.

7.2.2 Registration Fees

The ACD is entitled to receive a fee out of the Scheme Property for providing registration services for each Sub-fund, except the LF Canlife Sterling Liquidity Fund, (including establishing and maintaining sub-registers where applicable) out of which the ACD will pay the fees of the Registrar. Such fee is payable monthly and is accrued at each valuation point in arrears by reference to the Net Asset Value of the Sub-fund on the immediately preceding Dealing Day. The registration fee is an amount equal to 0.03% of the net asset value of a Sub-fund subject to a minimum of £1,500 and a maximum of £100,000 per annum of a Sub-fund.

In addition, for any instruction to purchase or redeem Shares a transaction fee of up to £17.89 will be levied and payable by the relevant Sub-fund. The amount of any transaction fee will depend on the method of investment or redemption (for example electronic or postal) and will reflect the underlying costs of the chosen method. The fee will apply to new instructions and regular saver arrangements but will not apply to ongoing arrangements such as re-investment of income.

The level of charges for transaction fees levied by the ACD will be benchmarked to the Retail Prices Index ("RPI") and will be amended on 1 January annually to reflect any rise in the RPI for the previous calendar year. In the event the RPI has not increased in the previous calendar year, then the transaction fee will remain the same. Increases in the transaction fees will not be notified to shareholders.

7.2.3 Expenses

The ACD is also entitled to all reasonable, properly documented, out of pocket expenses incurred in the performance of its duties as set out above for all Sub-funds except LF Canlife Sterling Liquidity Fund.

VAT is payable on the charges or expenses mentioned above, where appropriate.

If a Class's expenses in any period exceed its income the ACD may take that excess from the capital property attributable to that Class.

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

7.3 Depositary's Fee and Expenses

The Depositary is entitled to receive out of the Scheme Property by way of remuneration a periodic charge, which will be calculated and accrue daily and be paid monthly as soon as practicable after the end of each month, and certain additional charges and expenses for all Sub-funds except LF Canlife Sterling Liquidity Fund. The rate of the Depositary's periodic charge in respect of each Sub-fund will be such rate or rates as agreed from time to time between the ACD and the Depositary in accordance with the COLL Sourcebook. The current rate of the Depositary's periodic charge in respect of each Sub-fund is:

Value of Sub-fund:	Fee
First £100 million	0.03%
Next £50 million	0.0175%
Balance	0.01%

of the value of the Scheme Property subject to a minimum fee of £5,000 per annum. In addition VAT on the amount of the periodic charge will be paid out of Scheme Property.

In the event of the termination of a Sub-fund, the Depositary shall continue to be entitled to a periodic charge in respect of that Sub-fund for the period up to and including the day on which the final distribution in the termination of the Sub-fund shall be made or, in the case of a termination following the passing of an extraordinary resolution approving a scheme of arrangement, up to and including the final day on which the Depositary is responsible for the safekeeping of the Scheme Property. Such periodic charge will be calculated, be subject to the same terms and accrue and be paid as described above, except that for the purpose of calculating the periodic charge in respect of any day falling after the day on which the termination of the Sub-fund commences, the value of the Scheme Property shall be its Net Asset Value determined at the beginning of each such day.

The Depositary Agreement between the Company and the Depositary provides that in addition to a periodic charge the Depositary may also be paid by way of remuneration custody fees where it acts as custodian and other transaction and bank charges. At present the Depositary acts as global custodian and delegates the function of custody of the Scheme Property to The Bank of New York Mellon SA/NV and The Bank of New York Mellon.

The remuneration for acting as custodian is calculated at such rate and/or amount as the ACD and the Depositary may agree from time to time.

The current remuneration ranges from between 0.00225% per annum to 0.675% per annum of the value of the Scheme Property, plus VAT (if any) calculated at an ad valorem rate determined by the territory or country in which the assets of the Sub-funds are held. The current range of transaction charges is between £4 and £67.50 per transaction plus VAT (if any). Charges for principal investment markets are:

	Transaction charge per trade	Custody charge % per annum
UK	£4	0.0025
United States	£4	0.00225
Germany	£9	0.008
Japan	£9	0.005

Custody and transaction charges will be payable monthly in arrears.

In addition to the remuneration referred to above, the Depositary is entitled to receive reimbursement for expenses properly incurred by it in discharge of its duties or exercising any powers conferred upon it in relation to the Company. Such expenses include, but are not restricted to:

(i) delivery of stock to the Depositary or custodian;

(ii) custody of assets;

(iii) collection of income and capital;

(iv) submission of tax returns;

(v) handling tax claims;

(vi) preparation of the Depositary's annual report;

(vii) arranging insurance;

(viii) calling Shareholder meetings and otherwise communicating with Shareholders;

(ix) dealing with distribution warrants;

(x) taking professional advice;

(xi) conducting legal proceedings;

(xii) such other duties as the Depositary is permitted or required by law to perform; and

(xiii) all charges and expenses incurred in relation to stock lending.

VAT (if any) in connection with any of the above is payable in addition.

Expenses not directly attributable to a particular Sub-fund will be allocated between Sub-funds. In each case such expenses and disbursements will also be payable if incurred by any person (including the ACD or an Associate or nominee of the Depositary or of the ACD) who has had the relevant duty delegated to it pursuant to the COLL Sourcebook by the Depositary.

7.4 Investment Manager's Fee

The Investment Manager's fees and expenses (plus VAT thereon) for providing investment management services will be paid by the ACD out of its remuneration under the ACD Agreement.

Further details of the ACD Agreement are summarised in paragraph 6.2.2 “Terms of Appointment” above.

7.5 Research Costs

It is not intended that the ACD receives any third party research in connection with the execution of orders on behalf of the Company or a Sub-fund. Any third party research received by the Investment Manager, in connection with the execution of orders or placing of orders with other entities for execution, for or on behalf of, the Company or a Sub-fund will be paid for by the Investment Manager.

7.6 Allocation of Fees and Expenses Between Sub-funds

All the above fees, duties and charges (other than those borne by the ACD) will be charged to the Sub-fund in respect of which they were incurred. This includes any charges and expenses incurred in relation to the Register of Shareholders, except that these will be allocated and charged to each class of Shares on a basis agreed between the ACD and the Depositary.

Where an expense is not considered to be attributable to any one Sub-fund, the expense will normally be allocated to all Sub-funds pro rata to the value of the Net Asset Value of the Sub-funds, although the ACD has discretion to allocate these fees and expenses in a manner which it considers fair to Shareholders generally.

For those Sub-funds which pay charges from income, where income is insufficient to pay charges the residual amount is taken from capital, this would result in capital erosion and constrain growth of the Sub-funds.

Investors should note that 100% of the annual management charge, ongoing operating costs, dealing and registration charges, and depositary and custody charges of the LF Canlife Corporate Bond Fund, LF Canlife Global Macro Bond Fund, LF Canlife Global Equity Income Fund, LF Canlife UK Equity Income Fund, LF Canlife UK Equity and Bond Income Fund and LF Canlife UK Government Bond Fund are applied to capital. For these Sub-funds this policy may increase the amount of income (which may be taxable) available for distribution to Shareholders, but this will erode capital and may constrain the capital growth of the Sub-funds.

8. Instrument of Incorporation

The Instrument of Incorporation is available for inspection at the ACD’s offices at 6th Floor, 65 Gresham Street, London EC2V 7NQ.

9. Shareholder Meetings and Voting Rights

9.1 Class, Company and Sub-fund Meetings

The Company has dispensed with the holding of annual general meetings.

The provisions below, unless the context otherwise requires, apply to Class meetings and meetings of Sub-funds as they apply to general meetings of the Company. References to Shares shall be to the shares of the Class or Sub-fund concerned and the shareholders and value and prices of such Shares.

9.2 Requisitions of Meetings

The ACD may requisition a general meeting at any time.

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

9.3 Notice and Quorum

Shareholders will receive at least 14 days' notice of a general meeting and are entitled to be counted in the quorum and vote at such meeting either in person or by proxy. The quorum for a meeting is two Shareholders, present in person or by proxy. The quorum for an adjourned meeting is one person entitled to be counted in a quorum. Notices of meetings and adjourned meetings will be sent to Shareholders at their registered addresses.

9.4 Voting Rights

At a general meeting, on a show of hands every Shareholder who (being an individual) is present in person or (being a corporation) is present by its representative properly authorised in that regard, has one vote.

On a poll vote, a Shareholder may vote either in person or by proxy. The voting rights attaching to each Share shall be such proportion of the voting rights attached to all the Shares in issue (in the Company or the Sub-fund or the Class as the case may be) as the price of the Shares bears to the aggregate price(s) of all the Shares in issue (of the Company or the Sub-fund or the Class as appropriate), at a reasonable date before the notice of meeting is sent out (such date to be decided by the ACD).

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

In the case of joint Shareholders, the vote of the most senior Shareholder who votes, whether in person or by proxy, must be accepted to the exclusion of the votes of the other joint Shareholders. For this purpose seniority must be determined by the order in which the names stand in the Register.

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

The ACD may not be counted in the quorum for a meeting and neither the ACD nor any Associate (as defined in the COLL Sourcebook) of the ACD is entitled to vote at any meeting of the Company except in respect of Shares which the ACD or Associate holds on behalf of or jointly with a person who, if the registered Shareholder, would be entitled to vote and from whom the ACD or Associate has received voting instructions.

Where all the Shares in a Sub-fund are registered to, or held by, the ACD or its Associates and they are therefore prohibited from voting and a resolution (including an extraordinary resolution) is required to conduct business at a meeting, it shall not be necessary to convene such a meeting and a resolution may, with the prior written agreement of the Depositary, instead be passed with the written consent of Shareholders representing 50% or more, or for an extraordinary resolution 75% or more, of the Shares in issue.

"Shareholders" in this context means Shareholders entered on the register at a time to be determined by the ACD and stated in the notice of the meeting which must not be more than 48 hours before the time fixed for the meeting.

9.5 Variation of Class or Sub-fund Rights

The rights attached to a Class or Sub-fund may not be varied without the sanction of an extraordinary resolution passed at a meeting of Shareholders of that Class or Sub-fund.

10. Taxation

10.1 General

The information below is a general guide based on current United Kingdom law and HM Revenue & Customs practice, which are subject to change. It summarises the tax position of the Sub-funds and of investors who are United Kingdom resident individuals and hold Shares as investments. The regime for taxation of income and capital gains received by individual investors depends on the tax law applicable to their personal circumstances and may be subject to change in the future. Prospective investors who are in any doubt about their tax position, or who may be subject to corporation tax in the united Kingdom or to a tax in a jurisdiction other than the United Kingdom, are recommended to take professional advice.

10.2 The Sub-funds

Each Sub-fund will be treated as a separate open-ended investment company for United Kingdom tax purposes.

The Sub-funds are generally exempt from United Kingdom tax on capital gains realised on the disposal of their investments (including interest-paying securities and derivatives) held within them. However, any gains realised on disposing of holdings in non-reporting offshore funds are charged to tax as income and not capital.

Any dividend received by the Sub-funds (whether directly or through another United Kingdom authorised investment fund) will generally be exempt from corporation tax. Each Sub-fund will be subject to corporation tax on most other types of income but after deducting allowable management expenses and if relevant the interest distributions. Where the Sub-funds suffer foreign withholding tax on exempt income, this will be an irrecoverable tax expense.

The Sub-funds will make dividend distributions except where more than 60% of a Sub-fund's property has been invested throughout the distribution period in interest-paying investments, in which case it may make interest distributions.

10.3 Shareholders

10.3.1 Income

The Sub-funds will pay dividend distributions (which will be automatically retained in the Sub-fund in the case of accumulation Shares). No tax credit is attached to the dividend distribution.

Individuals liable to income tax at basic, higher and additional rate may have a further liability to tax depending on the availability of other allowances and reliefs including the annual Dividend Allowance.

10.3.2 Interest

Where the Sub-fund pays an interest distribution (which will be automatically retained in the Sub-fund in the case of accumulation Shares) this is paid without the deduction of income tax. Individuals liable to income tax at basic, higher or additional rate may have a further liability to tax depending on the availability of other allowances and reliefs including the annual Personal Savings Allowance.

10.3.3 Income Equalisation

The first income allocation received by an investor after buying Shares may include an amount of income equalisation, which will be shown on the issued tax voucher. This is effectively a repayment of the income equalisation paid by the investor as part of the purchase price. It is a return of capital, and is not taxable. Rather it should be deducted from the acquisition cost of the Shares for capital gains tax purposes.

10.3.4 Tax Vouchers

A tax voucher will be issued in line with the income distribution dates set out in Appendix I. This voucher should be retained for tax purposes as evidence for HM Revenue & Customs.

The ACD reserves the right to charge an administration fee of £10 if a duplicate copy is required. To obtain a duplicate copy you will need to submit your request in writing, along with payment, to Link Fund Solutions Limited, Distributions Team, at the address of the Registrar.

10.3.5 Capital Gains

Shareholders may be liable to capital gains tax on gains arising from the redemption, transfer or other disposal of Shares. The rate of tax, and available reliefs, will be as applicable from time to time.

An exchange of Shares in one Sub-fund of the Company for Shares in another Sub-fund will generally be treated as a disposal for this purpose, but exchanges of Shares between classes within a Sub-fund are generally not.

10.3.6 The International Tax Compliance Regulations

The Company is required to comply with The International Tax Compliance Regulations. The regulations transpose into UK law rules and obligations derived from European Union law and inter-governmental agreements entered into by the UK which are aimed at increasing transparency and reducing tax evasion.

To be compliant with these regulations the Company must collect information about each investor's tax residence and in certain circumstances provide information about investors' Shareholdings to HM Revenue & Customs (HMRC). HMRC may in turn share this information with overseas tax authorities.

Therefore, where an investor fails to provide the information required by the Company to comply with its obligations to HMRC this may result in the ACD taking appropriate action against the Shareholder, including invoking the compulsory transfer and redemption provisions set out in paragraph 3.7.

The ACD intends to procure compliance with the regulations but cannot give an assurance that this will be achieved.

The underlying laws and agreements are a complex area of tax law and investors should consult their professional advisers on the implications these rules may have for them.

10.4 LF Canlife Global High Yield Bond Fund

Please see Appendix I, Part II, section 1.11 for specific tax information about the LF Canlife Global High Yield Bond Fund.

10.5 LF Canlife Total Return Fund

Please see Appendix I, Part II, section 2.11 for specific tax information about the LF Canlife Total Return Fund.

11. Winding Up of the Company or a Sub-Fund

The Company or a Sub-fund will not be wound up except as an unregistered company under Part V of the Insolvency Act 1986 or under the COLL Sourcebook. A Sub-fund may otherwise only be wound up under the COLL Sourcebook.

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

The Company shall be wound up or a Sub-fund must be terminated under the COLL Sourcebook:

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

11.2 when the period (if any) fixed for the duration of the Company or a particular Sub-fund by the Instrument of Incorporation expires, or any event arises on the occurrence of which the Instrument of Incorporation provides that the Company or a particular Sub-fund is to be wound up (for example, if the Share capital of the Company or (in relation to any Sub-fund) the Net Asset Value of the Sub-fund is below £5 million, or if a change in the laws or regulations of any country means that, in the ACD's opinion, it is desirable to terminate the Sub-fund); or

11.3 on the date stated in any agreement by the FCA to a request by the ACD for the revocation of the authorisation order in respect of the Company or for the termination of the relevant Sub-fund.

On the occurrence of any of the above:

11.4 COLL 6.2 (Dealing), COLL 6.3 (Valuation and Pricing) and COLL 5 (Investment and borrowing powers) will cease to apply to the Company or the relevant Sub-fund;

11.5 the Company will cease to issue and cancel Shares in the Company or the relevant Sub-fund and the ACD shall cease to sell or redeem Shares or arrange for the Company to issue or cancel them for the Company or the relevant Sub-fund;

11.6 no transfer of a Share shall be registered and no other change to the Register shall be made without the sanction of the ACD;

11.7 where the Company is being wound up or a Sub-fund terminated, the Company or the Sub-fund shall cease to carry on its business except in so far as it is beneficial for the winding up of the Company or the termination of the Sub-fund; and

11.8 the corporate status and powers of the Company and subject to 11.4 to 11.7 above, the powers of the Depositary shall continue until the Company is dissolved.

The ACD shall, as soon as practicable after the Company or the Sub-fund falls to be wound up, realise the assets and meet the liabilities of the Company or the Sub-fund and, after paying out or retaining adequate provision for all liabilities properly payable and retaining provision for the costs of the winding up or the termination, arrange for the Depositary to make one or more interim distributions out of the proceeds to Shareholders proportionately to their rights to participate in the Scheme Property. If the ACD has not previously notified Shareholders of the proposal to wind up the Company or terminate the Sub-fund, the ACD shall, as soon as practicable after the commencement of winding up of the Company or the termination of the Sub-fund, give written notice of the commencement to Shareholders. When the ACD has caused all of the Scheme Property to be realised and all of the liabilities of the Company or the particular Sub-fund to be realised, the ACD shall arrange for the Depositary to make a final distribution to Shareholders on or prior to the date on which the final account is sent to Shareholders of any balance remaining in proportion to their holdings in the Company or the particular Sub-fund.

As soon as reasonably practicable after completion of the winding up of the Company or the particular Sub-fund, the Depositary shall notify the FCA that the winding up or termination has been completed.

On completion of a winding up of the Company or the termination of a Sub-fund, the Company will be dissolved or the Sub-fund terminated and any money (including unclaimed distributions) still standing to the account of the Company or the Sub-fund, will be paid into court by the ACD within one month of the dissolution or the termination.

Following the completion of a winding up of either the Company or a Sub-fund, the ACD must prepare a final account showing how the winding up took place and how the Scheme Property was distributed. The auditors of the Company shall make a report in respect of the final account stating their opinion as to whether the final account has been properly prepared. This final account and the auditors' report must be sent to the FCA and to each Shareholder (or the first named of joint Shareholders) within four months of the completion of the winding up or termination.

12. General Information

12.1 Accounting Periods

The annual accounting period of the Company ends each year on 15 August (the accounting reference date) with the interim accounting period ending on 15 February (the first annual accounting period of the Company ended on 15 August 2013).

The ACD may even out the payments of income within an accounting period by carrying forward income otherwise distributable with a view to augmenting amounts to be paid out at a later date. Details of the Sub-funds for which this policy is currently considered are set out in Appendix I.

12.2 Notice to Shareholders

All notices or other documents sent by the ACD to a Shareholder will be sent by normal post to the last address notified in writing to the Company by the Shareholder.

12.3 Income Allocations

Some Sub-funds may have interim and final income allocations and other Sub-funds may have quarterly income allocations and some Sub-funds may only have final income allocation dates (see Appendix I). For each of the Sub-funds income is allocated in respect of the income available at each accounting date.

In relation to income Shares, distributions of income for each Sub-fund in which income Shares are issued are paid by cheque or electronic transfer directly into a Shareholder's bank account on or before the relevant income allocation date in each year as set out in Appendix I.

For Sub-funds in which accumulation Shares are issued, income will become part of the capital property of the Sub-fund and will be reflected in the price of each such accumulation Share as at the end of the relevant accounting period.

If a distribution made in relation to any income Shares remains unclaimed for a period of six years after it has become due, it will be forfeited and will revert to the relevant Sub-fund (or, if that no longer exists, to the Company).

The amount available for distribution in any accounting period is calculated by taking the aggregate of the income received or receivable for the account of the relevant Sub-fund in respect of that period, and deducting the charges and expenses of the relevant Sub-fund paid or payable out of income in respect of that accounting period. The ACD then makes such other adjustments as it considers appropriate (and after consulting the Company's auditors as appropriate) in relation to taxation, income equalisation, income unlikely to be received within 12 months following the relevant income allocation date, income which should not be accounted for on an accrual basis because of lack of information as to how it accrues, transfers between the income and capital account and other matters.

12.4 Annual Reports

Annual reports of the Company will be published within four months of the end of each annual accounting period and half-yearly reports will be published within two months of the end of each half-yearly interim accounting period.

Copies of the most recent annual and half-yearly reports of the Company can be obtained free of charge from the ACD or are available on www.linkfundsolutions.co.uk.

12.5 Documents of the Company

The following documents may be inspected free of charge during normal business hours on any Business Day at the offices of the ACD at 6th Floor, 65 Gresham Street, London EC2V 7NQ:

12.5.1 the Prospectus;

12.5.2 the most recent annual and half yearly reports of the Company;

12.5.3 the Instrument of Incorporation (and any amending documents); and

12.5.4 the material contracts referred to below.

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

12.6 Material Contracts

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Company and are, or may be, material:

12.6.1 the ACD Agreement between the Company and the ACD; and

12.6.2 the Depositary Agreement between the Company, the Depositary and the ACD.

Details of the above contracts are given under section 6 “Management and Administration”.

12.7 Provision of Investment Advice

All information concerning the Company and about investing in Shares is available from the ACD at 6th Floor, 65 Gresham Street, London EC2V 7NQ. The ACD is not authorised to give investment advice and persons requiring such advice should consult a professional adviser. All applications for Shares are made solely on the basis of the current prospectus of the Company, and investors should ensure that they have the most up to date version.

12.8 Telephone Recordings

Please note that the ACD and the Investment Manager will take all reasonable steps to record telephone conversations, and keep a copy of electronic communications, that relate to instructions to deal in the Company or the management of the assets of the Company. The ACD may also record calls for security, training and monitoring purposes, to confirm Shareholders’ instructions and for any other regulatory reason. Recordings will be retained for a period of at least five years from the date of such recording or, where requested by a competent authority, for a period of seven years.

12.9 Complaints

Complaints may be brought in writing to Link Fund Solutions Limited, Arlington Business Centre, Millshaw Park Lane, Leeds LS11 0PA, or by email to investorservices@linkgroup.co.uk or by telephone to 0345 922 0044.

In the event that an unsatisfactory response is provided, you can refer your complaint to the Financial Ombudsman Service at:

The Financial Ombudsman Service
Exchange Tower
Harbour Exchange Square
London
E14 9SR

Please note that a copy of the ACD’s guide to making a complaint is available upon request.

12.10 Indemnity

The Instrument of Incorporation contains provisions indemnifying the Directors, other officers and the Company’s auditors or the Depositary against liability in certain circumstances otherwise than in respect of their negligence, default, breach of duty or breach of trust, and indemnifying the Depositary against liability in certain circumstances otherwise than in respect of its failure to exercise due care and diligence in the discharge of its functions in respect of the Company.

12.11 Genuine Diversity of Ownership

Shares in the Sub-funds are and will continue to be widely available. The intended categories of investors are retail investors (who should seek independent financial advice before investing in a Sub-fund) and institutional investors. Different Share Classes of a Sub-fund may be issued to different types of investors.

Shares in the Sub-funds are and will continue to be marketed and made available sufficiently widely to reach the intended categories of investors for each Share Class, and in a manner appropriate to attract those categories of investors.

12.12 Strategy for the Exercise of Voting Rights

The ACD has a strategy for determining when and how voting rights attached to ownership of the Scheme Property are to be exercised for the benefit of each Sub-fund. A summary of this strategy is available from the ACD on request or on the ACD's website at www.linkfundsolutions.co.uk. Voting records and further details of the actions taken on the basis of this strategy in relation to each Sub-fund are available free of charge from the ACD on request.

12.13 Best Execution

The ACD expects the Investment Manager to act in the best interest of each Sub-fund when executing decisions to deal on behalf of the relevant Sub-fund. The ACD's order execution policy sets out the factors, such as price and costs, which the ACD will consider, and which the ACD expects the Investment Manager to consider, as applicable when effecting transactions and placing orders in relation to each Sub-fund. This policy has been developed in accordance with the ACD's obligations under the Regulations to ensure that when decisions to deal on behalf of the relevant Sub-fund are executed all reasonable steps are taken to obtain the best possible result for each Sub-fund.

Details of the order execution policy are available on the ACD's website at www.linkfundsolutions.co.uk.

12.14 Inducements

12.14.1 The ACD will not accept or retain any monetary or non-monetary benefits other than minor non-monetary benefits as may be permitted under the FCA Handbook.

12.14.2 Where Shares in the Company are sold to investors who employ the services of a professional adviser the ACD may make commission payments to those professional advisers as follows:

12.14.2.1 initial sales commission for each Sub-fund, paid out of the initial charge; and/or

12.14.2.2 ongoing commission payments based on the value of the Investor's holding.

12.15 Additional KYC Procedures in accordance with the Money Market Funds Regulation

In relation to the LF Canlife Sterling Liquidity Fund, as a Regulated Money Market Fund, the ACD has, in accordance with the Money Market Funds Regulation, established procedures to exercise all due diligence with a view to anticipating the effect of concurrent redemptions by several Shareholders. These take into account at least the type of Shareholder, the number of Shares of the Sub-fund held by a single Shareholder and the evolution of inflows and outflows.

If the value of the shares held by a single Shareholder exceeds the amount of the corresponding daily liquidity requirement of the Sub-fund, the ACD shall consider, in addition to the factors set out above, all of the following:

(a) identifiable patterns in Shareholder cash needs, including the cyclical evolution of the number of Shares in the Sub-fund;

(b) the risk aversion of the different Shareholders;

(c) the degree of correlation or close links between different Shareholders in the Sub-fund.

Where Shareholders route their investments via an intermediary, the ACD shall request information from the intermediary in order to manage appropriately the liquidity and shareholder concentration of the Sub-fund.

The ACD shall ensure that the value of the Shares held by a single Shareholder does not materially impact the liquidity profile of the Sub-fund where it accounts for a substantial part of the total NAV of the Sub-fund.

12.16 Stress Testing Policy in accordance with the Money Market Funds Regulation

In relation to the LF Canlife Sterling Liquidity Fund, as a Regulated Money Market Fund, the ACD has in place sound stress testing processes that identify possible events or future changes in economic conditions which could have unfavourable effects on the Sub-fund. The ACD shall assess the possible impact that those events or changes could have on the Sub-fund and regularly conduct stress testing for different possible scenarios in accordance with the Money Market Funds Regulation.

Appendix I

Sub-fund Details

Name:	LF Canlife Asia Pacific Fund
Product Reference Number:	646374
Type of Sub-fund:	UCITS scheme
Investment Objective and Policy:	The investment objective of the LF Canlife Asia Pacific Fund is to provide Shareholders with capital growth mainly from investment in shares quoted on markets in the Asia-Pacific region, excluding Japan. The Sub-fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions for the purposes of Efficient Portfolio Management.
Final Accounting Date:	15 August
Interim Accounting Date:	15 February
Income XD Dates:	16 August, 16 February
Income Distribution Dates:	Annual: 15 October, Interim: 15 April
Share Classes and Type of Shares:	Class A Accumulation Class B Income* Class B Accumulation Class B Income (EUR)* Class B Accumulation (EUR) Class C Income* Class C Accumulation Class C Income (EUR)* Class C Accumulation (EUR) Class G Accumulation Class S Accumulation*

Class:	Class A	Class B	Class C	Class G	Class S
Initial Charge:		4.75%		0%	4.75%
Redemption Charge:			Nil		
Switching Charge:			Nil		
Annual Management Charge:	1.5%	1.0%	0.75%	0.375%	0.60%

Investment Minima:**	Class A	Class B	Class B (EUR)	Class C	Class C (EUR)	Class G	Class S
Lump Sum:	£1,000,000	£500	€500	£100,000	€100,000	£50,000,000	£10,000,000
Holding:	£1,000,000	£500	€500	£25,000	€25,000	£5,000,000	£1,000,000
Top-Up:	£100		€100	£100	€100	£100	
Regular Savings Plan:	Not currently available	£35 per month	Not currently available				
Redemption:	N/A (providing minimum holding is maintained)						

Allocation of Charges:	Income	Capital
AMC:	100%	No
Ongoing Operating Costs:	100%	No
Dealing and Registration:	100%	No
Depositary:	100%	No
Custody:	100%	No
Portfolio Transactions (Broker's Commission):	No	100%
Past Performance:	Past performance information is set out in Appendix V.	
Valuation Point:	12.00 noon (London time)	

* Class not currently available.

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

Sub-fund Details

Name:	LF Canlife Balanced Fund
Product Reference Number:	646390
Type of Sub-fund:	UCITS scheme
Investment Objective and Policy:	The LF Canlife Balanced Fund aims to provide capital growth from a balanced portfolio of collective investment schemes, covering markets throughout the world. Investment will be across a range of collective investment schemes, with exposure to UK and international markets, the weighting in each sector being dependant on the Investment Manager's view of the market. Investment may include collective investment schemes of other authorised fund managers.
Final Accounting Date:	15 August
Interim Accounting Date:	15 February
Income XD Dates:	16 August, 16 February
Income Distribution Dates:	Annual: 15 October, Interim: 15 April
Share Classes and Type of Shares:	Class A Accumulation Class B Accumulation Class C Accumulation Class G Accumulation

Class:	Class A	Class B	Class C	Class G
Initial Charge:	4.75%			0%
Redemption Charge:	Nil			
Switching Charge:	Nil			
Annual Management Charge:	1.5%	1.0%	0.75%	0.375%

Investment Minima:*	Class A	Class B	Class C	Class G
Lump Sum:	£1,000,000	£500	£100,000	£50,000,000
Holding:	£1,000,000	£500	£25,000	£5,000,000
Top-Up:	£100			
Regular Savings Plan:	Not currently available	£35 a month	Not currently available	
Redemption:	N/A (providing minimum holding is maintained)			

Allocation of Charges:	Income	Capital
AMC:	100%	No
Ongoing Operating Costs:	100%	No
Dealing and Registration:	100%	No
Depositary:	100%	No
Custody:	100%	No
Portfolio Transactions (Broker's Commission):	No	100%
Past Performance:	Past performance information is set out in Appendix V. The Sub-fund has only recently launched and no performance figures are currently available.	
Valuation Point:	12.00 noon (London time)	

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

Sub-fund Details

Name:	LF Canlife Corporate Bond Fund
Product Reference Number:	646375
Type of Sub-fund:	UCITS scheme
Investment Objective and Policy:	The investment objective of the LF Canlife Corporate Bond Fund is to maximize returns and to provide Shareholders with an income mainly from investment in sterling-denominated fixed income securities. The Sub-fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions for the purposes of Efficient Portfolio Management.
Final Accounting Date:	15 August
Interim Accounting Date:	15 February
Income XD Dates:	16 August, 16 February
Income Distribution Dates:	Annual: 15 October, Interim: 15 April
Share Classes and Type of Shares:	Class B Income Class B Accumulation Class B Accumulation (EUR)* Class C Income Class C Accumulation Class C Accumulation (EUR)* Class G Accumulation Class I Income* Class I Accumulation*

Class:	Class B	Class C	Class G	Class I
Initial Charge:	4.75%		0%	4.75%
Redemption Charge:	Nil			
Switching Charge:	Nil			
Annual Management Charge:	0.75%	0.50%	0.375%	0.30%

Investment Minima:**	Class B	Class B (EUR)	Class C	Class C (EUR)	Class G	Class I
Lump Sum:	£500	€500	£100,000	€100,000	£50,000,000	£1,000,000
Holding:	£500	€500	£25,000	€25,000	£5,000,000	£1,000,000
Top-Up:	£100	€500	£100	€100	£100	
Regular Savings Plan:	£35 per month	Not currently available				
Redemption:	N/A (providing minimum holding is maintained)					

Allocation of Charges:	Income	Capital
AMC:	No	100%
Ongoing Operating Costs:	No	100%
Dealing and Registration:	No	100%
Depositary:	No	100%
Custody:	No	100%
Portfolio Transactions (Broker's Commission):	No	100%
Past Performance:	Past performance information is set out in Appendix V.	
Valuation Point:	12.00 noon (London time)	

* Class not currently available.

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

Sub-fund Details

Name:	LF Canlife European Fund
Product Reference Number:	646387
Type of Sub-fund:	UCITS scheme
Investment Objective and Policy:	The LF Canlife European Fund aims to provide capital growth primarily from investment in shares quoted on European markets (usually this will exclude the United Kingdom). The Sub-fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions for the purposes of Efficient Portfolio Management.
Final Accounting Date:	15 August
Interim Accounting Date:	15 February
Income XD Dates:	16 August, 16 February
Income Distribution Dates:	Annual: 15 October, Interim: 15 April
Share Classes and Type of Shares:	Class A Accumulation Class B Accumulation Class C Accumulation Class G Accumulation

Class:	Class A	Class B	Class C	Class G
Initial Charge:	4.75%			0%
Redemption Charge:	Nil			
Switching Charge:	Nil			
Annual Management Charge:	1.5%	1.0%	0.75%	0.375%

Investment Minima:*	Class A	Class B	Class C	Class G
Lump Sum:	£1,000,000	£500	£100,000	£50,000,000
Holding:	£1,000,000	£500	£25,000	£5,000,000
Top-Up:	£100			
Regular Savings Plan:	Not currently available	£35 a month	Not currently available	
Redemption:	N/A (providing minimum holding is maintained)			

Allocation of Charges:	Income	Capital
AMC:	100%	No
Ongoing Operating Costs:	100%	No
Dealing and Registration:	100%	No
Depositary:	100%	No
Custody:	100%	No
Portfolio Transactions (Broker's Commission):	No	100%
Past Performance:	Past performance information is set out in Appendix V.	
Valuation Point:	12.00 noon (London time)	

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

Sub-fund Details

Name:	LF Canlife Global Macro Bond Fund
Product Reference Number:	646376
Type of Sub-fund:	UCITS scheme
Investment Objective:	The LF Canlife Global Macro Bond Fund aims to provide income with the potential for some long-term (at least 5 years) capital growth through investment in global fixed income securities (bonds).
Investment Policy:	The Sub-fund will principally invest in government and corporate bonds which are rated as investment grade (at the time of purchase). Bonds are rated to indicate the probability that the issuer will repay the loan. Investment grade bonds are considered to have a lower risk of the issuer not repaying the loan. The Sub-fund may also invest in collective investment schemes (which may include other funds managed by the ACD, funds to which the Investment Manager provides investment management services and associates of the ACD and Investment Manager), cash, money market instruments, other transferable securities and derivatives and forward transactions for the purposes of Efficient Portfolio Management.
Investment Strategy:	The Investment Manager's investment process is based on macroeconomic analysis. Macroeconomics studies the behaviour of an economy. The Investment Manager looks at various factors including, but not limited to, economic growth, currencies, interest rates and inflation on a global, regional and country level to establish a macro view of each country in which the fund invests. This macro view will determine the weightings of the Sub-fund's investments (country, currency, sector and duration). Duration measures how much bond prices are likely to change when interest rates change – measured in years, the longer the duration the greater the impact of a change in interest rates. The Investment Manager then uses a bottom up approach (which focuses on identifying individual investments) to select appropriate securities that reflect their macroeconomic view.
Final Accounting Date:	15 August
Interim Accounting Date:	15 February
Income XD Dates:	16 August, 16 February
Income Distribution Dates:	Annual: 15 October, Interim: 15 April
Share Classes and Type of Shares:	Class B Income Class B Accumulation Class B Accumulation (EUR) Class C Income Class C Accumulation Class C Accumulation (EUR)* Class G Accumulation

Class:	Class B	Class C	Class G
Initial Charge:	4.75%		0%
Redemption Charge:	Nil		
Switching Charge:	Nil		
Annual Management Charge:	1.0%	0.75%	0.375%

Investment Minima:**	Class B	Class B (EUR)	Class C	Class C (EUR)	Class G
Lump Sum:	£500	€500	£100,000	€100,000	£50,000,000
Holding:	£500	€500	£25,000	€25,000	£5,000,000
Top-Up:	£100	€100	£100	€100	£100
Regular Savings Plan:	£35 per month	Not currently available			
Redemption:	N/A (providing minimum holding is maintained)				

Allocation of Charges:	Income	Capital
AMC:	No	100%
Ongoing Operating Costs:	No	100%
Dealing and Registration:	No	100%
Depositary:	No	100%
Custody:	No	100%
Portfolio Transactions (Broker's Commission):	No	100%
Past Performance:	Past performance information is set out in Appendix V.	
Valuation Point:	12.00 noon (London time)	

* Class not currently available.

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

Sub-fund Details

Name:	LF Canlife Global Equity Fund
Product Reference Number:	646381
Type of Sub-fund:	UCITS scheme
Investment Objective and Policy:	The investment objective of the LF Canlife Global Equity Fund is to provide Shareholders with capital growth mainly from investment in shares globally. The Sub-fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions for the purposes of Efficient Portfolio Management.
Final Accounting Date:	15 August
Interim Accounting Date:	15 February
Income XD Dates:	16 August,16 February
Income Distribution Dates:	Annual: 15 October, Interim: 15 April
Share Classes and Type of Shares:	Class A Accumulation Class B Income* Class B Accumulation Class B Accumulation (EUR)* Class C Income* Class C Accumulation Class C Accumulation (EUR)* Class G Accumulation

Class:	Class A	Class B	Class C	Class G
Initial Charge:	4.75%			0%
Redemption Charge:	Nil			
Switching Charge:	Nil			
Annual Management Charge:	1.5%	1.0%	0.75%	0.375%

Investment Minima:**	Class A	Class B	Class B (EUR)	Class C	Class C (EUR)	Class G
Lump Sum:	£1,000,000	£500	€500	£100,000	€100,000	£50,000,000
Holding:	£1,000,000	£500	€500	£25,000	€25,000	£5,000,000
Top-Up:	£100		€100	£100	€100	£100
Regular Savings Plan:	Not currently available	£35 per month	Not currently available			
Redemption:	N/A (providing minimum holding is maintained)					

Allocation of Charges:	Income	Capital
AMC:	100%	No
Ongoing Operating Costs:	100%	No
Dealing and Registration:	100%	No
Depositary:	100%	No
Custody:	100%	No
Portfolio Transactions (Broker's Commission):	No	100%
Past Performance:	Past performance information is set out in Appendix V.	
Valuation Point:	12.00 noon (London time)	

* Class not currently available.

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

Sub-fund Details

Name:	LF Canlife Global Equity Income Fund
Product Reference Number:	646377
Sub-investment Manager:	Setanta Asset Management Limited
Type of Sub-fund:	UCITS scheme
Investment Objective and Policy:	The LF Canlife Global Equity Income Fund aims to provide income with the potential for some long-term capital growth principally through investment in global shares. The Sub-fund principally invests in shares on a global basis across a wide range of geographies, sectors and market capitalisations which the Investment Manager believes offer attractive dividend yields. The Sub-fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions for the purposes of Efficient Portfolio Management.
Final Accounting Date:	15 August
Interim Accounting Date:	15 February
Income XD Dates:	16 August, 16 February
Income Distribution Dates:	Annual: 15 October Interim: 15 April
Share Classes and Type of Shares:	Class B Income Class B Accumulation Class B Accumulation (EUR)* Class C Income Class C Accumulation Class C Accumulation (EUR)* Class G Accumulation

Class:	Class B	Class C	Class G
Initial Charge:	4.75%		0%
Redemption Charge:	Nil		
Switching Charge:	Nil		
Annual Management Charge:	1.0%	0.75%	0.375%

Investment Minima:**	Class B	Class B (EUR)	Class C	Class C (EUR)	Class G
Lump Sum:	£500	€500	£100,000	€100,000	£50,000,000
Holding:	£500	€500	£25,000	€25,000	£5,000,000
Top-Up:	£100	€100	£100	€100	£100
Regular Savings Plan:	£35 per month	Not currently available			
Redemption:	N/A (providing minimum holding is maintained)				

Allocation of Charges:	Income	Capital
AMC:	No	100%
Ongoing Operating Costs:	No	100%
Dealing and Registration:	No	100%
Depositary:	No	100%
Custody:	No	100%
Portfolio Transactions (Broker's Commission):	No	100%
Past Performance:	Past performance information is set out in Appendix V.	
Valuation Point:	12.00 noon (London time)	

* Class not currently available.

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

Sub-fund Details

Name:	LF Canlife Global High Yield Bond Fund
Product Reference Number:	646385
Type of Sub-fund:	Feeder UCITS scheme
Investment Objective and Policy:	The LF Canlife Global High Yield Bond Fund seeks to achieve a high current income and, as a secondary objective, capital growth (when consistent with the objective of high current income), by permanently investing not less than 85% of its assets in units of the Putnam Global High Yield Bond Fund. While it is envisaged that the Sub-fund will normally be fully invested in the Putnam Global High Yield Bond Fund, the Sub-fund may also hold up to 15% of its assets in cash or near cash. Please see section 1, part II of Appendix I for more information in relation to the Putnam Global High Yield Bond Fund.
Risk Profile:	Please see section 5 for the risk factors which apply to an investment in this Sub-fund. The risks in relation to the Putnam Global High Yield Bond Fund set out at paragraph 1.6 of Part II of Appendix I should also be noted.
Final Accounting Date:	15 August
Interim Accounting Date:	15 February
Income XD Dates:	16 August, 16 February
Income Distribution Dates:	Annual: 15 October, Interim: 15 April
Share Classes and Type of Shares:	Class A Accumulation Class B Accumulation Class B Income Class C Accumulation Class C Income Class G Accumulation Class S Accumulation

Class:	Class A	Class B	Class C	Class G	Class S
Initial Charge:		4.75%		0%	4.75%
Redemption Charge:			Nil		
Switching Charge:			Nil		
Annual Management Charge:	1.2%	0.7%	0.45%	0.2%	0.35%
Aggregate Annual Management Charge:*	1.5%	1.0%	0.75%	0.5%	0.65%
Aggregate Ongoing Charges Figure:**	2.34%	1.84%	1.59%	1.34%	1.21%

Investment Minima:***	Class A	Class B	Class C	Class G	Class S
Lump Sum:	£1,000,000	£500	£100,000	£50,000,000	£10,000,000
Holding:	£1,000,000	£500	£25,000	£5,000,000	£1,000,000
Top-Up:	£100				
Regular Savings Plan:	Not currently available	£35 per month	Not currently available		
Redemption:	N/A (providing minimum holding is maintained)				

Allocation of Charges:	Income	Capital
AMC:	100%	No
Ongoing Operating Costs:	100%	No
Dealing and Registration:	100%	No
Depositary:	100%	No
Custody:	100%	No
Portfolio Transactions (Broker's Commission):	No	100%
Past Performance:	Past performance information is set out in Appendix V. The Sub-fund has only recently launched and no performance figures are currently available.	
Valuation Point:	12 noon (London time)	

* The aggregate annual management charge figure is based on the combination of the annual management charge for the relevant Class in LF Canlife Global High Yield Bond Fund and the applicable annual management charge for class S units in the Putnam Global High Yield Bond Fund in which LF Canlife Global High Yield Bond Fund invests.

** The aggregate ongoing charges figure is based on the combination of the ongoing charges figure for the relevant Class in LF Canlife Global High Yield Bond Fund and the applicable ongoing charges figure for class S units in the Putnam Global High Yield Bond Fund in which LF Canlife Global High Yield Bond Fund invests. The ongoing charges figure measures all charges deducted from a fund in the preceding year as a percentage of the net asset value of the fund (excluding portfolio transaction costs).

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

Sub-fund Details

Name:	LF Canlife Global Infrastructure Fund
Product Reference Number:	646383
Type of Sub-fund:	UCITS scheme
Sub-investment Manager:	GLC Asset Management Group Ltd.
Investment Objective and Policy:	The LF Canlife Global Infrastructure Fund aims to achieve long-term capital growth primarily through investment in shares of infrastructure companies around the globe. The Sub-fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions for the purposes of Efficient Portfolio Management.
Final Accounting Date:	15 August
Interim Accounting Date:	15 February
Income XD Dates:	16 August, 16 February
Income Distribution Dates:	Annual: 15 October, Interim: 15 April
Share Classes and Type of Shares:	Class A Accumulation Class B Accumulation Class C Accumulation Class G Accumulation

Class:	Class A	Class B	Class C	Class G
Initial Charge:	4.75%			0%
Redemption Charge:	Nil			
Switching Charge:	Nil			
Annual Management Charge:	1.5%	1.0%	0.75%	0.5%

Investment Minima:*	Class A	Class B	Class C	Class G
Lump Sum:	£1,000,000	£500	£100,000	£50,000,000
Holding:	£1,000,000	£500	£25,000	£5,000,000
Top-Up:	£100			
Regular Savings Plan:	Not currently available	£35 per month	Not currently available	
Redemption:	N/A (providing minimum holding is maintained)			

Allocation of Charges:	Income	Capital
AMC:	100%	No
Ongoing Operating Costs:	100%	No
Dealing and Registration:	100%	No
Depositary:	100%	No
Custody:	100%	No
Portfolio Transactions (Broker's Commission):	No	100%
Past Performance:	Past performance information is set out in Appendix V.	
Valuation Point:	12.00 noon (London time)	

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

Sub-fund Details

Name:	LF Canlife Global Resource Fund
Product Reference Number:	646382
Type of Sub-fund:	UCITS scheme
Sub-investment Manager:	Mackenzie Financial Corporation
Investment Objective and Policy:	The LF Canlife Global Resource Fund aims to provide capital growth primarily through investing in shares of companies around the globe exposed to the resources sectors, which may include energy. The Sub-fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions for investment purposes and for the purposes of Efficient Portfolio Management.
Final Accounting Date:	15 August
Interim Accounting Date:	15 February
Income XD Dates:	16 August, 16 February
Income Distribution Dates:	Annual: 15 October, Interim: 15 April
Share Classes and Type of Shares:	Class A Accumulation Class B Accumulation Class C Accumulation Class G Accumulation

Class:	Class A	Class B	Class C	Class G
Initial Charge:	4.75%			0%
Redemption Charge:	Nil			
Switching Charge:	Nil			
Annual Management Charge:	1.5%	1.0%	0.75%	0.5%

Investment Minima:*	Class A	Class B	Class C	Class G
Lump Sum:	£1,000,000	£500	£100,000	£50,000,000
Holding:	£1,000,000	£500	£25,000	£5,000,000
Top-Up:	£100			
Regular Savings Plan:	Not currently available	£35 per month	Not currently available	
Redemption:	N/A (providing minimum holding is maintained)			

Allocation of Charges:	Income	Capital
AMC:	100%	No
Ongoing Operating Costs:	100%	No
Dealing and Registration:	100%	No
Depositary:	100%	No
Custody:	100%	No
Portfolio Transactions (Broker's Commission):	No	100%
Past Performance:	Past performance information is set out in Appendix V.	
Valuation Point:	12.00 noon (London time)	

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

Sub-fund Details

Name:	LF Canlife Japan Fund
Product Reference Number:	646389
Type of Sub-fund:	UCITS scheme
Investment Objective and Policy:	The LF Canlife Japan Fund aims to provide capital growth primarily from investment in shares quoted on Japanese markets. The Sub-fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions for the purposes of Efficient Portfolio Management.
Final Accounting Date:	15 August
Interim Accounting Date:	15 February
Income XD Dates:	16 August, 16 February
Income Distribution Dates:	Annual: 15 October, Interim: 15 April
Share Classes and Type of Shares:	Class A Accumulation Class B Accumulation Class C Accumulation Class G Accumulation

<table>
<tr><td>Class:</td><td>Class A</td><td>Class B</td><td>Class C</td><td>Class G</td></tr>
<tr><td>Initial Charge:</td><td colspan="3">4.75%</td><td>0%</td></tr>
<tr><td>Redemption Charge:</td><td colspan="4">Nil</td></tr>
<tr><td>Switching Charge:</td><td colspan="4">Nil</td></tr>
<tr><td>Annual Management Charge:</td><td>1.5%</td><td>1.0%</td><td>0.75%</td><td>0.375%</td></tr>
</table>

<table>
<tr><td>Investment Minima:*</td><td>Class A</td><td>Class B</td><td>Class C</td><td>Class G</td></tr>
<tr><td>Lump Sum:</td><td>£1,000,000</td><td>£500</td><td>£100,000</td><td>£50,000,000</td></tr>
<tr><td>Holding:</td><td>£1,000,000</td><td>£500</td><td>£25,000</td><td>£5,000,000</td></tr>
<tr><td>Top-Up:</td><td colspan="4">£100</td></tr>
<tr><td>Regular Savings Plan:</td><td>Not currently available</td><td>£35 a month</td><td colspan="2">Not currently available</td></tr>
<tr><td>Redemption:</td><td colspan="4">N/A (providing minimum holding is maintained)</td></tr>
</table>

Allocation of Charges:	Income	Capital
AMC:	100%	No
Ongoing Operating Costs:	100%	No
Dealing and Registration:	100%	No
Depositary:	100%	No
Custody:	100%	No
Portfolio Transactions (Broker's Commission):	No	100%
Past Performance:	Past performance information is set out in Appendix V.	
Valuation Point:	12.00 noon (London time)	

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

Sub-fund Details

Name:	LF Canlife North American Fund
Product Reference Number:	646380
Type of Sub-fund:	UCITS scheme
Investment Objective and Policy:	The LF Canlife North American Fund aims to provide capital growth mainly from investment in shares quoted on North American markets. The Sub-fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions for the purposes of Efficient Portfolio Management.
Final Accounting Date:	15 August
Interim Accounting Date:	15 February
Income XD Dates:	16 August, 16 February
Income Distribution Dates:	Annual: 15 October, Interim: 15 April
Share Classes and Type of Shares:	Class A Accumulation Class B Income* Class B Accumulation Class B Accumulation (EUR)* Class C Income* Class C Accumulation Class C Accumulation (EUR)* Class G Accumulation

Class:	Class A	Class B	Class C	Class G
Initial Charge:	4.75%			0%
Redemption Charge:	Nil			
Switching Charge:	Nil			
Annual Management Charge:	1.5%	1.0%	0.75%	0.375%

Investment Minima:**	Class A	Class B	Class B (EUR)	Class C	Class C (EUR)	Class G
Lump Sum:	£1,000,000	£500	€500	£100,000	€100,000	£50,000,000
Holding:	£1,000,000	£500	€500	£25,000	€25,000	£5,000,000
Top-Up:	£100		€100	£100	€100	£100
Regular Savings Plan:	Not currently available	£35 per month	Not currently available			
Redemption:	N/A (providing minimum holding is maintained)					

Allocation of Charges:	Income	Capital
AMC:	100%	No
Ongoing Operating Costs:	100%	No
Dealing and Registration:	100%	No
Depositary:	100%	No
Custody:	100%	No
Portfolio Transactions (Broker's Commission):	No	100%
Past Performance:	Past performance information is set out in Appendix V.	
Valuation Point:	12.00 noon (London time)	

* Class not currently available.

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

Sub-fund Details

Name:	LF Canlife Short Duration Corporate Bond Fund
Product Reference Number:	759838
Type of Sub-fund:	UCITS scheme
Investment Objective and Policy:	The LF Canlife Short Duration Corporate Bond Fund aims to provide a return through income. The Sub-fund will primarily invest in sterling denominated corporate fixed interest securities with an emphasis on investment grade short dated maturities. The Sub-fund may also invest in other debt securities including non-investment grade, non-sterling corporate bonds, government and public securities and money market instruments, and also in other transferable securities, cash, near cash and collective investment schemes. The Investment Manager may employ derivatives and forward transactions for the purposes of Efficient Portfolio Management.
Final Accounting Date:	15 August
Interim Accounting Date:	15 February
Income XD Dates:	16 August, 16 February
Income Distribution Dates:	Annual: 15 October, Interim: 15 April
Share Classes and Type of Shares:	Class A Accumulation Class C Income Class C Accumulation Class I Accumulation Class I Income Class G Accumulation

Class:	Class A	Class C	Class I	Class G
Initial Charge:	4.75%			0%
Redemption Charge:	Nil			
Switching Charge:	Nil			
Annual Management Charge:	0.75%	0.50%	0.20%	0.20%

Investment Minima:*	Class A	Class C	Class I	Class G
Lump Sum:	£1,000,000	£100,000	£1,000,000	£50,000,000
Holding:	£1,000,000	£25,000	£1,000,000	£5,000,000
Top-Up:	£100			
Regular Savings Plan:	Not currently available			
Redemption:	£100			

Allocation of Charges:	Income	Capital
AMC:	No	100%
Ongoing Operating Costs:**	No	100%
Dealing and Registration:	No	100%
Depositary:	No	100%
Custody:	No	100%
Portfolio Transactions (Broker's Commission):	No	100%
Past Performance:	Past performance information is set out in Appendix V.	
Valuation Point:	12.00 noon (London time)	

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

Sub-fund Details

Name:	LF Canlife Sterling Liquidity Fund
Product Reference Number:	781937
Type of Sub-fund:	UCITS scheme and a Regulated Money Market Fund, being a variable net asset value MMF or VNAV MMF as defined in the Money Market Funds Regulation, and also a standard MMF as defined in that regulation.
Investment Objective and Policy:	The LF Canlife Sterling Liquidity Fund aims to provide a return in line with sterling money market rates combined with a high degree of capital security. The Sub-fund invests in high quality sterling denominated money-market instruments, transferable securities and deposits which comply with the regulatory requirements for investment within a Regulated Money Market Fund that is a standard money market fund. High quality sterling denominated money-market instruments may include, but not be limited to commercial paper, certificates of deposit, floating rate notes and short dated bonds. The sub-fund may also invest in other Regulated Money Market Funds that are either standard or short-term money market funds as well as cash. Derivatives may be used for the purpose of Efficient Portfolio Management.
Final Accounting Date:	15 August
Interim Accounting Date:	15 February
Income XD Dates:	16 August, 16 February
Income Distribution Dates:	Annual: 15 October, Interim: 15 April
Share Classes and Type of Shares:	Class G Accumulation* Class I Accumulation Class I Income Class Z Accumulation**

Class:	Class G	Class I	Class Z
Initial Charge:	0%		
Redemption Charge:	Nil		
Switching Charge:	Nil		
Annual Management Charge:	0.12%	0.15%	0.13%

Investment Minima:***	Class G	Class I	Class Z
Lump Sum:	£100,000,000	£1,000,000	£50,000,000
Holding:	£10,000,000	£1,000,000	£5,000,000
Top-Up:	£100		
Regular Savings Plan:	N/A		
Redemption:	£100		

Allocation of Charges:	Income	Capital
AMC:	100%	No
Ongoing Operating Costs:	100%	No
Dealing:	100%	No
Portfolio Transactions (Broker's Commission):	No	100%
Past Performance:	Past performance information is set out in Appendix V. The Sub-fund has only recently launched and no performance figures are currently available.	
Valuation Point:	12.00 noon (London time)	

Canada Life group of companies.

Link Fund Solutions Limited

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

Sub-fund Details

Name:	LF Canlife Strategic Return Fund
Product Reference Number:	646391
Type of Sub-fund:	UCITS scheme
Sub-investment Manager:	PanAgora Asset Management Inc.
Investment Objective and Policy:	The LF Canlife Strategic Return Fund aims to achieve a positive return that is independent of prevailing economic or market conditions over a medium to long term rolling period of at least 5 years, whilst maintaining a moderate level of volatility (variation of returns). Capital is at risk and there is no guarantee that a positive return will be delivered over that, or any, time period. The Sub-fund will seek to achieve its investment objective by investing in or taking exposures to a range of asset classes on a worldwide basis. The Sub-fund may therefore invest in any, or all, of the following: equities and other investments and equity related derivatives (both on and off exchange), fixed and/or floating rate debt securities (both government and corporate) and debt related derivatives (both on and off exchange), exchange traded funds(ETFs), exchange traded notes (ETNs), other transferable securities, other collective investment schemes, money market instruments, forward foreign exchange contracts, currencies, deposits and cash and cash equivalents. The Sub-fund may also invest in exchange traded commodities and derivatives on eligible commodity indices. Derivatives and forward currency transactions may be used for efficient portfolio management as well as for investment purposes and the Sub-fund may at times be wholly invested through derivatives.
Final Accounting Date:	15 August
Interim Accounting Date:	15 February
Income XD Dates:	16 August, 16 February
Income Distribution Dates:	Annual: 15 October, Interim: 15 April
Share Classes and Type of Shares:	Class A Accumulation Class B Accumulation Class C Accumulation Class G Accumulation Class I Accumulation (EUR)

Class:	Class A	Class B	Class C	Class G	Class I
Initial Charge:	4.75%			0%	4.75%
Switching Charge:	Nil				
Annual Management Charge:	1.5%	1.0%	0.75%	0.50%	

Investment Minima:*	Class A	Class B	Class C	Class G	Class I
Lump Sum:	£1,000,000	£500	£100,000	£50,000,000	€1,000,000
Holding:	£1,000,000	£500	£25,000	£5,000,000	€1,000,000
Top-Up:	£100				€100
Regular Savings Plan:	Not currently available	£35 a month	Not currently available		
Redemption:	N/A (providing minimum holding is maintained)				

Allocation of Charges:	Income	Capital
AMC:	100%	No
Ongoing Operating Costs:	100%	No
Dealing and Registration:	100%	No
Depositary:	100%	No
Custody:	100%	No
Portfolio Transactions (Broker's Commission):	No	100%
Past Performance:	Past performance information is set out in Appendix V. The Sub-fund has only recently launched and no performance figures are currently available.	
Valuation Point:	12.00 noon (London time)	

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

Sub-fund Details

The LF Canlife Total Return Fund is no longer available for investment.

Name:	LF Canlife Total Return Fund
Product Reference Number:	646384
Type of Sub-fund:	Feeder UCITS scheme
Investment Objective and Policy:	The LF Canlife Total Return Fund aims to provide positive total return, both relative and absolute, throughout varying market conditions. Capital is at risk and there is no guarantee that a positive return will be delivered over any one or any number of 12 month periods. The Sub-fund intends to meet its investment objective by permanently investing not less than 85% of its assets in units of the Putnam Total Return Fund. While it is envisaged that the Sub-fund will normally be fully invested in the Putnam Total Return Fund, the Sub-fund may also hold up to 15% of its assets in cash or near cash. Please see section 2, Part II of Appendix I for information in relation to the Putnam Total Return Fund.
Risk profile:	Please see section 5 for the risk factors which apply to an investment in this Sub-fund. The risks in relation to the Putnam Total Return Fund set out at paragraph 2.6 of Part II of Appendix I should also be noted.
Final Accounting Date:	15 August
Interim Accounting Date:	15 February
Income XD Dates:	16 August, 16 February
Income Distribution Dates:	Annual: 15 October, Interim: 15 April
Share Classes and Type of Shares:	Class A Accumulation Class B Accumulation Class C Accumulation Class G Accumulation Class S Accumulation

Class:	Class A	Class B	Class C	Class G	Class S
Initial Charge:	4.75%			0%	4.75%
Redemption Charge:	Nil				
Switching Charge:	Nil				
Annual Management Charge:	1.2%	0.7%	0.45%	0.2%	0.35%
Aggregate Annual Management Charge:*	1.5%	1.0%	0.75%	0.5%	0.65%
Aggregate Ongoing Charges Figure:**	2.15%	1.65%	1.40%	1.15%	1.3%

Investment Minima:***	Class A	Class B	Class C	Class G	Class S
Lump Sum:	£1,000,000	£500	£100,000	£50,000,000	£10,000,000
Holding:	£1,000,000	£500	£25,000	£5,000,000	£1,000,000
Top-Up:	£100				
Regular Savings Plan:	Not currently available	£35 per month	Not currently available		
Redemption:	N/A (providing minimum holding is maintained)				

Allocation of Charges:	Income	Capital
AMC:	100%	No
Ongoing Operating Costs:	100%	No
Dealing and Registration:	100%	No
Depositary:	100%	No
Custody:	100%	No
Portfolio Transactions (Broker's Commission):	No	100%
Past Performance:	Past performance information is set out in Appendix V.	
Valuation Point:	12 noon (London time)	

* The aggregate annual management charge figure is based on the combination of the annual management charge for the relevant Class in LF Canlife Total Return Fund and the applicable annual management charge for class S units in the Putnam Total Return Fund in which LF Canlife Total Return Fund invests.

** The aggregate ongoing charges figure is based on the combination of the ongoing charges figure for the relevant Class in LF Canlife Total Return Fund and the applicable ongoing charges figure for class S units in the Putnam Total Return Fund in which LF Canlife Total Return Fund invests. The ongoing charges figure measures all charges deducted from a fund in the preceding year as a percentage of the net asset value of the fund (excluding portfolio transaction costs).

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

Sub-fund Details

Name:	LF Canlife UK Equity Fund
Product Reference Number:	646386
Type of Sub-fund:	UCITS scheme
Investment Objective and Policy:	The LF Canlife UK Equity Fund seeks to achieve long-term capital appreciation primarily from investment in UK equities. The Sub-fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions for the purposes of Efficient Portfolio Management.
Final Accounting Date:	15 August
Interim Accounting Date:	15 February
Income XD Dates:	16 August, 16 February
Income Distribution Dates:	Annual: 15 October, Interim:15 April
Share Classes and Type of Shares:	Class A Accumulation Class B Accumulation Class B Income Class C Accumulation Class C Income Class G Accumulation

Class:	Class A	Class B	Class C	Class G
Initial Charge:	4.75%			0%
Redemption Charge:	Nil			
Switching Charge:	Nil			
Annual Management Charge:	1.5%	1.0%	0.75%	0.375%

Investment Minima:*	Class A	Class B	Class C	Class G
Lump Sum:	£1,000,000	£500	£100,000	£50,000,000
Holding:	£1,000,000	£500	£25,000	£5,000,000
Top-Up:	£100			
Regular Savings Plan:	Not currently available	£35 per month	Not currently available	
Redemption:	N/A (providing minimum holding is maintained)			

Allocation of Charges:	Income	Capital
AMC:	100%	No
Ongoing Operating Costs:	100%	No
Dealing and Registration:	100%	No
Depositary:	100%	No
Custody:	100%	No
Portfolio Transactions (Broker's Commission):	No	100%
Past Performance:	Past performance information is set out in Appendix V. The Sub-fund has only recently launched and no performance figures are currently available.	
Valuation Point:	12.00 noon (London time)	

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

Sub-fund Details

Name:	LF Canlife UK Equity and Bond Income Fund
Product Reference Number:	646379
Type of Sub-fund:	UCITS scheme
Investment Objective and Policy:	The investment objective of the LF Canlife UK Equity and Bond Income Fund is to secure an above-average income consistent with moderate long-term capital growth. The Sub-fund aims to achieve this objective by investing mainly in a mixture of UK equities and fixed income securities. The Sub-fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions for the purposes of Efficient Portfolio Management.
Final Accounting Date:	15 August
Interim Accounting Date:	15 February
Income XD Dates:	16 August, 16 February
Income Distribution Dates:	Annual: 15 October, Interim: 15 April
Share Classes and Type of Shares:	Class A Income* Class A Accumulation Class B Income Class B Accumulation Class B Accumulation (EUR)* Class C Income Class C Accumulation Class C Accumulation (EUR)* Class G Accumulation

Class:	Class A	Class B	Class C	Class G
Initial Charge:	4.75%			0%
Redemption Charge:	Nil			
Switching Charge:	Nil			
Annual Management Charge:	1.5%	1.0%	0.75%	0.375%

Investment Minima:**	Class A	Class B	Class B (EUR)	Class C	Class C (EUR)	Class G
Lump Sum:	£1,000,000	£500	€500	£100,000	€100,000	£50,000,000
Holding:	£1,000,000	£500	€500	£25,000	€25,000	£5,000,000
Top-Up:	£100		€100	£100	€100	£100
Regular Savings Plan:	Not currently available	£35 per month	Not currently available			
Redemption:	N/A (providing minimum holding is maintained)					

Allocation of Charges:	Income	Capital
AMC:	No	100%
Ongoing Operating Costs:	No	100%
Dealing and Registration:	No	100%
Depositary:	No	100%
Custody:	No	100%
Portfolio Transactions (Broker's Commission):	No	100%
Past Performance:	Past performance is set out in Appendix V.	
Valuation Point:	12.00 noon (London time)	

* Class not currently available.

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

Sub-fund Details

Name:	LF Canlife UK Equity Income Fund
Product Reference Number:	646378
Type of Sub-fund:	UCITS scheme
Investment Objective and Policy:	The investment objective of the LF Canlife UK Equity Income Fund is to provide Shareholders with a half-yearly income and some capital growth mainly from investment in UK equities, providing an above-average yield. The Sub-fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions for the purposes of Efficient Portfolio Management.
Final Accounting Date:	15 August
Interim Accounting Date:	15 February
Income XD Dates:	16 August, 16 February
Income Distribution Dates:	Annual: 15 October, Interim: 15 April
Share Classes and Type of Shares:	Class A Income* Class A Accumulation Class B Income Class B Accumulation Class B Accumulation (EUR)* Class C Income Class C Accumulation Class C Accumulation (EUR)* Class G Accumulation

Class:	Class A	Class B	Class C	Class G
Initial Charge:	4.75%			0%
Redemption Charge:	Nil			
Switching Charge:	Nil			
Annual Management Charge:	1.5%	1.0%	0.75%	0.375%

Investment Minima:**	Class A	Class B	Class B (EUR)	Class C	Class C (EUR)	Class G
Lump Sum:	£1,000,000	£500	€500	£100,000	€100,000	£50,000,000
Holding:	£1,000,000	£500	€500	£25,000	€25,000	£5,000,000
Top-Up:	£100		€100	£100	€100	£100
Regular Savings Plan:	Not currently available	£35 per month	Not currently available			
Redemption:	N/A (providing minimum holding is maintained)					

Allocation of Charges:	Income	Capital
AMC:	No	100%
Ongoing Operating Costs:	No	100%
Dealing and Registration:	No	100%
Depositary:	No	100%
Custody:	No	100%
Portfolio Transactions (Broker's Commission):	No	100%
Past Performance:	Past performance information is set out in Appendix V.	
Valuation Point:	12.00 noon (London time)	

* Class not currently available.

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

Sub-fund Details

Name:	LF Canlife UK Government Bond Fund
Product Reference Number:	646388
Type of Sub-fund:	UCITS scheme
Investment Objective and Policy:	The LF Canlife UK Government Bond Fund aims to provide Shareholders with half-yearly income with prospects for some capital growth in the long term primarily through investment in UK Government and/or UK public securities. The Sub-fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions for the purposes of Efficient Portfolio Management.
Final Accounting Date:	15 August
Interim Accounting Date:	15 February
Income XD Dates:	16 August,16 February
Income Distribution Dates:	Annual: 15 October, Interim: 15 April
Share Classes and Type of Shares:	Class A Accumulation Class B Income Class B Accumulation* Class C Income Class C Accumulation* Class G Accumulation

Class:	Class A	Class B	Class C	Class G
Initial Charge:	4.75%			0%
Redemption Charge:	Nil			
Switching Charge:	Nil			
Annual Management Charge:	1.0%	0.75%	0.50%	0.15%

Investment Minima:**	Class A	Class B	Class C	Class G
Lump Sum:	£1,000,000	£500	£100,000	£20,000,000
Holding:	£1,000,000	£500	£25,000	£5,000,000
Top-Up:	£100			
Regular Savings Plan:	Not currently available	£35 a month	Not currently available	
Redemption:	N/A (providing minimum holding is maintained)			

Allocation of Charges:	Income	Capital
AMC:	No	100%
Ongoing Operating Costs:	No	100%
Dealing and Registration:	No	100%
Depositary:	No	100%
Custody:	No	100%
Portfolio Transactions (Broker's Commission):	No	100%
Past Performance:	Past performance information is set out in Appendix V. The Sub-fund has only recently launched and no performance figures are currently available.	
Valuation Point:	12.00 noon (London time)	

* Class not currently available.

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

Part II

1. Information Regarding Putnam Global High Yield Bond Fund

The below is a summary description only of Putnam Global High Yield Bond Fund in which LF Canlife Global High Yield Bond Fund invests not less than 85% of its assets. For further information in relation to the Putnam Global High Yield Bond Fund, Shareholders should refer to the prospectus of the Putnam World Trust which is available on request (free of charge) from the ACD.

1.1 Definitions

The following definitions apply to this paragraph (paragraph 1 of Part II of Appendix I):

Recognised Exchange: those exchanges and markets set out in Appendix I of the Putnam World Trust Prospectus, in which the Putnam Global High Yield Bond Fund is permitted to invest.

Regulations: the Irish European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations.

UCITS Notices: the expansion on UCITS legislation implemented domestically in Ireland and issued by the Central Bank of Ireland.

1.2 Organisation

The Putnam Global High Yield Bond Fund is a sub-fund of Putnam World Trust, which is an umbrella unit trust and a UCITS scheme established and organised under the laws of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, and is authorised by the Central Bank of Ireland.

The manager of the Putnam Global High Yield Bond Fund is Putnam Investments (Ireland) Limited. The trustee of the Putnam Global High Yield Bond Fund is State Street Custodial Services (Ireland) Limited. The manager has delegated performance of the investment management function in relation to the Putnam High Yield Bond Fund to the Putnam Investment Advisor, The Putnam Advisory Company, LLC (hereinafter the "Putnam Investment Advisor").

The Putnam Global High Yield Bond Fund has been authorised by the Central Bank of Ireland as a master UCITS within the meaning of the relevant provisions of the UCITS Directive. It must therefore at all times have at least one feeder UCITS among its unitholders and it must not itself become a feeder UCITS or invest in a feeder UCITS.

1.3 The investment objective and policy of the Putnam Global High Yield Bond Fund

1.3.1 Investment objective:

The Putnam Global High Yield Bond Fund's investment objective is to seek high current income. Capital growth is a secondary objective when consistent with the objective of high current income.

1.3.2 Investment policy and guidelines:

The Putnam Global High Yield Bond Fund seeks to achieve this objective by investing at least two-thirds of its total assets (after deduction of ancillary liquid assets) in high-yielding, lower-rated debt securities worldwide such as those rated lower than S&P's BBB or Moody's Baa and listed or traded on Recognised Exchanges (including unleveraged freely transferable loan participations securitised and traded on a Recognised Exchange, zero-coupon bonds and payment-in-kind bonds) constituting a portfolio which the Putnam Investment Advisor believes does not involve undue risk to income or principal. Normally, at least 80% of the Putnam Global High Yield Bond Fund's assets will be invested in debt securities (such as (i) corporate and public utility debt securities (including treasury paper, commercial paper and convertible bonds), (ii) asset-backed and mortgage-backed securities (iii) debt securities issued or guaranteed by national governments and their agencies, instrumentalities and political sub-divisions and (iv) debt securities issued or guaranteed by supranational organisations including, without limitation, the World Bank and the European Investment Bank (including treasury paper, commercial paper and convertible bonds)), convertible securities, or preferred stocks listed or traded on Recognised Exchanges that are consistent with its primary investment objective of high current income. The Putnam Global High Yield Bond Fund's remaining assets may be held in ancillary liquid assets or invested in common stocks and other equity securities listed or traded on Recognised Exchanges when these types of investments are consistent with the objective of high current income.

The Putnam Global High Yield Bond Fund seeks its secondary objective of capital growth, when consistent with its primary objective of high current income, by investing in securities (as described above) listed or traded on Recognised Exchanges which the Putnam Investment Advisor expects to appreciate in value as a result of declines in long-term interest rates or of favourable developments affecting the business or prospects of the issuer which may improve the issuer's financial condition and credit rating.

Changes by recognised rating services such as S&P and Moody's in their ratings of a debt security and changes in the ability of an issuer to make payments of interest and principal may also affect the value of these investments. Changes in the value of portfolio securities generally will not affect income derived from these securities but will affect the Putnam Global High Yield Bond Fund's Net Asset Value.

Differing yields on debt securities of the same maturity are a function of several factors, including the relative financial strength of the issuers. Higher yields are generally available from securities in the lower categories of recognised rating agencies. The Fund may invest in any security which is rated, at the time of purchase, at least Caa as determined by Moody's or CCC as determined by S&P or in any unrated security which the Putnam Investment Advisor determines is of at least comparable quality.

The Putnam Global High Yield Bond Fund may invest, consistent with the requirements of the Regulations 2003, as amended (S.I. No. 211 of 2003) (as amended consolidated or substituted from time to time) and any regulations or notices issued by the Financial Regulator pursuant thereto for the time being in force) and the Putnam Global High Yield Bond Fund's investment restrictions, in other collective investment schemes including schemes managed by the Putnam Investment Advisor or its affiliates such as other Funds of the Trust.

The Putnam Global High Yield Bond Fund may hold ancillary liquid assets whether for defensive purposes or otherwise. For defensive purposes only, the Sub-fund may hold all or part of its assets in debt securities (such as government debt, corporate debt, mortgage-backed securities, asset-backed securities, supranational debt and unleveraged freely transferable loan participations securitised and traded on Recognised Exchanges), which must be rated at least investment grade or considered in the opinion of the Putnam Investment Advisor to be of comparable quality. The Putnam Global High Yield Bond Fund may also hold, on a temporary basis, all or part of its assets in ancillary liquid assets including but not limited to commercial paper, bank certificates of deposits, banker' acceptances and short-term U.S. government agency, municipal or corporate obligations all of which must be rated at least A-1 or P-1 by S&P and Moody's, or deemed to be of equivalent quality by the Putnam Investment Advisor and listed or traded on Recognised Exchanges, when such investments are believed to be warranted as a defensive measure.

The derivatives used by the Putnam Global High Yield Bond Fund may include futures, swaps, options, forward contracts and contracts for difference and they may be used for hedging and for investment purposes, including as a substitute for direct investment in securities or to obtain additional exposure beyond that which might be obtained from a traditional securities portfolio, subject always to the restrictions and requirements of the Regulations. Details of the derivatives which may be used are set out in the derivatives risk management process filed with the Financial Regulator. This risk management process is intended to enable the Putnam Investment Advisor to accurately measure, monitor and manage the various risks associated with derivatives. Any types of derivative not included in the risk management process will not be used until such time as a revised submission has been provided to and cleared by the Financial Regulator. The Fund may also use forward foreign exchange contracts or other currency derivatives as set out in Appendix II of the Prospectus for hedging or to alter the currency exposure characteristics of transferable securities held by the Putnam Global High Yield Bond Fund as an alternative currency exposure management strategy. Because currency positions held by the Putnam Global High Yield Bond Fund may not correspond with the asset position held by the Sub-fund, the effect of movements in foreign exchange rates may be significantly different in the Sub-fund compared to another fund with similar investments.

The use of derivative instruments (whether for hedging and/or for investment purposes) in the Putnam World Trust Prospectus may expose the Putnam Global High Yield Bond Fund to the risks disclosed. Position exposure to underlying assets of derivative instruments (other than index based derivatives) when combined with positions resulting from direct investments will not exceed the investment limits set out in the Prospectus and UCITS Notices. Derivative exposure will also be controlled through the use of Value at Risk ("VaR") methodology by the Putnam Investment Advisor. The maximum global exposure and leverage permitted for the Putnam Global High Yield Bond Fund is that which equates to a portfolio VaR of twice that of an appropriate benchmark or reference portfolio which is representative of the investment objective of the Sub-fund but which will not include derivatives. Details of the composition of this reference portfolio will be included in the risk management process which is maintained by the Putnam Investment Advisor.

Securities Financing Transactions, Total Return Swaps and Contracts for Difference – General

The Fund may engage in securities financing transactions ("SFTs") i.e. reverse repurchase transactions, as further described in "Appendix II – Techniques and Instruments" of the Putnam World Trust Prospectus. The Fund may also enter into total returns swaps ("TRS") and contracts for difference ("CFDs").

The maximum exposure of the Sub-fund in respect of TRS and CFDs shall be 10% and in respect of SFTs shall be 20% of the Net Asset Value of the Sub-fund. However, the Investment Advisor does not anticipate that the Sub-fund's typical exposure (under normal market circumstances) in respect of TRS and CFDs will exceed 5% and in respect of SFTs will exceed 10% of the Net Asset Value of the Sub-fund. Investors should note that the figures presented above are based on net exposures to or from relevant counterparties, and will differ from other information provided in this Prospectus that is based on gross notional amounts.

The Investment Advisor may perform SFTs or TRS on any assets, including bonds which are of a type which is consistent with the investment policy of the Sub-fund. The collateral supporting SFTs and TRS will, depending on the counterparty, generally be valued daily at mark-to-market prices and daily variation margin used if the value of collateral falls below coverage requirements. There are no restrictions on the maturity of the collateral received by the Sub-fund.

Additional detail in respect of TRS, SFTs and acceptable collateral is given under the heading "Appendix II – Techniques and Instruments" of the Putnam World Trust Prospectus and paragraph 1.6 below.

1.4 Unit classes

LF Canlife Global High Yield Bond Fund will invest in class S units of the Putnam Global High Yield Bond Fund which are denominated in GBP.

1.5 Accounting dates and distribution policy

The interim and final accounting dates of the Putnam Global High Yield Bond Fund are 31 December and 30 June.

1.6 Risk profile and special considerations of the Putnam Global High Yield Bond Fund

Investors in LF Canlife Global High Yield Bond Fund should note the risk factors set out at section 5 of this Prospectus. The specific risk factors regarding an investment in the Putnam Global High Yield Bond Fund are set out in the Putnam Global High Yield Bond Fund prospectus.

The special risk considerations for the Global High Yield Bond Fund are:

Credit Risk/Counterparty Risk

The Global High Yield Bond Fund invests in debt securities, particularly high-yield bonds, which are subject to greater levels of credit and liquidity risk, and which may be speculative and may decline in value due to changes in an issuer's or counterparty's deterioration or default.

Emerging Market Risk

The Global High Yield Bond Fund may invest in emerging markets which are more volatile, smaller, less liquid, less transparent and subject to less regulatory oversight.

Liquidity Risk

The Global High Yield Bond Fund may invest in investments that lack an active market which may cause a delay in buying/selling or force a sale below an investment's fair value.

Management Risk

The returns of the Global High Yield Bond Fund may be affected by investment decisions and techniques of the fund's management.

Derivative Risk

The Global High Yield Bond Fund may invest in derivatives for either EPM or investment purposes. Derivative instruments are complex, have different characteristics than their underlying assets and are subject to additional risks, including leverage, liquidity and valuation. Derivatives may result in gains or losses that are greater than the original amount invested.

Currency Risk

Assets of the Global High Yield Bond Fund may be dominated in a currency other than the base currency of the fund (US dollars) and changes in the exchange rate between the base currency and the currency of the asset may lead to a reduction in the value of the Global High Yield Bond Fund's assets expressed in the base currency. The fund's investment manager may enter into a range of approaches to mitigate this risk but it may not be practical or possible to hedge against such risk and protect against all currency risks.

Interest Rate Risk

The values of bonds and other debt securities usually rise and fall in response to changes in interest rates. Declining interest rates generally raise the value of existing debt instruments and rising interest rates generally lower the value of existing debt instruments. Changes in a debt instruments' value usually will not affect the amount of income the fund receives from it, but will affect the value of the Global High Yield Bond Fund's Shares. This risk is generally greater for investments with longer maturities.

Legal and Operational Risks linked to Management of Collateral

OTC derivatives are generally entered into pursuant to contracts based on the standards set by the International Swaps and Derivatives Association for derivatives master agreements which are negotiated by the parties. The use of such contracts may expose a fund to legal risks such as that the contract may not accurately reflect the intention of the parties or the contract may not be enforceable against the counterparty in its jurisdiction of incorporation.

The use of OTC derivatives and the management of collateral received are subject to the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Where cash collateral is re-invested, in accordance with the conditions imposed by the Central Bank of Ireland, a fund will be exposed to the risk of a failure or default of the issuer of the relevant security in which the cash collateral has been invested, or the risk of failure of a custodian bank that is holding collateral on behalf of the parties.

1.7 Performance

While the performance of LF Canlife Global High Yield Bond Fund should correlate with that of class S units in the Putnam Global High Yield Bond Fund, it will not correspond exactly. This is because of the impact of (i) charges and expenses in LF Canlife Global High Yield Bond Fund (ii) the holding of cash or near cash or any derivatives for hedging purposes by LF Canlife Global High Yield Bond Fund (iii) the holding of cash or near cash in LF Canlife Global High Yield Bond Fund pending investment in the Putnam Global High Yield Bond Fund or for liquidity management purposes and (iv) the taxation of any income distributions by the Putnam Global High Yield Bond Fund as further described at paragraph 1.10 below.

For the performance records of LF Canlife Global High Yield Bond Fund, please see Appendix V. The performance record of class S units of the Putnam Global High Yield Bond Fund is also set out at Appendix V for comparison purposes.

1.8 The Master-Feeder Agreement

The Master-Feeder Agreement dated 18 September 2013 between the ACD and Putnam Investments (Ireland) Limited, as manager of the Putnam Global High Yield Bond Fund, sets out the terms on which (in accordance with the applicable laws of England and Wales) Putnam Investments (Ireland) Limited will provide the ACD with documents and both parties will provide each other with information and provide for the relevant arrangements in relation to LF Canlife Global High Yield Bond Fund's investment in the Putnam Global High Yield Bond Fund. The Agreement contains, amongst other things, provisions between the parties relating to:

- access to information in relation to the Putnam Global High Yield Bond Fund;
- the basis of investment and disinvestment by LF Canlife Global High Yield Bond Fund in the Putnam Global High Yield Bond Fund;
- arrangements around changes to the Putnam Global High Yield Bond Fund;
- the dealing arrangements in place with the Putnam Global High Yield Bond Fund and events affecting those arrangements;
- the provision of assistance by the Putnam Global High Yield Bond Fund's auditors to the auditors of LF Canlife Global High Yield Bond Fund.

1.9 Information on fees and expenses and remuneration arrangements

The aggregate charges which apply in respect of an investment in Shares of LF Canlife Global High Yield Bond Fund are set out above at Part I of Appendix I. The aggregate charges figure incorporates the charges levied by LF Canlife Global High Yield Bond Fund and also the charges borne by LF Canlife Global High Yield Bond Fund and levied by the Putnam Global High Yield Bond Fund. The Putnam Global High Yield Bond Fund applies the following fees and expenses in relation to investments by LF Canlife Global High Yield Bond Fund in class S units of the Putnam Global High Yield Bond Fund:

Putnam Global High Yield Bond Fund initial charge:	0%
Putnam Global High Yield Bond Fund redemption charge:	0%
Effective annual management charge	0.3%*
Ongoing charges figure**:	1.56%

* The annual management charge for class S units in the Putnam Global High Yield Bond Fund is 0.5%. However, there are arrangements in place between the manager of the Putnam Global High Yield Bond Fund and the ACD for the reimbursement of some of the annual management charge at the level of the Putnam Global High Yield Bond Fund to LF Canlife Global High Yield Bond Fund. Currently, a rebate of 0.2% of the total investment by LF Canlife Global High Yield Bond Fund in the Putnam Global High Yield Bond Fund is made to LF Canlife Global High Yield Bond Fund. This reimbursement of annual management charges is reinvested in further class S units of the Putnam Global High Yield Bond Fund. These arrangements however may be varied by the manager of the Putnam Global High Yield Bond Fund from time to time.

** The ongoing charges figure for the Putnam Global High Yield Bond Fund takes account of all charges levied by the Putnam Global High Yield Bond Fund in respect of the investment by LF Canlife Global High Yield Bond Fund in class S units. This figure includes the annual management charge for the Putnam Global High Yield Bond Fund, trustee fees and expenses and other expenses described in the Putnam Global High Yield Bond Fund prospectus (but excludes portfolio transaction costs). The Putnam Global High Yield Bond Fund prospectus can be obtained from the ACD on request.

In addition, pursuant to the Master-Feeder Agreement and the terms of the Putnam Global High Yield Bond Fund prospectus, the manager of the Putnam Global High Yield Bond Fund has agreed to cap its non-management fee expenses at 0.3% for class S units. These arrangements are reflected in the aggregate ongoing charges figure provided in Part I of Appendix I for LF Canlife Global High Yield Bond Fund. These arrangements however may be varied by the manager of the Putnam Global High Yield Bond Fund from time to time.

1.10 Further information and documents

Shareholders in LF Canlife Global High Yield Bond Fund may obtain further information on request regarding the Putnam Global High Yield Bond Fund from the ACD including copies of the following documents:

(i) the Master-Feeder Agreement;

(ii) the Putnam Global High Yield Bond Fund's prospectus; and

(iii) the Putnam Global High Yield Bond Fund's most recent annual and half-yearly reports.

1.11 Tax

The LF Canlife Global High Yield Bond Fund and investors in it are taxable as set out in section 10 "Taxation". In particular, LF Canlife Global High Yield Bond Fund is exempt from UK tax on gains realised on the disposal of units in the Putnam Global High Yield Bond Fund which has been certified as a reporting fund by HM Revenue & Customs. LF Canlife Global High Yield Bond Fund will be liable to corporation tax at 20% on the income distributed by Putnam Global High Yield Bond Fund (which will be reinvested in further units) as well as any excess income reported and any offset of equalisation. Depending on the precise breakdown of the investments held by the Putnam Global High Yield Bond Fund in the relevant distribution period of the LF Canlife Global High Yield Bond Fund, it may either accumulate income in the form of dividend distributions or interest distributions. The LF Canlife Global High Yield Bond Fund will accumulate tax-deductible interest distributions in which case UK taxpayers will be liable to income tax on them as described in "Taxation" above.

The LF Canlife Total Return Fund is no longer available for investment.

2. Information Regarding Putnam Total Return Fund

The below is a summary description only of Putnam Total Return Fund in which LF Canlife Total Return Fund invests not less than 85% of its assets. For further information in relation to the Putnam Total Return Fund, Shareholders should refer to the prospectus of the Putnam Total Return Fund which is available on request (free of charge) from the ACD.

2.1 Definitions

The following definitions apply to this paragraph (paragraph 2 of Part II of Appendix I):

Recognised Exchange: those exchanges and markets set out in Appendix I of the Putnam World Trust Prospectus, in which the Putnam Total Return Fund is permitted to invest.

Regulations: the Irish European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations.

UCITS Notices: the expansion on UCITS legislation implemented domestically in Ireland and issued by the Central Bank of Ireland.

2.2 Organisation

The Putnam Total Return Fund is a sub-fund of Putnam World Trust, which is an umbrella unit trust and a UCITS scheme established and organised under the laws of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, and is authorised by the Central Bank of Ireland.

The manager of the Putnam Total Return Fund is Putnam Investments (Ireland) Limited. The trustee of the Putnam Total Return Fund is State Street Custodial Services (Ireland) Limited. The manager has delegated performance of the investment management function in relation to the Master Fund to the investment advisor, The Putnam Advisory Company, LLC (hereinafter the "Putnam Investment Advisor").

The Putnam Total Return Fund has been authorised by the Central Bank of Ireland as a master UCITS within the meaning of the relevant provisions of the UCITS Directive. It must therefore at all times have at least one feeder UCITS among its unitholders and it must not itself become a feeder UCITS or invest in a feeder UCITS.

2.3 The investment objective and policy of the Putnam Total Return Fund

2.3.1 Investment objective:

The Putnam Total Return Fund's investment objective is to provide positive total return, both relative and absolute, throughout varying market conditions.

2.3.2 Investment policy and guidelines:

The Putnam Total Return Fund will seek to achieve this objective by investing its net assets in a diversified multi-asset class portfolio. The portfolio allocation will draw upon various sources to drive the risk/return target of the Putnam Total Return Fund, including exposure to equities (e.g. U.S., non-U.S. emerging markets, large cap and small cap), fixed income (e.g. U.S., non-U.S., high yield and emerging markets), currencies and alternative asset classes (e.g. REITs or other real estate instruments, treasury inflated protected securities ("TIPS")). The portfolio will also use various overlay techniques (e.g. global asset tactical allocation, currency and index options) in an attempt to add incremental return to the total portfolio. The portfolio allocation will be dynamic, and will change in response to changing investment opportunities.

As outlined above, the Putnam Total Return Fund can invest in a diversified portfolio including global equities (including preferred stocks and convertible securities) and fixed income securities such as (i) corporate and public utility debt securities (including treasury paper, commercial paper and convertible bonds), (ii) asset-backed and mortgage-backed securities and (iii) debt securities issued or guaranteed by national governments and their agencies, instrumentalities and political sub-divisions listed or traded on recognised exchanges. The Putnam Total Return Fund's portfolio will include U.S. and non U.S. securities and U.S. and non U.S. debt instruments which are listed or traded on recognised exchanges. Investment in these asset classes may also be made indirectly through the use of derivatives and exchange traded funds ("ETFs"). The Putnam Total Return Fund may gain exposure to commodities through ETFs. In addition, the Putnam Total Return Fund may gain exposure to commodities through the use of derivatives and structured notes based on commodity indices such as commodity index futures or commodities indices swaps (provided the index in question is sufficiently diversified, represents an adequate benchmark for the market to which it refers and is published in an appropriate manner and is cleared by the Central Bank of Ireland).

The Putnam Total Return Fund's fixed income securities may also include significant investment in high-yielding, lower-rated debt securities; these securities will have a minimum credit rating of B- by S&P, or its equivalent by Moody's or Fitch (each, an "NRSRO"). If these securities are only rated by one NRSRO, that rating must be B- or greater (or equivalent); if rated by two NRSROs, both ratings must be B- or greater (or equivalent); and, if rated by all three NRSROs, then two of the three must be B- or greater (or equivalent). Where there is no rating assigned from an NRSRO, the Putnam Total Return Fund's Investment Advisor will assign a rating based on a financial comparison to a similar security issued either by the same company or a similar company. If a fixed income security held by the Putnam Total Return Fund is downgraded and no longer satisfies the minimum ratings as described above, the Putnam Investment Advisor will sell the security within 120 days. The Putnam Total Return Fund may invest in both fixed and floating rate debt instruments.

Through a disciplined application of various forecasting processes, the Putnam Investment Advisor determines what it believes to be the optimal asset allocation for the Putnam Total Return Fund. The Putnam Investment Advisor may utilise non-financial leverage through the use of derivatives to modify the return and volatility characteristics of some asset classes in order to enhance the risk and return profile of the Putnam Total Return Fund.

The Putnam Total Return Fund may invest, consistent with the requirements of the Irish UCITS regulations and the Master Fund's investment restrictions, in other collective investment schemes including schemes managed by the Putnam Investment Advisor or its affiliates such as other funds of the Putnam World Trust.

For defensive purposes only, the Putnam Total Return Fund may hold all or part of its assets in debt securities rated at least investment grade or in the opinion of the Putnam Investment Advisor to be of comparable quality and listed or traded on recognised exchanges.

The Putnam Total Return Fund may also hold, on a temporary basis, all or part of its assets in cash or other ancillary liquid assets, including, but not limited to, commercial paper, bank certificates of deposit, bankers' acceptances and short-term U.S. and Non U.S. government agency, municipal or corporate obligations all of which must be rated at least A-1 or P-1 by S&P's and Moody's, or deemed to be of equivalent quality by the Putnam Investment Advisor and listed or traded on recognised exchanges, when such investments are believed to be warranted as a defensive measure.

Securities Financing Transactions, Total Return Swaps and Contracts for Difference – General

The Fund may engage in securities financing transactions ("SFTs") i.e. reverse repurchase transactions, as further described in "Appendix II – Techniques and Instruments" of the Putnam World Trust Prospectus. The Fund may also enter into total returns swaps ("TRS") and contracts for difference ("CFDs").

The maximum exposure of the Sub-fund in respect of TRS and CFDs shall be 20% and in respect of SFTs shall be 30% of the Net Asset Value of the Sub-fund. However, the Investment Advisor does not anticipate that the Sub-fund's typical exposure (under normal market circumstances) in respect of TRS and CFDs will exceed 10% and in respect of SFTs will exceed 15% of the Net Asset Value of the Sub-fund. Investors should note that the figures presented above are based on net exposures to or from relevant counterparties, and will differ from other information provided in this Prospectus that is based on gross notional amounts.

The Investment Advisor may perform SFTs or TRS on any assets, including bonds which are of a type which is consistent with the investment policy of the Sub-fund. The collateral supporting SFTs and TRS will, depending on the counterparty, generally be valued daily at mark-to-market prices and daily variation margin used if the value of collateral falls below coverage requirements. There are no restrictions on the maturity of the collateral received by the Sub-fund.

Additional detail in respect of TRS, SFTs and acceptable collateral is given under the heading "Appendix II – Techniques and Instruments" of the Putnam World Trust Prospectus and paragraph 2.6 below.

2.3.3 Use of Derivatives

The derivatives used by the Putnam Total Return Fund may include futures, swaps, including credit default swaps, options, forward contracts and contracts for difference and they may be used for hedging and for investment purposes, including as a substitute for direct investment in securities or to obtain additional exposure beyond that which might be obtained from a traditional securities portfolio, subject always to the restrictions and requirements of the Irish UCITS regulations. Details of the derivatives which may be used are set out in the derivatives risk management process filed with the Central Bank of Ireland. This risk management process is designed to enable the Putnam Investment Advisor to accurately measure, monitor and manage the various risks associated with derivatives. Any type of derivative not included in the risk management process will not be used until such time as a revised submission has been provided to and cleared by the Central Bank of Ireland. The Master Fund may also use forward foreign exchange contracts or other currency derivatives as set out in appendix II of the prospectus of the Putnam Total Return Fund for hedging or to alter the currency exposure characteristics of transferable securities held by the Putnam Total Return Fund as an alternative currency exposure management strategy. Because currency positions held by the Putnam Total Return Fund may not correspond with the asset position held by the Putnam Total Return Fund, the effect of movements in foreign exchange rates may be significantly different in the Putnam Total Return Fund compared to another fund with similar investments.

The use of derivative instruments (whether for hedging and/or for investment purposes) may expose the Putnam Total Return Fund to the risks disclosed in the Master Fund prospectus. Position exposure to underlying assets of derivative instruments (other than index based derivatives) when combined with positions resulting from direct investments will not exceed the investment limits set out in the Putnam Total Return Fund prospectus. Derivative exposure will also be controlled through the use of Value at Risk ("VaR") methodology by the Putnam Investment Advisor. The maximum global exposure and leverage permitted for the Putnam Total Return Fund is that which equates to a portfolio VaR of twice that of an appropriate benchmark or reference portfolio which is representative of the investment objective of the Putnam Total Return Fund but which will not include derivatives. Details of the composition of this reference portfolio will be included in the risk management process which is maintained by the Putnam Investment Advisor.

2.4 Unit classes

LF Canlife Total Return Fund will invest in class S units of the Putnam Total Return Fund which are denominated in GBP.

2.5 Accounting dates and distribution policy

The interim and final accounting dates of the Putnam Total Return Fund are 31 December and 30 June.

The Putnam Total Return Fund does not currently intend to distribute net investment income. If the Putnam Total Return Fund's Manager determines in its discretion to do so in the future, the amount to be distributed to Putnam Total Return Fund unitholders will be determined by the Putnam Total Return Fund's Manager. In such circumstances the Putnam Total Return Fund prospectus will be updated and Putnam Total Return Fund unitholders notified in advance.

2.6 Risk profile and special considerations of the Putnam Total Return Fund

Investors in LF Canlife Total Return Fund should note the risk factors set out at section 5 of this Prospectus. The specific risk factors regarding an investment in the Putnam Total Return Fund are set out in the Putnam Total Return Fund prospectus.

The special risk considerations for the Putnam Total Return Fund are:

Credit Risk/ Counterparty Risk

The Putnam Total Return Fund invests in debt securities, particularly high-yield bonds, which are subject to greater levels of credit and liquidity risk, and which may be speculative and may decline in value due to changes in an issuer's or counterparty's deterioration or default.

Focused Investment Risk

The Putnam Total Return Fund may focus on a limited number of issuers, sectors, industries or geographical regions which may increase the risk and volatility of the Putnam Total Return Fund.

Emerging Risk

The Putnam Total Return Fund may invest in emerging markets which are more volatile, smaller, less liquid, less transparent and subject to less regulatory oversight.

Liquidity Risk

The Putnam Total Return Fund may invest in investments that lack an active market which may cause a delay in buying/selling or force a sale below an investment's fair value.

Management Risk

The returns of the Putnam Total Return Fund may be affected by investment decisions and techniques of the fund's management.

Derivative Risk

The Putnam Total Return Fund may invest in derivatives for either EPM or investment purposes. Derivative instruments are complex, have different characteristics than their underlying assets and are subject to additional risks, including leverage, liquidity and valuation. Derivatives may result in gains or losses that are greater than the original amount invested.

Legal and Operational Risks linked to Management of Collateral

OTC derivatives are generally entered into pursuant to contracts based on the standards set by the International Swaps and Derivatives Association for derivatives master agreements which are negotiated by the parties. The use of such contracts may expose a fund to legal risks such as that the contract may not accurately reflect the intention of the parties or the contract may not be enforceable against the counterparty in its jurisdiction of incorporation.

The use of OTC derivatives and the management of collateral received are subject to the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Where cash collateral is re-invested, in accordance with the conditions imposed by the Central Bank of Ireland, a fund will be exposed to the risk of a failure or default of the issuer of the relevant security in which the cash collateral has been invested, or the risk of failure of a custodian bank that is holding collateral on behalf of the parties.

2.7 Performance

While the performance of LF Canlife Total Return Fund should correlate with that of class S units in the Putnam Total Return Fund, it will not correspond exactly. This is because of the impact of (i) charges and expenses in LF Canlife Total Return Fund (ii) the holding of cash or near cash or any derivatives for hedging purposes by LF Canlife Total Return Fund (iii) the holding of cash or near cash in LF Canlife Total Return Fund pending investment in the Putnam Total Return Fund or for liquidity management purposes and (iv) the taxation of any income distributions by the Putnam Total Return Fund as further described at paragraph 1.10 below.

For the performance records of LF Canlife Total Return Fund, please see Appendix V. The performance record of class S units of the Putnam Total Return Fund is also set out at Appendix V for comparison purposes.

2.8 The Master-Feeder Agreement

The Master-Feeder Agreement dated 15 January 2013 between the ACD and Putnam Investments (Ireland) Limited, as manager of the Putnam Total Return Fund, sets out the terms on which (in accordance with the applicable laws of England and Wales) Putnam Investments (Ireland) Limited will provide the ACD with documents and both parties will provide each other with information and provide for the relevant arrangements in relation to LF Canlife Total Return Fund's investment in the Putnam Total Return Fund. The Agreement contains, amongst other things, provisions between the parties relating to:

- access to information in relation to the Putnam Total Return Fund;
- the basis of investment and disinvestment by LF Canlife Total Return Fund in the Putnam Total Return Fund;
- arrangements around changes to the Putnam Total Return Fund;
- the dealing arrangements in place with the Putnam Total Return Fund and events affecting those arrangements;
- the provision of assistance by the Putnam Total Return Fund's auditors to the auditors of LF Canlife Total Return Fund.

2.9 Information on fees and expenses and remuneration arrangements

The aggregate charges which apply in respect of an investment in Shares of LF Canlife Total Return Fund are set out above at Part I of Appendix I. The aggregate charges figure incorporates the charges levied by LF Canlife Total Return Fund and also the charges borne by LF Canlife Total Return Fund and levied by the Putnam Total Return Fund. The Putnam Total Return Fund applies the following fees and expenses in relation to investments by LF Canlife Total Return Fund in class S units of the Putnam Total Return Fund:

Master fund initial charge:	0%
Master fund redemption charge:	0%
Effective annual management charge	0.3%*
Ongoing charges figure**:	0.6%

* The annual management charge for class S units in the Putnam Total Return Fund is 0.75%. However, there are arrangements in place between the manager of the Putnam Total Return Fund and the ACD for the reimbursement of some of the annual management charge at the level of the Putnam Total Return Fund to LF Canlife Total Return Fund. Currently, a rebate of 0.45% of the total investment by LF Canlife Total Return Fund in the Putnam Total Return Fund is made to LF Canlife Total Return Fund. This reimbursement of annual management charges is reinvested in further class S units of the Putnam Total Return Fund. These arrangements however may be varied by the manager of the Putnam Total Return Fund from time to time.

** The ongoing charges figure for the Putnam Total Return Fund takes account of all charges levied by the Putnam Total Return Fund in respect of the investment by LF Canlife Total Return Fund in class S units. This figure includes the annual management charge for the Putnam Total Return Fund, trustee fees and expenses and other expenses described in the Putnam Total Return Fund prospectus (but excludes portfolio transaction costs). The Putnam Total Return Fund prospectus can be obtained from the ACD on request

In addition, pursuant to the Master-Feeder Agreement and the terms of the Putnam Total Return Fund prospectus, the manager of the Putnam Total Return Fund has agreed to cap its non-management fee expenses at 0.3% for class S units. These arrangements are reflected in the aggregate ongoing charges figure provided in Part I of Appendix I for LF Canlife Total Return Fund. These arrangements however may be varied by the manager of the Putnam Total Return Fund from time to time.

2.10 Further information and documents

Shareholders in LF Canlife Total Return Fund may obtain further information on request regarding the Putnam Total Return Fund from the ACD including copies of the following documents:

(i) the Master-Feeder Agreement;

(ii) the Putnam Total Return Fund's prospectus; and

(iii) the Putnam Total Return Fund's most recent annual and half-yearly reports.

2.11 Tax

The LF Canlife Total Return Fund and investors in it are taxable as set out in section 10 “Taxation”. In particular, LF Canlife Total Return Fund is exempt from UK tax on gains realised on the disposal of units in the Putnam Total Return Fund which has been certified as a reporting fund by HM Revenue & Customs. LF Canlife Total Return Fund will be liable to corporation tax at 20% on any income distributed by Putnam Total Return Fund (which will be reinvested in further units) as well as any excess income reported and any offset of equalisation. Depending on the precise breakdown of the investments held by the Putnam Total Return Fund in the relevant distribution period of the LF Canlife Total Return Fund, it may either accumulate income in the form of dividend distributions or interest distributions. When the LF Canlife Total Return Fund accumulates dividend distributions, UK taxpayers will be liable to income tax on the dividend distributions accumulated by LF Canlife Total Return Fund as described in “Taxation” above. Alternatively, the LF Canlife Total Return Fund may be able to accumulate tax-deductible interest distributions in which case UK taxpayers will be liable to income tax on them as described in “Taxation” above.

Appendix II

Eligible Securities Markets and Eligible Derivatives Markets

All the Sub-funds may deal through securities and derivatives markets which are regulated markets (as defined in the glossary to the FCA Handbook) or markets established in an EEA State which are regulated, operate regularly and are open to the public.

Each Sub-fund may also deal through the securities markets and derivatives markets indicated below:

ELIGIBLE SECURITIES MARKETS:

Australia	Australian Securities Exchange
Brazil	B3
Canada	Toronto Stock Exchange
Chile	Santiago Stock Exchange
China	Shanghai Stock Exchange
	Shenzhen Stock Exchange
Hong Kong	Hong Kong Exchanges and Clearing Limited
India	Bombay Stock Exchange
	National Stock Exchange of India Ltd
Indonesia	Indonesia Stock Exchange
Israel	Tel Aviv Stock Exchange
Japan	Tokyo Stock Exchange
	Osaka Exchange
Korea	Korea Exchange
Malaysia	Bursa Malaysia
Mexico	Mexicana Stock Exchange
New Zealand	NZX Limited
Philippines	Philippine Stock Exchange
Qatar	Qatar Stock Exchange
Russia	Moscow Exchange
Singapore	Singapore Exchange
South Africa	JSE Limited
Switzerland	SIX Swiss Exchange
Taiwan	Taiwan Stock Exchange
	Taipei Exchange
Thailand	The Stock Exchange of Thailand
United Arab Emirates	NASDAQ Dubai
	Abu Dhabi Securities Exchange
	Dubai Financial Markets
United States of America	New York Stock Exchange
	NASDAQ Stock Market
	NYSE American

ELIGIBLE DERIVATIVES MARKETS:

Australia	Australian Securities Exchange
Canada	Montreal Exchange
Hong Kong	Hong Kong Exchanges and Clearing Limited
Japan	Osaka Exchange
	Tokyo Stock Exchange
Korea	Korea Exchange
Singapore	Singapore Exchange
Switzerland	Six Swiss Exchange
United States of America	Chicago Board of Trade
	Cboe Options Exchange
	Chicago Mercantile Exchange
	NASDAQ PHLX
	New York Mercantile Exchange
	NYSE Arca

Appendix III

Investment and Borrowing Powers of the Company

PART I

This Part I of Appendix III applies to all of the Sub-funds except LF Canlife Total Return Fund and LF Canlife Global High Yield Bond Fund and LF Canlife Sterling Liquidity Fund.

The investment and borrowing powers of LF Canlife Total Return Fund and LF Canlife Global High Yield Bond Fund are set out in Part II of this Appendix III. **The investment and borrowing powers of LF Canlife Sterling Liquidity Fund are set out in Part III of this Appendix III.**

1. General

The Scheme Property of a Sub-fund will be invested with the aim of achieving the investment objective of that Sub-fund but subject to the limits set out in the Sub-fund's investment policy and the limits set out in Chapter 5 of the COLL Sourcebook ("COLL 5") and this Prospectus. These limits apply to each Sub-fund as summarised below.

The Sub-funds will not maintain an interest in immovable property or moveable property for the direct pursuit of the ICVC's business.

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

1.1 Prudent Spread of Risk

The ACD must ensure that, taking account of the investment objectives and policy of each Sub-fund, the Scheme Property of each Sub-fund aims to provide a prudent spread of risk.

1.2 Cover

1.2.1 Where the COLL Sourcebook allows a transaction to be entered into or an investment to be retained only (for example, investment in nil and partly paid securities and the general power to accept or underwrite) if possible obligations arising out of the investment transactions or out of the retention would not cause any breach of any limits in COLL 5, it must be assumed that the maximum possible liability of the Sub-fund under any other of those rules has also to be provided for.

1.2.2 Where a rule in the COLL Sourcebook permits an investment transaction to be entered into or an investment to be retained only if that investment transaction, or the retention, or other similar transactions, are covered:

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

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

2. UCITS Schemes – General

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

2.1.1 transferable securities;

2.1.2 approved money-market instruments;

2.1.3 permitted units in collective investments schemes;

2.1.4 permitted derivatives and forward transactions; and

2.1.5 permitted deposits.

2.2 The requirements on spread of investments generally, and in relation to investment in government and public securities, do not apply until the expiry of a period of six months after the date of effect of the authorisation order in respect of a Sub-fund (or on which the initial offer commenced if later) provided that the requirement to maintain prudent spread of risk in paragraph 1.1 of this Appendix is complied with.

3. Transferable Securities

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

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

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

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

3.5 A Sub-fund may invest in a transferable security only to the extent that the transferable security fulfils the following criteria:

3.5.1 the potential loss which a Sub-fund may incur with respect to holding the transferable security is limited to the amount paid for it;

3.5.2 its liquidity does not compromise the ability of the ACD to comply with its obligation to redeem Shares at the request of any qualifying Shareholder under the FCA Handbook;

3.5.3 reliable valuation is available for it as follows:

3.5.3.1 in the case of a transferable security admitted to or dealt in on an eligible market, where there are accurate, reliable and regular prices which are either market prices or prices made available by valuation systems independent from issuers;

3.5.3.2 in the case of a transferable security not admitted to or dealt in on an eligible market, where there is a valuation on a periodic basis which is derived from information from the issuer of the transferable security or from competent investment research;

3.5.4 appropriate information is available for it as follows:

3.5.4.1 in the case of a transferable security admitted to or dealt in on an eligible market, where there is regular, accurate and comprehensive information available to the market on the transferable security or, where relevant, on the portfolio of the transferable security;

3.5.4.2 in the case of a transferable security not admitted to or dealt in on an eligible market, where there is regular and accurate information available to the ACD on the transferable security or, where relevant, on the portfolio of the transferable security;

3.5.5 it is negotiable; and

3.5.6 its risks are adequately captured by the risk management process of the ACD.

3.6 Unless there is information available to the ACD that would lead to a different determination, a transferable security which is admitted to or dealt in on an eligible market shall be presumed:

3.6.1 not to compromise the ability of the ACD to comply with its obligation to redeem Shares at the request of any qualifying Shareholder; and

3.6.2 to be negotiable.

3.7 No more than 5% of the Scheme Property of a Sub-fund may be invested in warrants.

4. Closed End Funds Constituting Transferable Securities

4.1 A unit or a share in a closed end fund shall be taken to be a transferable security for the purposes of investment by a Sub-fund, provided it fulfils the criteria for transferable securities set out in paragraph 3.5 and either:

4.1.1 where the closed end fund is constituted as an investment company or a unit trust:

4.1.1.1 it is subject to corporate governance mechanisms applied to companies; and

4.1.1.2 where another person carries out asset management activity on its behalf, that person is subject to national regulation for the purpose of investor protection; or

4.1.2 Where the closed end fund is constituted under the law of contract:

4.1.2.1 it is subject to corporate governance mechanisms equivalent to those applied to companies; and

4.1.2.2 it is managed by a person who is subject to national regulation for the purpose of investor protection.

5. Transferable Securities Linked to Other Assets

5.1 A Sub-fund may invest in any other investment which shall be taken to be a transferable security for the purposes of investment by a Sub-fund provided the investment:

5.1.1 fulfils the criteria for transferable securities set out in 3.5 above; and

5.1.2 is backed by or linked to the performance of other assets, which may differ from those in which a Sub-fund can invest.

5.2 Where an investment in 5.1 contains an embedded derivative component, the requirements of this section with respect to derivatives and forwards will apply to that component.

6. Approved Money-Market Instruments

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

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

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

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

6.2.3 undergoes regular yield adjustments in line with money-market conditions at least every 397 days; or

6.2.4 has a risk profile, including credit and interest rate risks, corresponding to that of an instrument which has a maturity as set out in 6.2.1 or 6.2.2 or is subject to yield adjustments as set out in 6.2.3.

6.3 A money-market instrument shall be regarded as liquid if it can be sold at limited cost in an adequately short time frame, taking into account the obligation of the ACD to redeem Shares at the request of any qualifying Shareholder.

6.4 A money-market instrument shall be regarded as having a value which can be accurately determined at any time if accurate and reliable valuations systems, which fulfil the following criteria, are available:

6.4.1 enabling the ACD to calculate a net asset value in accordance with the value at which the instrument held in the Scheme Property of a Sub-fund could be exchanged between knowledgeable willing parties in an arm's length transaction; and

6.4.2 based either on market data or on valuation models including systems based on amortised costs.

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

7. Transferable Securities and Money-Market Instruments Generally to be Admitted or Dealt in on an Eligible Market

7.1 Transferable securities and approved money-market instruments held within a Sub-fund must be:

7.1.1 admitted to or dealt in on an eligible market as described in 8.3.1; or

7.1.2 dealt in on an eligible market as described in 8.3.2; or

7.1.3 admitted to or dealt in on an eligible market as described in 8.4; or

7.1.4 for an approved money-market instrument not admitted to or dealt in on an eligible market, within 9.1; or

7.1.5 recently issued transferable securities provided that:

7.1.5.1 the terms of issue include an undertaking that application will be made to be admitted to an eligible market; and

7.1.5.2 such admission is secured within a year of issue.

7.2 However, a Sub-fund may invest no more than 10% of its Scheme Property in transferable securities and approved money-market instruments other than those referred to in 7.1.

8. Eligible Markets Regime: Purpose and Requirements

8.1 To protect investors the markets on which investments of a Sub-fund are dealt in or traded on should be of an adequate quality ("eligible") at the time of acquisition of the investment and until it is sold.

8.2 Where a market ceases to be eligible, investments on that market cease to be approved securities. The 10% restriction in 7.2 on investing in non approved securities applies and exceeding this limit because a market ceases to be eligible will generally be regarded as an inadvertent breach.

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

8.3.1 a regulated market as defined in the FCA Handbook; or

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

8.3.3 a market falling in paragraph 8.4 of this Appendix.

8.4 A market not falling within paragraph 8.3.1 and 8.3.2 of this Appendix is eligible for the purposes of COLL 5 if:

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

8.4.2 the market is included in a list in the Prospectus; and

8.4.3 the Depositary has taken reasonable care to determine that:

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

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

8.5 In paragraph 8.4.1 a market must not be considered appropriate unless it is regulated, operates regularly, is recognised by an overseas regulator, is open to the public, is adequately liquid and has adequate arrangements for unimpeded transmission of income and capital to or for the order of Shareholders.

8.6 The Eligible Markets for the Sub-funds are set out in Appendix II.

9. Money-Market Instruments with a Regulated Issuer

9.1 In addition to instruments admitted to or dealt in on an eligible market, a Sub-fund may invest in an approved money-market instrument provided it fulfils the following requirements:

9.1.1 the issue or the issuer is regulated for the purpose of protecting Shareholders and savings; and

9.1.2 the instrument is issued or guaranteed in accordance with paragraph 10 (Issuers and guarantors of money-market instruments) below.

9.2 The issue or the issuer of a money-market instrument, other than one dealt in on an eligible market, shall be regarded as regulated for the purpose of protecting Shareholders and savings if:

9.2.1 the instrument is an approved money-market instrument;

9.2.2 appropriate information is available for the instrument (including information which allows an appropriate assessment of the credit risks related to investment in it), in accordance with paragraph 11 (Appropriate information for money-market instruments) below; and

9.2.3 the instrument is freely transferable.

10. Issuers and Guarantors of Money-Market Instruments

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

10.1.1 issued or guaranteed by any one of the following:

10.1.1.1 a central authority of an EEA State or, if the EEA State is a federal state, one of the members making up the federation;

10.1.1.2 a regional or local authority of an EEA State;

10.1.1.3 the European Central Bank or a central bank of an EEA State;

10.1.1.4 the European Union or the European Investment Bank;

10.1.1.5 a non-EEA State or, in the case of a federal state, one of the members making up the federation;

10.1.1.6 a public international body to which one or more EEA States belong; or

10.1.2 issued by a body, any securities of which are dealt in on an eligible market; or

10.1.3 issued or guaranteed by an establishment which is:

10.1.3.1 subject to prudential supervision in accordance with criteria defined by European Union law; or

10.1.3.2 subject to and complies with prudential rules considered by the FCA to be at least as stringent as those laid down by European Union law.

10.2 An establishment shall be considered to satisfy the requirement in 10.1.3.2 if it is subject to and complies with prudential rules, and fulfils one or more of the following criteria:

10.2.1 it is located in the European Economic Area;

10.2.2 it is located in an OECD country belonging to the Group of Ten;

10.2.3 it has at least investment grade rating;

10.2.4 on the basis of an in-depth analysis of the issuer, it can be demonstrated that the prudential rules applicable to that issuer are at least as stringent as those laid down by European Union law.

11. Appropriate Information for Money-Market Instruments

11.1 In the case of an approved money-market instrument within 10.1.2 or issued by a body of the type referred to in COLL 5.2.10EG, or which is issued by an authority within 10.1.1.2 or a public international body within 10.1.1.6 but is not guaranteed by a central authority within 10.1.1.1, the following information must be available:

11.1.1 information on both the issue or the issuance programme, and the legal and financial situation of the issuer prior to the issue of the instrument, verified by appropriately qualified third parties not subject to instructions from the issuer;

11.1.2 updates of that information on a regular basis and whenever a significant event occurs; and

11.1.3 available and reliable statistics on the issue or the issuance programme.

11.2 In the case of an approved money-market instrument issued or guaranteed by an establishment within 10.1.3, the following information must be available:

11.2.1 information on the issue or the issuance programme or on the legal and financial situation of the issuer prior to the issue of the instrument;

11.2.2 updates of that information on a regular basis and whenever a significant event occurs; and

11.2.3 available and reliable statistics on the issue or the issuance programme, or other data enabling an appropriate assessment of the credit risks related to investment in those instruments.

11.3 In the case of an approved money-market instrument:

11.3.1 within 10.1.1.1, 10.1.1.4 or 10.1.1.5; or

11.3.2 which is issued by an authority within 10.1.1.2 or a public international body within 10.1.1.6 and is guaranteed by a central authority within 10.1.1.1;

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

12. Spread: General

12.1 This rule on spread does not apply in respect of a transferable security or an approved money-market instrument to which COLL 5.2.12R (Spread: government and public securities) applies.

12.2 For the purposes of this requirement companies included in the same group for the purposes of consolidated accounts as defined in accordance with Directive 83/349/EEC or in the same group in accordance with international accounting standards are regarded as a single body.

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

12.4 Not more than 5% in value of the Scheme Property of a Sub-fund is to consist of transferable securities or approved money-market instruments issued by any single body, except that the limit of 5% is raised to 10% in respect of up to 40% in value of the Scheme Property (covered bonds need not be taken into account for the purposes of applying the limit of 40%). For these purposes certificates representing certain securities are treated as equivalent to the underlying security.

12.5 The limit of 5% in 12.4 is raised to 25% in value of the Scheme Property in respect of covered bonds provided that when a Sub-fund invests more than 5% in covered bonds issued by a single body, the total value of covered bonds held must not exceed 80% in value of the Scheme Property.

12.6 The exposure to any one counterparty in an OTC derivative transaction must not exceed 5% in value of the Scheme Property of a Sub-fund. This limit is raised to 10% where the counterparty is an Approved Bank.

12.7 Not more than 20% in value of the Scheme Property of a Sub-fund is to consist of transferable securities and approved money-market instruments issued by the same group.

12.8 The COLL Sourcebook provides that not more than 20% in value of the Scheme Property of a Sub-fund is to consist of the units of any one collective investment scheme. However, as per 15.1, investment in collective investment schemes is restricted to no more than a 10% aggregate limit in value of the Scheme Property of each Sub-fund (or in the case of LF Canlife Balanced Fund, up to 100%, thus the 20% limit in any single collective investment scheme is applicable to the Sub-fund).

12.9 The COLL Sourcebook provides that in applying the limits in 12.3,12.4 and 12.6 in relation to a single body, and subject to 12.5, not more than 20% in value of the Scheme Property of a Sub-fund is to consist of any combination of two or more of the following:

12.9.1 transferable securities (including covered bonds) or approved money-market instruments issued by that body; or

12.9.2 deposits made with that body; or

12.9.3 exposures from OTC derivatives transactions made with that body.

13. Counterparty Risk and Issuer Concentration

13.1 The ACD must ensure that counterparty risk arising from an OTC derivative is subject to the limits set out in paragraphs 12.6 and 12.9 above.

13.2 When calculating the exposure of a Sub-fund to a counterparty in accordance with the limits in paragraph 12.6 the ACD must use the positive mark-to-market value of the OTC derivative contract with that counterparty.

13.3 An ACD may net the OTC derivative positions of a Sub-fund with the same counterparty, provided they are able legally to enforce netting agreements with the counterparty on behalf of the Sub-fund.

13.4 The netting agreements in paragraph 13.3 above are permissible only with respect to OTC derivatives with the same counterparty and not in relation to any other exposures the Sub-fund may have with that same counterparty.

13.5 The ACD may reduce the exposure of Scheme Property to a counterparty of an OTC derivative through the receipt of collateral. Collateral received must be sufficiently liquid so that it can be sold quickly at a price that is close to its pre-sale valuation.

13.6 The ACD must take collateral into account in calculating exposure to counterparty risk in accordance with the limits in paragraph 12.6 when it passes collateral to an OTC counterparty on behalf of a Sub-fund.

13.7 Collateral passed in accordance with paragraph 13.6 may be taken into account on a net basis only if the ACD is able legally to enforce netting arrangements with this counterparty on behalf of that Sub-fund.

13.8 The ACD must calculate the issuer concentration limits referred to in paragraph 12.6 on the basis of the underlying exposure created through the use of OTC derivatives pursuant to the commitment approach.

13.9 In relation to the exposure arising from OTC derivatives as referred to in paragraph 12.6 the ACD must include any exposure to OTC derivative counterparty risk in the calculation.

14. Spread: Government and Public Securities

14.1 The following section applies in respect of a transferable security or an approved money-market instrument ("such securities") that is issued by:

14.1.1 an EEA State;

14.1.2 a local authority of an EEA State;

14.1.3 a non-EEA State; or

14.1.4 a public international body to which one or more EEA States belong.

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

14.3 The Company or a Sub-fund may invest more than 35% in value of the Scheme Property in such securities issued by any one body provided that:

14.3.1 the ACD has before any such investment is made consulted with the Depositary and as a result considers that the issuer of such securities is one which is appropriate in accordance with the investment objectives of the relevant Sub-fund;

14.3.2 no more than 30% in value of the Scheme Property consists of such securities of any one issue;

14.3.3 the Scheme Property includes such securities issued by that or another issuer, of at least six different issues;

14.3.4 the disclosures in COLL 3.2.6R(8) (Table: contents of the instrument constituting the fund) and COLL 4.2.5R(3)(i) (Table: contents of the prospectus) have been made.

14.4 The Sub-funds (with the exception of LF Canlife Corporate Bond Fund, LF Canlife Global Macro Bond Fund, LF Canlife UK Government Bond Fund and LF Canlife Strategic Return Fund) do not currently invest more than 35% of their Scheme Property in government and public securities issued by any one body.

14.5 In giving effect to the foregoing object more than 35% of the property of LF Canlife Corporate Bond Fund, LF Canlife Global Macro Bond Fund, and LF Canlife Strategic Return Fund may be invested in UK Government and other public securities issued or guaranteed by or on behalf of the Governments of Austria, Australia, Belgium, Canada, Denmark, Finland, France, Ireland, Germany, Greece, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland and the United States of America.

14.5.1 In giving effect to the foregoing object more than 35% of the property of LF Canlife UK Government Bond Fund may also be invested in UK Government (including the Scottish Administration, the Executive Committee of the Northern Ireland Assembly and the National Assembly of Wales) and other UK public securities.

14.6 Notwithstanding 12.1 and subject to 14.2 and 14.3 above, in applying the 20% limit in paragraph 12.9 with respect to a single body, such securities issued by that body shall be taken into account.

15. Investment in Collective Investment Schemes

15.1 Up to 10% of the value (or in the case of LF Canlife Balanced Fund, up to 100%) of the Scheme Property of a Sub-fund may be invested in units or shares in other collective investment schemes ("Second Scheme") provided the Second Scheme satisfies all of the following conditions:

15.1.1 The Second Scheme must:

15.1.1.1 satisfy the conditions necessary for it to enjoy the rights conferred by the UCITS Directive; or

15.1.1.2 be recognised under the provisions of s.272 of the Financial Services and Markets Act 2000; or

15.1.1.3 be authorised as a non-UCITS retail scheme (provided the requirements of Article 50(1)(e) of the UCITS Directive are met);

15.1.1.4 be authorised in another EEA State provided the requirements of Article 50(1)(e) of the UCITS Directive are met; or

15.1.1.5 be authorised by the competent authority of an OECD member country (other than another EEA State) which has:

(a) signed the IOSCO Multilateral Memorandum of Understanding; and

(b) approved the Second Scheme's management company, rules and depositary/custody arrangements;

(provided the requirements of article 50(1)(e) of the UCITS Directive are met).

15.1.2 The Second Scheme has terms which prohibit it from having more than 10% in value of the scheme property consisting of units in collective investment schemes. Where the Second Scheme is an umbrella, the provisions in this paragraph 15.1.2 and paragraph 15.1.3 and paragraph 12 (Spread: general) apply to each Sub-fund as if it were a separate scheme.

15.1.3 Investment may only be made in other collective investment schemes managed by the ACD or an Associate of the ACD if the Sub-fund's Prospectus clearly states that it may enter into such investments and the rules on double charging contained in the COLL Sourcebook are complied with.

15.1.4 The Scheme Property attributable to a Sub-fund may include Shares in another Sub-fund of the Company (a "Second Sub-fund") subject to the requirements of paragraph 15.1.5 below.

15.1.5 Sub-funds in the Company may invest in a Second Sub-fund provided that:

15.1.5.1 the Second Sub-fund does not hold Shares in any other Sub-fund of the Company;

15.1.5.2 the requirements set out in paragraphs 15.3 and 15.4 below are complied with; and

15.1.5.3 the investing or disposing Sub-fund must not be a feeder UCITS to the Second Sub-fund.

15.2 The Sub-funds may, subject to the limit set out in 15.1 above, invest in collective investment schemes managed or operated by, or whose authorised corporate director is, the ACD or one of its Associates.

15.3 Investment may only be made in a Second Sub-fund or other collective investment schemes managed by the ACD or an Associate of the ACD if the rules on double charging contained in the COLL Sourcebook are complied with.

15.4 Where a Sub-fund of the Company invests in or disposes of Shares in a Second Sub-fund or units or shares in another collective investment scheme which is managed or operated by the ACD or an Associate of the ACD, the ACD must pay to that Sub-fund by the close of business on the fourth Business Day the amount of any preliminary charge in respect of a purchase, and in the case of a sale any charge made for the disposal.

16. Investment in Nil and Partly Paid Securities

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

17. Derivatives: General

In respect of the LF Canlife Global Resource Fund, the Investment Manager may employ derivatives for Investment Purposes (‘IP’), in the pursuit of its investment objectives as stated in the Prospectus and in accordance with the Risk Management Policy (RMP) – The RMP is available on request from the Authorised Corporate.

Due to the relatively simple derivative strategies that may be used by the fund, the Authorised Corporate Director will treat the fund as an ‘Investment Purposes without VaR’ fund and monitor its risk using the commitment approach. The leverage, as measured using this approach, cannot exceed 100%.

The commitment approach measures the exposure generated by a derivative position, as the market value of assets which have the equivalent economic risks and rewards of the derivative position.

The sum of the absolute value of all these equivalent positions, after allowing for netting and hedging, is then the leverage generated by the fund’s derivatives’ positions. This leverage level must comply with the RMP.

In respect of the LF Canlife Strategic Return Fund, the Investment Manager may employ derivatives for Investment Purposes (‘IP’), in the pursuit of its investment objectives as stated in the Prospectus and in accordance with the Risk Management Policy (RMP) – The RMP is available on request from the Authorised Corporate Director.

Due to the complex derivative strategies that may be used by the fund, the Authorised Corporate Director will treat the fund as an ‘Investment Purposes with VaR’ fund and monitor its risk on a global exposure basis using the Value at Risk (VaR) approach.

Value at risk is a measure of the maximum potential loss the portfolio could experience over a given time period with reference to a specified confidence interval : so a VaR of £10m at a 99% confidence level means that the portfolio losses should not exceed £10m 99 times out of a hundred.

A maximum daily or monthly VaR is applicable as per the COLL regulation. The LF Canlife Strategic Return Fund is managed against a monthly VAR of 9.40%.

The use of derivatives and forward transactions for investment purposes may cause the risk profile of LF Canlife Strategic Return Fund and LF Canlife Global Resource Fund to change. However, it is the Investment Manager's intention that the Sub-fund, owing to its portfolio composition, or the portfolio management techniques used, will not have volatility over and above the general market volatility of the markets of their underlying investments.

With the exception of the LF Canlife Total Return Fund and the LF Canlife Global High Yield Bond Fund the Investment Manager may employ derivatives for the purposes of Efficient Portfolio Management ('EPM') in accordance with the Risk Management Policy (RMP) – The RMP is available on request from the Authorised Corporate Director.

Where the fund employs derivatives for EPM or hedging purposes its global exposure will be calculated using the commitment approach on a daily basis.

The commitment approach measures the exposure generated by a derivative and must be based on an exact conversion of the financial derivative position into the market value of an equivalent position in the underlying asset of that derivative.

The sum of the absolute value of all these equivalent positions, after allowing for netting and hedging, is then the leverage generated by the fund's derivatives positions. This leverage level must comply with the RMP.

It is not intended that the use of derivatives and forward transactions for EPM purposes will cause the Sub-funds' risk profile to increase.

Further information on EPM is provided in paragraph 18.

17.1 A transaction in derivatives or a forward transaction must not be effected for a Sub-fund unless the transaction is of a kind specified in paragraph 19 (Permitted transactions (derivatives and forwards)) below, and the transaction is covered, as required by paragraph 30 (Cover for investment in derivatives and forward transactions) of this Appendix.

17.2 Where a Sub-fund invests in derivatives, the exposure to the underlying assets must not exceed the limits set out in the COLL Sourcebook in relation to spread COLL 5.2.11R (Spread: general), COLL 5.2.12R (Spread: government and public securities) except for index based derivatives where the rules below apply.

17.3 Where a transferable security or approved money-market instrument embeds a derivative, this must be taken into account for the purposes of complying with this section.

17.4 A transferable security or an approved money-market instrument will embed a derivative if it contains a component which fulfils the following criteria:

17.4.1 by virtue of that component some or all of the cash flows that otherwise would be required by the transferable security or approved money-market instrument which functions as host contract can be modified according to a specified interest rate, financial instrument price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, and therefore vary in a way similar to a stand-alone derivative;

17.4.2 its economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract; and

17.4.3 it has a significant impact on the risk profile and pricing of the transferable security or approved money-market instrument.

17.5 A transferable security or an approved money-market instrument does not embed a derivative where it contains a component which is contractually transferable independently of the transferable security or the approved money-market instrument. That component shall be deemed to be a separate instrument.

17.6 Where a Sub-fund invests in an index based derivative, provided the relevant index falls within paragraph 20 (Financial Indices underlying derivatives), the underlying constituents of the index do not have to be taken into account for the purposes of COLL 5.2.11R (Spread: general) and COLL 5.2.12R (Spread: government and public securities).

18. Efficient Portfolio Management

18.1 The Company may use Scheme Property to enter into transactions for the purposes of EPM. Permitted EPM transactions include transactions in derivatives dealt or traded on an eligible derivatives market or over-the-counter. Where permitted, EPM techniques may also involve the Company entering into stock lending transactions or reverse repurchase agreements. The ACD must ensure in entering into EPM transactions that the transaction is economically appropriate to (i) the reduction of the relevant risks (whether in the price of investments, interest rates or exchange rates) or (ii) the reduction of the relevant costs and/or (iii) the generation of additional capital or income for the scheme with a risk level which is consistent with the risk profile of the scheme and the risk diversification rules laid down in the FCA's COLL sourcebook.

18.2 There is no guarantee that the Company will achieve the objective for which any EPM transaction was undertaken. To the extent that derivative instruments are utilised for hedging purposes (reduction of the risk profile of the Company), the risk of loss to the Company may be increased where the value of the derivative instrument and the value of the security or position which it is hedging prove to be insufficiently correlated. EPM transactions (save to the extent that derivatives are traded on exchange) may involve a risk that a counterparty will wholly or partially fail to honour its contractual obligations.

18.3 In order to mitigate that risk of counterparty default, the counterparties to these transactions may be required to provide collateral to suitably cover their obligations to the Company. In the event of default by the counterparty, it will forfeit its collateral on the transaction. However, there is a risk that the collateral, especially where it is in the form of securities, when realised will not raise sufficient cash to settle the counterparty's liability to the Company. Securities lending transactions may, in the event of a default by the counterparty, result in the securities lent being recovered late or only in part. This may result in loss for the Company.

18.4 To assist in managing these types of risks, the ACD has a collateral management policy which sets criteria around the types of eligible collateral the Company may accept. A copy of this is available from the ACD on request.

18.5 Investors should note that EPM transactions may be effected in relation to the Company in circumstances where the ACD or Investment Manager has, either directly or indirectly, an interest which may potentially involve a conflict of their obligations to the Company. Where a conflict cannot be avoided, the ACD and Investment Manager will have regard to their responsibility to act in the best interests of the Company and its investors. The ACD and Investment Manager will ensure that the Company and its investors are treated fairly and that such transactions are effected on terms which are not less favourable to the Company than if the potential conflict had not existed. For further information in relation to conflicts of interest, please see the 'conflicts of interest' section of this prospectus.

18.6 All revenues arising from EPM transactions (including stock lending and repurchase and reverse repurchase arrangements, if any) will be returned to the Company, net of direct and indirect operational costs and fees.

19. Permitted Transactions (Derivatives and Forwards)

19.1 A transaction in a derivative must be in an approved derivative; or be one which complies with paragraph 23 (OTC transactions in derivatives).

19.2 A transaction in a derivative must have the underlying consisting of any one or more of the following to which a Sub-fund is dedicated:

19.2.1 transferable securities;

19.2.2 approved money-market instruments permitted under paragraphs 7.1.1 to 7.1.4;

19.2.3 deposits and permitted derivatives under this paragraph;

19.2.4 collective investment scheme units permitted under paragraph 15 (Investment in collective investment schemes);

19.2.5 financial indices which satisfy the criteria set out in paragraph 20 (Financial indices underlying derivatives);

19.2.6 interest rates;

19.2.7 foreign exchange rates; and

19.2.8 currencies.

19.3 A transaction in an approved derivative must be effected on or under the rules of an eligible derivatives market.

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

19.5 A transaction in a derivative must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more, transferable securities, approved money-market instruments, units in collective investment schemes, or derivatives.

19.6 Any forward transaction must be with an Eligible Institution or an Approved Bank.

19.7 A derivative includes an investment which fulfils the following criteria:

19.7.1 it allows transfer of the credit risk of the underlying independently from the other risks associated with that underlying;

19.7.2 it does not result in the delivery or the transfer of assets other than those referred to in COLL 5.2.6AR, including cash;

19.7.3 in the case of an OTC derivative, it complies with the requirements in paragraph 23; and

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

19.8 A Sub-fund may not undertake transactions in derivatives on commodities.

20. Financial Indices Underlying Derivatives

20.1 The financial indices referred to in 19.2 are those which satisfy the following criteria:

20.1.1 the index is sufficiently diversified;

20.1.2 the index represents an adequate benchmark for the market to which it refers; and

20.1.3 the index is published in an appropriate manner.

20.2 A financial index is sufficiently diversified if:

20.2.1 it is composed in such a way that price movements or trading activities regarding one component do not unduly influence the performance of the whole index;

20.2.2 where it is composed of assets in which a Sub-fund is permitted to invest, its composition is at least diversified in accordance with the requirements with respect to spread and concentration set out in this Appendix; and

20.2.3 where it is composed of assets in which a Sub-fund cannot invest, it is diversified in a way which is equivalent to the diversification achieved by the requirements with respect to spread and concentration set out in this Appendix.

20.3 A financial index represents an adequate benchmark for the market to which it refers if:

20.3.1 it measures the performance of a representative group of underlyings in a relevant and appropriate way;

20.3.2 it is revised or rebalanced periodically to ensure that it continues to reflect the markets to which it refers, following criteria which are publicly available; and

20.3.3 the underlyings are sufficiently liquid, allowing users to replicate it if necessary.

20.4 A financial index is published in an appropriate manner if:

20.4.1 its publication process relies on sound procedures to collect prices, and calculate and subsequently publish the index value, including pricing procedures for components where a market price is not available; and

20.4.2 material information on matters such as index calculation, rebalancing methodologies, index changes or any operational difficulties in providing timely or accurate information is provided on a wide and timely basis.

20.5 Where the composition of underlyings of a transaction in a derivative does not satisfy the requirements for a financial index, the underlyings for that transaction shall where they satisfy the requirements with respect to other underlyings pursuant to 19.2, be regarded as a combination of those underlyings.

21. Transactions for the Purchase of Property

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

22. Requirement to Cover Sales

22.1 No agreement by or on behalf of a Sub-fund to dispose of property or rights may be made unless the obligation to make the disposal and any other similar obligation could immediately be honoured by that Sub-fund by delivery of property or the assignment (or, in Scotland, assignation) of rights, and the property and rights above are owned by a Sub-fund at the time of the agreement. This requirement does not apply to a deposit.

23. OTC Transactions in Derivatives

23.1 Any transaction in an OTC derivative under paragraph 19.1 must be:

23.1.1 in a future or an option or a contract for differences;

23.1.2 with an approved counterparty; a counterparty to a transaction in derivatives is approved only if the counterparty is an Eligible Institution or an Approved Bank; or a person whose permission (including any requirements or limitations), as published in the Financial Services Register or whose Home State authorisation, permits it to enter into the transaction as principal off-exchange;

23.1.3 on approved terms; the terms of the transaction in derivatives are approved only if, the ACD: carries out, at least daily, a reliable and verifiable valuation in respect of that transaction corresponding to its fair value and which does not rely only on market quotations by the counterparty and can enter into one or more further transaction to sell, liquidate or close out that transaction at any time, at a fair value; and

23.1.4 capable of reliable valuation; a transaction in derivatives is capable of reliable valuation only if the ACD having taken reasonable care determines that, throughout the life of the derivative (if the transaction is entered into), it will be able to value the investment concerned with reasonable accuracy:

23.1.4.1 on the basis of an up-to-date market value which the ACD and the Depositary have agreed is reliable; or

23.1.4.2 if the value referred to in 23.1.4.1 is not available, on the basis of a pricing model which the ACD and the Depositary have agreed uses an adequate recognised methodology; and

23.1.5 subject to verifiable valuation: a transaction in derivatives is subject to verifiable valuation only if, throughout the life of the derivative (if the transaction is entered into) verification of the valuation is carried out by:

23.1.5.1 an appropriate third party which is independent from the counterparty of the derivative at an adequate frequency and in such a way that the ACD is able to check it; or

23.1.5.2 a department within the ACD which is independent from the department in charge of managing a Sub-fund and which is adequately equipped for such a purpose.

23.2 For the purposes of paragraph 23.1.3, "fair value" is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

24. Valuation of OTC Derivatives

24.1 For the purposes of paragraph 23.1.3 the ACD must:

24.1.1 establish, implement and maintain arrangements and procedures which ensure appropriate, transparent and fair valuation of the exposures of a Sub-fund to OTC derivatives; and

24.1.2 ensure that the fair value of OTC derivatives is subject to adequate, accurate and independent assessment.

24.2 Where the arrangements and procedures referred to in paragraph 24.1 above involve the performance of certain activities by third parties, the ACD must comply with the requirements in SYSC 8.1.13 R (Additional requirements for a management company) and COLL 6.6A.4 R (4) to (6) (Due diligence requirements of AFMs of UCITS schemes).

24.3 The arrangements and procedures referred to in 24.1 must be:

24.3.1 adequate and proportionate to the nature and complexity of the OTC derivative concerned; and

24.3.2 adequately documented.

25. Risk Management

25.1 The ACD uses a risk management process in accordance with COLL 6.12 (Risk management policy and risk measurement), as reviewed by the Depositary and filed with the FCA, enabling it to monitor and measure at any time the risk of a Sub-fund's positions and their contribution to the overall risk profile of the Sub-fund. The following details of the risk management process must be regularly notified to the FCA and at least on an annual basis:

25.1.1 a true and fair view of the types of derivatives and forward transactions to be used within the Sub-fund together with their underlying risks and any relevant quantitative limits.

25.1.2 the methods for estimating risks in derivative and forward transactions.

25.2 The ACD must notify the FCA in advance of any material alteration to the details above.

26. Investments in Deposits

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

27. Significant Influence

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

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

27.1.2 the acquisition gives the Company that power.

27.2 For the purposes of paragraph 27.1, the Company is to be taken to have power significantly to influence the conduct of business of a body corporate if it can, because of the transferable securities held by it, exercise or control the exercise of 20% or more of the voting rights in that body corporate (disregarding for this purpose any temporary suspension of voting rights in respect of the transferable securities of that body corporate).

28. Concentration

The Company:

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

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

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

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

28.3 must not acquire more than 25% of the units in a collective investment scheme;

28.4 must not acquire more than 10% of the approved money-market instruments issued by any single body; and

28.5 need not comply with the limits in paragraphs 28.2, 28.3 and 28.4 of this Appendix if, at the time of the acquisition, the net amount in issue of the relevant investment cannot be calculated.

29. Derivative Exposure

29.1 The Sub-funds may invest in derivatives and forward transactions as long as the exposure to which a Sub-fund is committed by that transaction itself is suitably covered from within its Scheme Property. Exposure will include any initial outlay in respect of that transaction.

29.2 Cover ensures that a Sub-fund is not exposed to the risk of loss of property, including money, to an extent greater than the net value of the Scheme Property. Therefore, a Sub-fund must hold Scheme Property sufficient in value or amount to match the exposure arising from a derivative obligation to which that Sub-fund is committed. Paragraph 30 (Cover for investment in derivatives and forward transactions) below sets out detailed requirements for cover of that Sub-fund.

29.3 A future is to be regarded as an obligation to which a Sub-fund is committed (in that, unless closed out, the future will require something to be delivered, or accepted and paid for); a written option as an obligation to which a Sub-fund is committed (in that it gives the right of potential exercise to another thereby creating exposure); and a bought option as a right (in that the purchaser can, but need not, exercise the right to require the writer to deliver and accept and pay for something).

29.4 Cover used in respect of one transaction in derivatives or forward transaction must not be used for cover in respect of another transaction in derivatives or a forward transaction.

30. Cover for Investment in Derivatives and Forward Transactions

30.1 A Sub-fund may invest in derivatives and forward transactions as part of its investment policy provided:

30.1.1 its global exposure relating to derivatives and forward transactions held in the Sub-fund does not exceed the net value of the Scheme Property; and

30.1.2 its global exposure to the underlying assets does not exceed in aggregate the investment limits laid down in paragraph 12 above.

31. Cover and Borrowing

31.1 Cash obtained from borrowing, and borrowing which the ACD reasonably regards an Eligible Institution or an Approved Bank to be committed to provide, is not available for cover under paragraph 30 (Cover for investment in derivatives and forward transactions) except where 31.2 below applies.

31.2 Where, for the purposes of this paragraph a Sub-fund borrows an amount of currency from an Eligible Institution or an Approved Bank; and keeps an amount in another currency, at least equal to such borrowing for the time being in 31.1 on deposit with the lender (or his agent or nominee), then this paragraph 31.2 applies as if the borrowed currency, and not the deposited currency, were part of the Scheme Property.

32. Calculation of Global Exposure

32.1 The ACD must calculate the global exposure of a Sub-fund on at least a daily basis.

32.2 The ACD must calculate the global exposure of any Sub-fund it manages either as:

32.2.1 the incremental exposure and leverage generated through the use of derivatives and forward transactions (including embedded derivatives as referred to in paragraph 17 (Derivatives: general), which may not exceed 100% of the net value of the Scheme Property; or

32.2.2 the market risk of the Scheme Property.

32.3 For the purposes of this section exposure must be calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

32.4 The ACD must calculate the global exposure of a Sub-fund by using:

32.4.1 commitment approach; or

32.4.2 the value at risk approach.

32.5 The ACD must ensure that the method selected above is appropriate, taking into account:

32.5.1 the investment strategy pursued by the Sub-fund;

32.5.2 types and complexities of the derivatives and forward transactions used; and

32.5.3 the proportion of the Scheme Property comprising derivatives and forward transactions.

32.6 Where a Sub-fund employs techniques and instruments including repo contracts or stock lending transactions in accordance with paragraph 41 (Stock lending) in order to generate additional leverage or exposure to market risk, the authorised fund manager must take those transactions into consideration when calculating global exposure.

33. Cash and Near Cash

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

33.1.1 the pursuit of a Sub-fund's investment objectives; or

33.1.2 redemption of Shares; or

33.1.3 efficient management of a Sub-fund in accordance with its investment objectives; or

33.1.4 other purposes which may reasonably be regarded as ancillary to the investment objectives of a Sub-fund.

33.2 During the period of the initial offer the Scheme Property of the Sub-funds may consist of cash and near cash without limitation.

34. General

34.1 It is envisaged that a Sub-fund will normally be fully invested but there may be times that it is appropriate not to be fully invested when the ACD reasonably regards this as necessary in pursuit of the investment objective and policy, redemption of Shares, efficient management of a Sub-fund or any one purpose which may reasonably be regarded as ancillary to the investment objectives of a Sub-fund.

34.2 A potential breach of any of these limits does not prevent the exercise of rights conferred by investments held by a Sub-fund but, in the event of a consequent breach, the ACD must then take such steps as are necessary to restore compliance with the investment limits as soon as practicable having regard to the interests of Shareholders.

34.3 The COLL Sourcebook permits the ACD to use certain techniques when investing in derivatives in order to manage a Sub-fund's exposure to particular counterparties and in relation to the use of collateral to reduce overall exposure with respect to OTC derivatives; for example a Sub-fund may take collateral from counterparties with whom they have an OTC derivative position and use that collateral to net off against the exposure they have to the counterparty under that OTC derivative position, for the purposes of complying with counterparty spread limits. The COLL Sourcebook also permits a Sub-fund to use derivatives to effectively short sell (agree to deliver the relevant asset without holding it in a Sub-fund) under certain conditions.

35. Underwriting

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

36. General Power to Borrow

36.1 The Company may, on the instructions of the Investment Manager and subject to the COLL Sourcebook, borrow money from an Eligible Institution or an Approved Bank for the use of a Sub-fund on terms that the borrowing is to be repayable out of the Scheme Property.

36.2 Borrowing must be on a temporary basis, must not be persistent, and in any event must not exceed three months without the prior consent of the Depositary, which may be given only on such conditions as appear appropriate to the Depositary to ensure that the borrowing does not cease to be on a temporary basis.

36.3 The ACD must ensure that borrowing does not, on any Business Day, exceed 10% of the value of a Sub-fund.

36.4 These borrowing restrictions do not apply to "back to back" borrowing for currency hedging purposes (i.e. borrowing permitted in order to reduce or eliminate risk arising by reason of fluctuations in exchange rates).

37. Restrictions on Lending of Money

37.1 None of the money in the Scheme Property of a Sub-fund may be lent and, for the purposes of this paragraph, money is lent by a Sub-fund if it is paid to a person ("the payee") on the basis that it should be repaid, whether or not by the payee.

37.2 Acquiring a debenture is not lending for the purposes of paragraph 37.1, nor is the placing of money on deposit or in a current account.

37.3 Nothing in paragraph 37.1 prevents the Company from providing an officer of the Company with funds to meet expenditure to be incurred by him for the purposes of the Company (or for the purposes of enabling him properly to perform his duties as an officer of the Company) or from doing anything to enable an officer to avoid incurring such expenditure.

38. Restrictions on Lending of Property Other than Money

38.1 Scheme Property of the Sub-funds other than money must not be lent by way of deposit or otherwise.

38.2 Transactions permitted by paragraph 41 (Stock lending) are not to be regarded as lending for the purposes of paragraph 38.1.

38.3 The Scheme Property of the Sub-funds must not be mortgaged.

38.4 Where transactions in derivatives or forward transactions are used for the account of the Company in accordance with COLL 5, nothing in this paragraph prevents the Company or the Depositary at the request of the Company: from lending, depositing, pledging or charging its Scheme Property for margin requirements; or transferring Scheme Property under the terms of an agreement in relation to margin requirements, provided that the ACD reasonably considers that both the agreement and the margin arrangements made under it (including in relation to the level of margin) provide appropriate protection to Shareholders.

39. General Power to Accept or Underwrite Placings

39.1 Any power in COLL 5 to invest in transferable securities may be used for the purpose of entering into transactions to which this section applies, subject to compliance with any restriction in the Instrument of Incorporation. This section applies, to any agreement or understanding: which is an underwriting or sub-underwriting agreement, or which contemplates that securities will or may be issued or subscribed for or acquired for the account of a Sub-fund.

39.2 This ability does not apply to an option, or a purchase of a transferable security which confers a right to subscribe for or acquire a transferable security, or to convert one transferable security into another.

39.3 The exposure of a Sub-fund to agreements and understandings as set out above, on any Business Day be covered and be such that, if all possible obligations arising under them had immediately to be met in full, there would be no breach of any limit in the COLL Sourcebook.

40. Guarantees and Indemnities

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

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

40.3 Paragraphs 40.1 and 40.2 do not apply to in respect of the Company:

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

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

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

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

41. Stock Lending and Repurchase Agreements

41.1 The entry into stock lending transactions or repurchase agreements for the account of a Sub-fund is permitted as part of Efficient Portfolio Management and for the generation of additional income for the benefit of a Sub-fund, and hence for its investors.

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

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

41.4 The Company or the Depositary at the request of Company may enter into a stock lending arrangement or repurchase agreements of the kind described in section 263B of the Taxation of Chargeable Gains Act 1992 (without extension by section 263C), but only if all the terms of the agreement under which securities are to be reacquired by the Depositary for the account of the Company, are in a form which is acceptable to the Depositary and are in accordance with good market practice, the counterparty is an authorised person or a person authorised by a home state regulator, and collateral is obtained to secure the obligation of the counterparty. Collateral must be acceptable to the Depositary, adequate and sufficiently immediate.

41.5 The Depositary must ensure that the value of the collateral at all times is at least equal to the value of the securities transferred by the Depositary. This duty may be regarded as satisfied in respect of collateral the validity of which is about to expire or has expired where the Depositary takes reasonable care to determine that sufficient collateral will again be transferred at the latest by the close of business on the day of expiry.

41.6 Any agreement for transfer at a future date of securities or of collateral (or of the equivalent of either) may be regarded, for the purposes of valuation under the COLL Sourcebook, as an unconditional agreement for the sale or transfer of property, whether or not the property is part of the property of the Sub-fund.

41.7 There is no limit on the value of the Scheme Property which maybe the subject of stock lending transactions or repurchase agreements.

PART II

This Part II of this Appendix III applies solely in respect of LF Canlife Total Return Fund and LF Canlife Global High Yield Bond Fund.

1. General rules of investment

1.1 The property of a Sub-fund will be invested only in accordance with the relevant provisions of COLL 5.8 (Investment powers and borrowing limits for feeder UCITS) (as set out in this section) and up to any maximum limit so stated, but the instrument constituting the Sub-fund may restrict the investment and borrowing powers of the Sub-fund further than the relevant restrictions in this Part II of Appendix III.

1.2 The ACD must ensure that, taking account of the investment objectives and policy of a Sub-fund, and to the extent that the Sub-fund invests in assets other than units in a master UCITS fund, the Scheme Property of the Sub-fund aims to provide a prudent spread of risk.

1.3 The ACD's investment policy may mean that at times, where it is considered appropriate, the property of a Sub-fund will not be fully invested and that prudent levels of liquidity will be maintained.

1.4 A Sub-fund will not maintain an interest in immovable property or tangible movable property.

2. Prudent Spread of Risk

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

2.1 Cover

2.1.1 Where the COLL Sourcebook allows a transaction to be entered into or an investment to be retained only (for example, investment in nil and partly paid securities and the general power to accept or underwrite) if possible obligations arising out of the investment transactions or out of the retention would not cause any breach of any limits in COLL 5, it must be assumed that the maximum possible liability of a Sub-fund under any other of those rules has also to be provided for.

2.1.2 Where a rule in the COLL Sourcebook permits an investment transaction to be entered into or an investment to be retained only if that investment transaction, or the retention, or other similar transactions, are covered:

2.1.2.1 it must be assumed that in applying any of those rules, a Sub-fund must also simultaneously satisfy any other obligation relating to cover; and

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

3. Permitted types of Scheme Property

3.1 A Sub-fund, being a feeder UCITS, must invest at least 85% in value of its Scheme Property in units of a master UCITS.

4. Balance of scheme property: investment restrictions on a feeder UCITS

4.1 A Sub-fund may hold up to 15% in value of its Scheme Property in one of more of the following:

4.1.1 cash or near cash in accordance with the paragraphs below; and

4.1.2 derivatives and forward transactions which may be used only for the purposes of hedging and in accordance with the rules set out below.

5. Eligible Markets Regime: Purpose and Requirements

5.1 To protect investors the markets on which investments of a Sub-fund are dealt in or traded on should be of an adequate quality ("eligible") at the time of acquisition of the investment and until it is sold.

5.2 Where a market ceases to be eligible, investments on that market cease to be approved securities.

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

5.3.1 a regulated market as defined in the FCA Handbook; or

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

5.3.3 a market falling in paragraph 5.4 of this Part II of this Appendix.

5.4 A market falling within paragraph 5.3.3 of this Part II of this Appendix is eligible for the purposes of COLL 5 if:

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

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

5.4.3 the Depositary has taken reasonable care to determine that:

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

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

5.5 In paragraph 5.4.1 a market must not be considered appropriate unless it is regulated, operates regularly, is recognised by an overseas regulator, is open to the public, is adequately liquid and has adequate arrangements for unimpeded transmission of income and capital to or for the order of Shareholders.

5.6 The Eligible Markets are set out in Appendix II.

6. Spread: general

6.1 The exposure to any one counterparty in an OTC derivative transaction must not exceed 5% of the Scheme Property. This limit is raised to 10% for an Approved Bank.

6.2 The COLL Sourcebook provides that in applying the limits above, not more than 20% in value of the Scheme Property is to consist of any combination of two or more of the following:

6.2.1 deposits made with; or

6.2.2 exposures from OTC derivatives transactions made with a single body.

6.3 For the purpose of calculating the limits above, the exposure in respect of an OTC derivative may be reduced to the extent that collateral is held in respect of it if the collateral meets each of the following conditions:

6.3.1 it is marked-to-market on a daily basis and exceeds the value of the amount at risk;

6.3.2 it is exposed only to negligible risks (e.g. government bonds of first credit rating or cash) and is liquid;

6.3.3 it is held by a third party custodian not related to the provider or is legally secured from the consequences of a failure of a related party; and

6.3.4 can be fully enforced by the Sub-fund at any time.

7. Counterparty Risk and Issuer Concentration

7.1 The ACD must ensure that counterparty risk arising from an OTC derivative is subject to the limits set out in paragraph 6.

7.2 When calculating the exposure of a Sub-fund to a counterparty in accordance with the limits in paragraph 6 the ACD must use the positive mark-to-market value of the OTC derivative contract with that counterparty.

7.3 An ACD may net the OTC derivative positions of a Sub-fund with the same counterparty, provided they are able legally to enforce netting agreements with the counterparty on behalf of the Sub-fund.

7.4 The netting agreements in paragraph 7.3 above are permissible only with respect to OTC derivatives with the same counterparty and not in relation to any other exposures a Sub-fund may have with that same counterparty.

7.5 The ACD may reduce the exposure of Scheme Property to a counterparty of an OTC derivative through the receipt of collateral. Collateral received must be sufficiently liquid so that it can be sold quickly at a price that is close to its pre-sale valuation.

7.6 The ACD must take collateral into account in calculating exposure to counterparty risk in accordance with the limits in paragraph 6.1 when it passes collateral to an OTC counterparty on behalf of the Sub-fund.

7.7 Collateral passed in accordance with paragraph 7.6 may be taken into account on a net basis only if the ACD is able legally to enforce netting arrangements with this counterparty on behalf of that Sub-fund.

7.8 The ACD must calculate the issuer concentration limits referred to in paragraph 6.1 on the basis of the underlying exposure created through the use of OTC derivatives pursuant to the commitment approach.

7.9 In relation to the exposure arising from OTC derivatives as referred to in paragraph 6.1 the ACD must include any exposure to OTC derivative counterparty risk in the calculation.

8. Investment in associated collective investment schemes

Investment may only be made in another collective investment scheme managed by the ACD or an Associate of the ACD if the rules on double charging contained in the COLL Sourcebook are complied with.

9. Derivatives: General

The Investment Manager may employ derivatives in respect of the Sub-funds for the purposes of hedging with the aim of reducing the risk profile of a Sub-fund and in accordance with the Risk Management Policy (RMP) – The RMP is available on request from the Authorised Corporate Director.

Where the sub-fund employs derivatives for hedging purposes its global exposure will be calculated using the commitment approach on a daily basis.

The commitment approach measures the exposure generated by a derivative and must be based on an exact conversion of the financial derivative position into the market value of an equivalent position in the underlying asset of that derivative.

The sum of the absolute value of all these equivalent positions, after allowing for netting and hedging, is then the leverage generated by the fund's derivatives positions. This leverage level must comply with the RMP.

It is not intended that the use of derivatives and forward transactions for hedging purposes will cause the Sub-funds' risk profile to increase.

9.1 A transaction in derivatives or a forward transaction must not be effected for a Sub-fund unless the transaction is of a kind specified in paragraph 11 (Permitted transactions (derivatives and forwards)) below, and the transaction is covered, as required by paragraph 19 (Cover for investment in derivatives and forward transactions) of this Part II of Appendix III.

9.2 Where a Sub-fund invests in derivatives, the exposure to the underlying assets must not exceed the limits set out in the COLL Sourcebook in relation to spread COLL 5.2.11R (Spread: general), COLL 5.2.12R (Spread: government and public securities) except for index based derivatives where the rules below apply.

9.3 Where a Sub-fund invests in an index based derivative, provided the relevant index falls within paragraph 12 (Financial Indices underlying derivatives), the underlying constituents of the index do not have to be taken into account for the purposes of COLL 5.2.11R (Spread: general) and COLL 5.2.12R (Spread: government and public securities).

10. Hedging transactions

10.1 The Company may utilise the Scheme Property to enter into derivatives, for the purposes of hedging against price or currency fluctuations, dealt with or traded on an eligible derivatives market; off-exchange options or contracts for differences resembling options; or synthetic futures in certain circumstances. The ACD must take reasonable care to ensure that the transaction is economically appropriate in that they are realised in a cost effective way and are intended to reduce risk.

11. Permitted Transactions (Derivatives and Forwards)

11.1 A transaction in a derivative must be in an approved derivative; or be one which complies with paragraph 15 (OTC transactions in derivatives).

11.2 A transaction in a derivative must have the underlying consisting of any one or more of the following to which the Sub-fund in question is dedicated:

11.2.1 transferable securities;

11.2.2 approved money-market instruments;

11.2.3 deposits and permitted derivatives under this paragraph;

11.2.4 collective investment scheme units;

11.2.5 financial indices which satisfy the criteria set out in paragraph 12 (Financial indices underlying derivatives);

11.2.6 interest rates;

11.2.7 foreign exchange rates; and

11.2.8 currencies.

11.3 A transaction in an approved derivative must be effected on or under the rules of an eligible derivatives market.

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

11.5 A transaction in a derivative must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more, transferable securities, approved money-market instruments, units in collective investment schemes, or derivatives.

11.6 Any forward transaction must be with an Eligible Institution or an Approved Bank.

11.7 A derivative includes an investment which fulfils the following criteria:

11.7.1 it allows transfer of the credit risk of the underlying independently from the other risks associated with that underlying;

11.7.2 it does not result in the delivery or the transfer of assets other than those referred to in COLL 5.2.6AR, including cash;

11.7.3 in the case of an OTC derivative, it complies with the requirements in paragraph 15; and

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

11.8 A Sub-fund may not undertake transactions in derivatives on commodities.

12. Financial Indices Underlying Derivatives

12.1 The financial indices referred to in 12.2 are those which satisfy the following criteria:

12.1.1 the index is sufficiently diversified;

12.1.2 the index represents an adequate benchmark for the market to which it refers; and

12.1.3 the index is published in an appropriate manner.

12.2 A financial index is sufficiently diversified if:

12.2.1 it is composed in such a way that price movements or trading activities regarding one component do not unduly influence the performance of the whole index;

12.2.2 where it is composed of assets in which a Sub-fund is permitted to invest, its composition is at least diversified in accordance with the requirements with respect to spread and concentration set out in this Appendix; and

12.2.3 where it is composed of assets in which a Sub-fund cannot invest, it is diversified in a way which is equivalent to the diversification achieved by the requirements with respect to spread and concentration set out in this Part II of this Appendix.

12.3 A financial index represents an adequate benchmark for the market to which it refers if:

12.3.1 it measures the performance of a representative group of underlyings in a relevant and appropriate way;

12.3.2 it is revised or rebalanced periodically to ensure that it continues to reflect the markets to which it refers, following criteria which are publicly available; and

12.3.3 the underlyings are sufficiently liquid, allowing users to replicate it if necessary.

12.4 A financial index is published in an appropriate manner if:

12.4.1 its publication process relies on sound procedures to collect prices, and calculate and subsequently publish the index value, including pricing procedures for components where a market price is not available; and

12.4.2 material information on matters such as index calculation, rebalancing methodologies, index changes or any operational difficulties in providing timely or accurate information is provided on a wide and timely basis.

12.5 Where the composition of underlyings of a transaction in a derivative does not satisfy the requirements for a financial index, the underlyings for that transaction shall where they satisfy the requirements with respect to other underlyings pursuant to 11.2, be regarded as a combination of those underlyings.

13. Transactions for the Purchase of Property

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

14. Requirement to Cover Sales

14.1 No agreement by or on behalf of a Sub-fund to dispose of property or rights may be made unless the obligation to make the disposal and any other similar obligation could immediately be honoured by that Sub-fund by delivery of property or the assignment (or, in Scotland, assignation) of rights, and the property and rights above are owned by the Sub-fund at the time of the agreement. This requirement does not apply to a deposit.

15. OTC Transactions in Derivatives

15.1 Any transaction in an OTC derivative under paragraph 11 must be:

15.1.1 in a future or an option or a contract for differences;

15.1.2 with an approved counterparty; a counterparty to a transaction in derivatives is approved only if the counterparty is an Eligible Institution or an Approved Bank; or a person whose permission (including any requirements or limitations), as published in the Financial Services Register or whose Home State authorisation, permits it to enter into the transaction as principal off-exchange;

15.1.3 on approved terms; the terms of the transaction in derivatives are approved only if, the ACD: carries out, at least daily, a reliable and verifiable valuation in respect of that transaction corresponding to its fair value and which does not rely only on market quotations by the counterparty and can enter into one or more further transaction to sell, liquidate or close out that transaction at any time, at a fair value; and

15.1.4 capable of reliable valuation; a transaction in derivatives is capable of reliable valuation only if the ACD having taken reasonable care determines that, throughout the life of the derivative (if the transaction is entered into), it will be able to value the investment concerned with reasonable accuracy:

15.1.4.1 on the basis of an up-to-date market value which the ACD and the Depositary have agreed is reliable; or

15.1.4.2 if the value referred to in 15.1.4.1 is not available, on the basis of a pricing model which the ACD and the Depositary have agreed uses an adequate recognised methodology; and

15.1.5 subject to verifiable valuation: a transaction in derivatives is subject to verifiable valuation only if, throughout the life of the derivative (if the transaction is entered into) verification of the valuation is carried out by:

15.1.5.1 an appropriate third party which is independent from the counterparty of the derivative at an adequate frequency and in such a way that the ACD is able to check it; or

15.1.5.2 a department within the ACD which is independent from the department in charge of managing the Sub-fund and which is adequately equipped for such a purpose.

15.2 For the purposes of paragraph 23.1.3, "fair value" is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

16. Valuation of OTC Derivatives

16.1 For the purposes of paragraph 15.1.3 the ACD must:

16.1.1 establish, implement and maintain arrangements and procedures which ensure appropriate, transparent and fair valuation of the exposures of a Sub-fund to OTC derivatives; and

16.1.2 ensure that the fair value of OTC derivatives is subject to adequate, accurate and independent assessment.

16.2 Where the arrangements and procedures referred to in paragraph 16.1 above involve the performance of certain activities by third parties, the ACD must comply with the requirements in SYSC 8.1.13 R (Additional requirements for a management company) and COLL 6.6A.4 R (4) to (6) (Due diligence requirements of AFMs of UCITS schemes).

16.3 The arrangements and procedures referred to in this rule must be:

16.3.1 adequate and proportionate to the nature and complexity of the OTC derivative concerned; and

16.3.2 adequately documented.

17. Risk Management

17.1 The ACD uses a risk management process in accordance with COLL 6.12, as reviewed by the Depositary and filed with the FCA, enabling it to monitor and measure at any time the risk of a Sub-fund's positions and their contribution to the overall risk profile of the Sub-fund. The following details of the risk management process must be regularly notified to the FCA and at least on an annual basis:

17.1.1 a true and fair view of the types of derivatives and forward transactions to be used within the Sub-fund together with their underlying risks and any relevant quantitative limits; and

17.1.2 the methods for estimating risks in derivative and forward transactions.

17.2 The ACD must notify the FCA in advance of any material alteration to the details above.

18. Investments in Deposits

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

19. Cover for Investment in Derivatives and Forward Transactions

The ACD must ensure that the global exposure relating of a Sub-fund relating to derivatives and forward transactions held in the Sub-fund does not exceed the net value of the Scheme Property.

20. Cover and Borrowing

20.1 Cash obtained from borrowing, and borrowing which the ACD reasonably regards an Eligible Institution or an Approved Bank to be committed to provide, is not available for cover under paragraph 19 (Cover for investment in derivatives and forward transactions) except where 20.2 below applies.

20.2 Where, for the purposes of this paragraph a Sub-fund borrows an amount of currency from an Eligible Institution or an Approved Bank; and keeps an amount in another currency, at least equal to such borrowing for the time being in 21.1 on deposit with the lender (or his agent or nominee), then this paragraph 21.3 applies as if the borrowed currency, and not the deposited currency, were part of the Scheme Property.

21. Calculation of Global Exposure

21.1 In calculating the global exposure of a Sub-fund to derivatives and forward transactions, the ACD must combine the Sub-fund's direct exposure to derivatives being used for the purposes of paragraph 10 with either:

21.1.1 the master fund's actual exposure to derivatives and forward transactions in proportion to the Sub-fund's investment into the master fund; or

21.1.2 the master fund's potential maximum global exposure to derivatives and forward transactions provided for in the master fund's instrument constituting the scheme or its prospectus in proportion to the Sub-fund's investment into the master fund.

21.2 The ACD must calculate the global exposure of a Sub-fund on at least a daily basis.

21.3 The ACD must calculate the global exposure of any Sub-fund it manages either as:

21.3.1 the incremental exposure and leverage generated through the use of derivatives and forward transactions (including embedded derivatives as referred to in paragraph 9 (Derivatives: general), which may not exceed 100% of the net value of the Scheme Property; or

21.3.2 the market risk of the Scheme Property.

21.4 For the purposes of this section exposure must be calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

21.5 The ACD must calculate the global exposure of a Sub-fund by using:

21.5.1 commitment approach; or

21.5.2 the value at risk approach.

21.6 The ACD must ensure that the method selected above is appropriate, taking into account:

21.6.1 the investment strategy pursued by a Sub-fund;

21.6.2 types and complexities of the derivatives and forward transactions used; and

21.6.3 the proportion of the Scheme Property comprising derivatives and forward transactions.

22. Cash and Near Cash

22.1 Cash and near cash must not be retained in the Scheme Property of a Sub-fund except to the extent that, where this may reasonably be regarded as necessary in order to enable:

22.1.1 the pursuit of the Sub-fund's investment objectives; or

22.1.2 redemption of Shares; or

22.1.3 efficient management of the Sub-fund in accordance with its investment objectives; or

22.1.4 other purposes which may reasonably be regarded as ancillary to the investment objectives of the Sub-fund.

22.2 During the period of the initial offer the Scheme Property of a Sub-fund may consist of cash and near cash without limitation.

23. General Power to Borrow

23.1 The Company may, on the instructions of the Investment Manager and subject to the COLL Sourcebook, borrow money from an Eligible Institution or an Approved Bank for the use of a Sub-fund on terms that the borrowing is to be repayable out of the Scheme Property.

23.2 Borrowing must be on a temporary basis, must not be persistent, and in any event must not exceed three months without the prior consent of the Depositary, which may be given only on such conditions as appear appropriate to the Depositary to ensure that the borrowing does not cease to be on a temporary basis.

23.3 The ACD must ensure that borrowing does not, on any Business Day, exceed 10% of the value of a Sub-fund.

23.4 These borrowing restrictions do not apply to "back to back" borrowing for currency hedging purposes (i.e. borrowing permitted in order to reduce or eliminate risk arising by reason of fluctuations in exchange rates).

24. Restrictions on Lending of Money

24.1 None of the money in the Scheme Property of a Sub-fund may be lent and, for the purposes of this paragraph, money is lent by the Sub-fund if it is paid to a person ("the payee") on the basis that it should be repaid, whether or not by the payee.

24.2 Acquiring a debenture is not lending for the purposes of paragraph 24.1, nor is the placing of money on deposit or in a current account.

24.3 Nothing in paragraph 24.1 prevents the Company from providing an officer of the Company with funds to meet expenditure to be incurred by him for the purposes of the Company (or for the purposes of enabling him properly to perform his duties as an officer of the Company) or from doing anything to enable an officer to avoid incurring such expenditure.

25. Restrictions on Lending of Property Other than Money

25.1 Scheme Property of the Sub-funds other than money must not be lent by way of deposit or otherwise.

25.2 The Scheme Property of the Sub-funds must not be mortgaged.

25.3 Where transactions in derivatives or forward transactions are used for the account of the Company in accordance with COLL 5, nothing in this paragraph prevents the Company or the Depositary at the request of the Company: from lending, depositing, pledging or charging its Scheme Property for margin requirements; or transferring Scheme Property under the terms of an agreement in relation to margin requirements, provided that the ACD reasonably considers that both the agreement and the margin arrangements made under it (including in relation to the level of margin) provide appropriate protection to Shareholders.

26. Guarantees and Indemnities

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

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

26.3 Paragraphs 26.1 and 26.2 do not apply to in respect of the Company:

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

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

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

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

PART III

This Part III of this Appendix III applies solely in respect of LF Canlife Sterling Liquidity Fund.

The Sub-fund will be operated in accordance with the requirements of the Money Market Funds Regulation for VNAV MMFs that are also standard money market funds. The requirements in relation to portfolio composition are summarised below (but, in the case of any inconsistency, the powers and restrictions in the Money Market Funds Regulation will prevail).

1. General

The Scheme Property of the LF Canlife Sterling Liquidity Fund will be invested with the aim of achieving the investment objective of the Sub-fund but subject to the limits set out in the Sub-fund's investment policy and the limits set out in this Prospectus.

2. Definitions

In this Part III of this Appendix III, the following expressions have the following meanings:

"ABCPs" asset-backed commercial paper.

"Credit Quality Exempt MMIs" money market instruments issued or guaranteed by the European Union, a central authority or central bank of a Member State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility.

"Government and Other Public Authority Backed MMIs" money market instruments issued or guaranteed separately or jointly by the European Union, the national, regional and local administrations of the European Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a third country, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which one or more European Member States belong.

"Regulated Market" any of the following:

(a) a regulated market for the purposes of Directive 2014/65/EU on markets in financial instruments;

(b) another regulated market in a Member State, which operates regularly and is recognised and open to the public; or

(c) a stock exchange or another regulated market in a third country which operates regularly and is recognised and open to the public provided that the choice of stock exchange or market has been approved by the competent authorities or is provided for in law or the Trust Deed.

"Target MMF" any other MMF, the units or shares of which the Sub-fund is to acquire or has acquired;

"VNAV MMF" a variable net asset value money market fund as defined in the Money Market Fund Regulation.

3. Prohibitions

The ACD on behalf of the Sub-fund will not undertake any of the following activities:

3.1 investing in assets other than those listed in paragraph 5 below;

3.2 short sale of any of the following instruments: money market instruments, securitisations, ABCPs and interests in target MMFs;

3.3 taking direct or indirect exposure to equity or commodities, including via derivatives, certificates representing them, indices based on them, or any other means or instrument that would give an exposure to them;

3.4 entering into securities lending agreements or securities borrowing agreements, or any other agreement that would encumber the assets of the Sub-fund; or

3.5 borrowing and lending cash.

4. Portfolio composition rules

The ACD must seek to comply with the following limits. If the limits are exceeded for reasons beyond the control of the ACD, or as a result of the exercise of subscription or redemption rights, the ACD shall adopt as a priority objective the correction of that situation, taking due account of the interests of the Shareholders.

4.1 The Sub-fund's weighted average maturity may not exceed 6 months. Weighted average maturity is used to measure the sensitivity of the Sub-fund to changing money market interest rates.

4.2 The Sub-fund's weighted average life may not exceed 12 months. Weighted average life is used to measure the credit risk of the Sub-fund's portfolio: the longer the reimbursement of the principal is postponed, the higher the credit risk.

4.2.1 When calculating the weighted average life for securities, including structured financial instruments, the Sub-fund shall base the maturity calculation on the residual maturity until the legal redemption of the instruments.

4.2.2 However, in the event that a financial instrument embeds a put option, the Sub-fund may base the maturity calculation on the exercise dates of the put option instead of the residual maturity, but only if all of the following conditions are fulfilled at all times:

4.2.2.1 the put option is able to be freely exercised by the Sub-fund at its exercise date;

4.2.2.2 the strike price of the put option remains close to the expected value of the instrument at the exercise date;

4.2.2.3 the investment strategy of the Sub-fund implies that there is a high probability that the option will be exercised at the exercise date.

4.2.3 However, when calculating the weighted average life for securitisations and ABCPs, the Sub-fund may instead, in the case of amortising instruments, base the maturity calculation on one of the following:

4.2.3.1 the contractual amortisation profile of such instruments;

4.2.3.2 the amortisation profile of the underlying assets from which the cash-flows for the redemption of such instruments result.

4.3 At least 7.5% of the Sub-fund's assets are to be comprised of daily maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of one working day or cash which is able to be withdrawn by giving prior notice of one working day.

4.4 The Sub-fund cannot acquire any asset other than a daily maturing asset when such acquisition would result in the Sub-fund investing less than 7.5% of its portfolio in daily maturing assets.

4.5 At least 15% of the Sub-fund's assets are to be comprised of weekly maturing assets, reverse repurchase agreements which are able to be terminated by giving prior notice of five working days or cash which is able to be withdrawn by giving prior notice of five working days.

4.6 The Sub-fund cannot acquire any asset other than a weekly maturing asset when such acquisition would result in the Sub-fund investing less than 15% of its portfolio in weekly maturing assets.

4.7 Up to 7.5% of the Sub-fund's assets comprising of money market instruments or units of other MMFs that are able to be redeemed and settled within five working days may be included within the weekly maturing assets of the Sub-fund.

5. Eligible assets

The sub-fund shall invest only in one or more of the categories of financial assets specified under Article 9 of the Money Market Funds Regulation, namely money market instruments (as described in paragraph 6 below), eligible securitisations and ABCPs, deposits with credit institutions, financial derivative instruments, repurchase agreements, reverse repurchase agreements and units or shares of other MMFs.

6. Money Market Instruments

6.1 A money market instrument shall be eligible for investment by the Sub-fund provided that it fulfils all of the following requirements:

6.1.1 it falls within one of the categories of money market instruments referred to in point (a), (b), (c) or (h) of Article 50(1) of the UCITS Directive;

6.1.2 it displays one of the following alternative characteristics:

6.1.2.1 it has a legal maturity at issuance of 397 days or less; or

6.1.2.2 it has a residual maturity of 397 days or less;

6.1.3 with the exception of Credit Quality Exempt MMIs, the issuer of the money market instrument and the quality of the money market instrument have received a favourable assessment under the ACD's internal credit quality assessment; and

6.1.4 where the Sub-fund invests in a securitisation or ABCP, it is subject to the requirements laid down in Paragraph 7.

6.2 Notwithstanding paragraph 6.1.2 above, the Sub-fund shall also be allowed to invest in money market instruments with a residual maturity until the legal redemption date of less than or equal to 2 years, provided that the time remaining until the next interest rate reset date is 397 days or less. For that purpose, floating-rate money-market instruments and fixed-rate money-market instruments hedged by a swap arrangement shall be reset to a money market rate or index.

6.3 A Regulated Money Market Fund may hold ancillary liquid assets in accordance with Article 50(2) of Directive 2009/65/EC.

7. Eligible securitisations and ABCPs

7.1 Both a securitisation and an ABCP shall be considered to be eligible for investment by the Sub-fund provided that the securitisation or ABCP is sufficiently liquid, has received a favourable assessment under the ACD's internal credit quality assessment, and is any of the following:

7.1.1 a securitisation referred to in Article 13 of Commission Delegated Regulation (EU) 2015/61;

7.1.2 an ABCP issued by an ABCP programme which:

7.1.2.1 is fully supported by a regulated credit institution that covers all liquidity, credit and material dilution risks, as well as ongoing transaction costs and ongoing programme-wide costs related to the ABCP, if necessary to guarantee the investor the full payment of any amount under the ABCP;

7.1.2.2 is not a re-securitisation and the exposures underlying the securitisation at the level of each ABCP transaction do not include any securitisation position;

7.1.2.3 does not include a synthetic securitisation as defined in point (11) of Article 242 of Regulation (EU) No 575/2013;

7.1.3 a simple, transparent and standardised (STS) securitisation or ABCP.

7.2 The Sub-fund may invest in the securitisations or ABCPs referred to in Paragraph 7.1 provided any of the following conditions are fulfilled, as applicable:

7.2.1 the legal maturity at issuance or residual maturity of the securitisations and ABCPs referred to in Paragraph 7.1.1, 7.1.2 and 7.1.3 is 2 years or less and the time remaining until the next interest rate reset date is 397 days or less;

7.2.2 the securitisations referred to in Paragraphs 7.1.1 and 7.1.3 are amortising instruments and have a weighted average life of 2 years or less.

7.3 Investments under this paragraph 7 may in the future also need to comply with the proposed EU Regulation on simple, transparent and standardised securitisations.

8. Eligible deposits with credit institutions

The Sub-fund may make deposits with a credit institution provided that all of the following conditions are fulfilled:

8.1 the deposit is repayable on demand or is able to be withdrawn at any time;

8.2 the deposit matures in no more than 12 months;

8.3 the credit institution has its registered office in an EU Member State or, where the credit institution has its registered office in a third country, it is subject to prudential rules considered equivalent to those laid down in EU law (under the applicable assessment criteria).

9. Eligible units or shares of MMFs

9.1 The Sub-fund may acquire the units or shares ('interests') in any other target MMF provided that both of the following conditions are fulfilled:

9.1.1 no more than 10% of the assets of the target MMF are able, according to its fund rules or instruments of incorporation, to be invested in aggregate in interests of other money market funds; and

9.1.2 the target MMF does not hold interests in the Sub-fund and will not invest in the Sub-fund during the period in which the Sub-fund holds interests in the target MMF.

9.2 The Sub-fund may acquire interests of in target MMFs, provided that no more than 5% of its assets are invested in interests of a single target MMF.

9.3 The Sub-fund may, in aggregate, invest no more than 10% of its assets in interests in target MMFs.

9.4 Units or shares of target MMFs shall be eligible for investment by the Sub-fund provided that all of the following conditions are fulfilled:

9.4.1 the target MMF is authorised under the Money Market Funds Regulation; and

9.4.2 where the target MMF is managed, whether directly or under a delegation, by the ACD or by any other company to which the ACD is linked by common management or control, or by a substantial direct or indirect holding, the ACD, or that other company, is prohibited from charging subscription or redemption fees on account of the investment by the Sub-fund in the interests in the target MMF.

10. Eligible financial derivative instruments

The Sub-fund may invest in financial derivative instruments that shall be eligible for investment by an MMF provided it is dealt on a Regulated Market or over-the-counter (OTC) provided that all of the following conditions are fulfilled:

10.1 the underlying of the derivative instrument consists of interest rates, foreign exchange rates, currencies or indices representing one of those categories;

10.2 the derivative instrument serves only the purpose of hedging the interest rate or exchange rate risks inherent in other investments of the Sub-fund;

10.3 the counterparties to OTC derivative transactions are institutions subject to prudential regulation and supervision and belonging to the categories approved by the competent authority of the Sub-fund; and

10.4 the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Sub-fund's initiative.

11. Eligible Repurchase Agreements

A repurchase agreement shall be eligible to be entered into by the Sub-fund provided that all of the following conditions are fulfilled:

11.1 it is used on a temporary basis, for no more than seven working days, only for liquidity management purposes and not for investment purposes other than as referred to in point 11.3;

11.2 the counterparty receiving assets transferred by the Sub-fund as collateral under the repurchase agreement is prohibited from selling, investing, pledging or otherwise transferring those assets without the Sub-fund's prior consent;

11.3 the cash received by the Sub-fund as part of the repurchase agreement is able to be:

11.3.1 placed on deposits in accordance with point (f) of Article 50(1) of Directive 2009/65/EC; or

11.3.2 invested in assets referred to in Article 15(6) of the Money Market Fund Regulation, but shall not otherwise be invested in eligible assets as referred to in Article 9, transferred or otherwise reused;

11.4 the cash received by the Sub-fund as part of the repurchase agreement does not exceed 10% of its assets;

11.5 the Sub-fund has the right to terminate the agreement at any time upon giving prior notice of no more than two working days.

12. Eligible Reverse Repurchase Agreements

12.1 A reverse repurchase agreement shall be eligible to be entered into by the Sub-fund provided that all of the following conditions are fulfilled:

12.1.1 the Sub-fund has the right to terminate the agreement at any time upon giving prior notice of no more than two working days;

12.1.2 the market value of the assets received as part of the reverse repurchase agreement is at all times at least equal to the value of the cash paid out.

12.2 The assets received by the Sub-fund as part of a reverse repurchase agreement shall be money market instruments that fulfil the requirements set out in Article 10 of the Money Market Funds Regulation.

12.3 The assets received by the Sub-fund as part of a reverse repurchase agreement shall not be sold, reinvested, pledged or otherwise transferred.

12.4 Securitisations and ABCPs shall not be received by the Sub-fund as part of a reverse repurchase agreement.

12.5 The assets received by the Sub-fund as part of a reverse repurchase agreement shall be sufficiently diversified with a maximum exposure to a given issuer of 15% of the Sub-fund's NAV, except where those assets take the form of money market instruments that fulfil the requirements of Article 17(7) of the Money Market Funds Regulation. In addition, the assets received by the Sub-fund as part of a reverse repurchase agreement shall be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.

12.6 If the Sub-fund enters into a reverse repurchase agreement it shall ensure that it is able to recall the full amount of cash at any time on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement shall be used for the calculation of the NAV of the Sub-fund.

12.7 By way of derogation from paragraph 12.2 above, the Sub-fund may receive as part of a reverse repurchase agreement liquid transferable securities or money market instruments other than those that fulfil the requirements set out in Article 10 provided that those assets comply with one of the following conditions:

12.7.1 they are issued or guaranteed by the European Union, a central authority or central bank of an EEA State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility provided that a favourable assessment has been received pursuant to Articles 19 to 22 of the Money Market Fund Regulation;

12.7.2 they are issued or guaranteed by a central authority or central bank of a third country, provided that a favourable assessment has been received pursuant to the credit quality assessment required under Articles 19 to 22 of the Money Market Funds Regulation as set out at paragraph 13 below.

The assets received as part of a reverse repurchase agreement in accordance with the first sub-paragraph of this paragraph shall be disclosed to MMF investors in the half-yearly and annual reports, in accordance with Article 13 of Regulation (EU) 2015/2365 of the European Parliament and of the Council.

The assets received as part of a reverse repurchase agreement in accordance with the first sub-paragraph of this paragraph shall fulfil the requirements of Article 17(7) of the Money Market Funds Regulation.

13. Credit Quality Assessment

With the exception of Credit Quality Exempt MMIs, all money market instruments, securitisations and ABCPs in which the Sub-fund invests will be subject to an credit quality assessment. In determining whether a given investment or issuer is provided with a favourable assessment, the ACD shall follow its internal credit quality assessment process.

This process takes into account and documents the assessment of at least the following factors and general principles:

13.1 the quantification of the credit risk of the issuer and of the relative risk of default of the issuer and of the instrument;

13.2 qualitative indicators on the issuer of the instrument, including in light of the macroeconomic and financial market situation;

13.3 the short-term nature of money market instruments;

13.4 the asset class of the instrument;

13.5 the type of issuer distinguishing at least the following types of issuers: national, regional or local administrators, financial corporations and non-financial corporations;

13.6 for structured financial instruments, the operational and counterparty risk inherent within the structured financial transaction and, in case of exposure to securitisations, the credit risk of the issuer, the structure of the securitisation and the credit risk of the underlying assets; and

13.7 the liquidity profile of the instrument.

14. Diversification

14.1 The Sub-fund shall invest no more than:

14.1.1 5% of its assets in money market instruments, securitisations and ABCPs issued by the same body.

14.1.1.1 By way of derogation from 13.1.1, the Sub-fund may invest up to 10% of its assets in money market instruments, securitisations and ABCPs issued by the same body provided that the value of such money market instruments with a value of over 5% of the Sub-fund do not exceed 40% of the total value of the Sub-fund.

14.1.2 10% of its assets in deposits made with the same credit institution, unless the structure of the banking sector in the Member State in which the MMF is domiciled is such that there are insufficient viable credit institutions to meet that diversification requirement and it is not economically feasible for the MMF to make deposits in another Member State, in which case up to 15 % of its assets may be deposited with the same credit institution.

14.2 The aggregate of all of the Sub-fund's exposures to securitisations and ABCPs shall not exceed 15% of the assets of the Sub-fund. In the future, the law is expected to change so that the aggregate of all of the Sub-fund's exposures to securitisations and ABCPs shall not exceed 20% of the assets of the Sub-fund, and up to 15% of the assets of the Sub-fund may be invested in securitisations and ABCPs that do not comply with the criteria for the identification of simple, transparent and standardised (STS) securitisations and ABCPs.

14.3 The aggregate risk exposure to the same counterparty of the Sub-fund stemming from OTC derivative transactions which fulfil the conditions set out in Paragraph 10 shall not exceed 5% of the assets of the Sub fund.

14.4 The aggregate amount of cash provided to the same counterparty of the Sub-fund in reverse repurchase agreements shall not exceed 15% of the assets of the Sub-fund.

14.5 Notwithstanding the individual limits laid down in paragraphs 14.1, 14.2 and 14.3 the Sub-fund shall not combine, where to do so would result in an investment of more than 15% of its assets in a single body, any of the following:

14.5.1 investments in money market instruments, securitisations and ABCPs issued by that body; and

14.5.2 deposits made with that body; and

14.5.3 and OTC derivative instruments giving counterparty risk exposure to that body.

14.6 By way of derogation from paragraph 14.1, the competent authority of the Sub-fund may authorise the Sub-fund to invest, in accordance with the principle of risk-spreading, up to 100% of its assets in different Government and Other Public Authority Backed MMIs where all of the following requirements are met:

14.6.1 the Sub-fund holds money market instruments from at least six different issues by the issuer;

14.6.2 the Sub-fund limits the investment in money market instruments from the same issue to a maximum of 30% of its assets;

14.6.3 the Sub-fund makes express reference, in its fund rules or instruments of incorporation, to all administrations, institutions or organisations referred to in the first sub-paragraph that issue or guarantee separately or jointly money market instruments in which it intends to invest more than 5% of its assets;

14.6.4 the Sub-fund includes a prominent statement in its prospectus and marketing communications drawing attention to the use of the derogation and indicating all administrations, institutions or organisations referred to in the first sub-paragraph that issue or guarantee separately or jointly money market instruments in which it intends to invest more than 5% of its assets.

14.7 In giving effect to the foregoing more than 5% of the property of the Sub-fund may be invested in any Government and Other Public Authority Backed MMIs.

14.8 Notwithstanding the individual limits laid down in paragraph 14.1, the Sub-fund may invest no more than 10% of its assets in bonds issued by a single credit institution that has its registered office in an EEA State and is subject by law to special public supervision designed to protect bond-holders. In particular, sums deriving from the issue of those bonds shall be invested in accordance with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest. Where the Sub-fund invests more than 5% of its assets in the bonds referred to in the first sub-paragraph issued by a single issuer, the total value of those investments shall not exceed 40% of the value of the assets of the Sub-fund.

14.9 Notwithstanding the individual limits laid down in paragraph 14.1, the Sub-fund may invest no more than 20% of its assets in bonds issued by a single credit institution where the requirements set out in point (f) of Article 10(1) or point (c) of Article 11(1) of Delegated Regulation (EU) 2015/61 are met, including any possible investment in assets referred to in paragraph 14.8. Where the Sub-fund invests more than 5% of its assets in the bonds referred to in the first sub-paragraph issued by a single issuer, the total value of those investments shall not exceed 60% of the value of the assets of the Sub-fund, including any possible investment in assets referred to in paragraph 14.8, respecting the limits set out therein.

14.10 Companies which are included in the same group for the purposes of consolidated accounts under Directive 2013/34/EU or in accordance with recognised international accounting rules, shall be regarded as a single body for the purpose of calculating the limits referred to in paragraphs 14.1 to 14.5.

15. Concentration

With the exception of Government and Other Public Authority Backed MMIs, the Sub-fund shall not hold more than 10% of the money market instruments, securitisations and ABCPs issued by a single body.

Appendix IV

List of other Authorised Collective Investment Schemes Operated by the ACD

The ACD acts as Authorised Corporate Director of the following Open-ended Investment Companies

Asperior Investment Funds
LF Arch Cru Investment Funds
LF Arch Cru Diversified Funds
Celestial Investment Funds
LF Asset Value Investors Global Fund
LF Bentley Investment Funds
LF Blue Whale Investment Funds
LF Canada Life Investments Fund
LF Canada Life Investments Fund II
LF Cautela Fund
LF Eclectica Funds
LF Heartwood Multi Asset Funds
LF IM Investment Funds
LF KB Invicta Fund
LF Lindsell Train UK Equity Fund
LF Livingbridge Equity Funds
LF Livingbridge UK Micro Cap Fund
LF Macquarie Investment Funds
LF Morant Wright Japan Fund
LF Morant Wright Nippon Yield Fund
LF Odey Funds
LF Odey Investment Funds
LF Odey Investments
LF Prudential Investment Funds (1)
LF Resilient Investment Funds
LF Richmond Funds
LF Robin Fund
LF Ruffer Investment Funds
LF Seneca Investment Funds
LF Waverton Investment Funds
LF Woodford Investment Fund
LF Woodford Investment Funds II
Packel Global Fund
P E Managed Fund
Purisima Investment Funds
The Abbotsford Fund
The Arbor Fund
The Broden Fund
The LF Waverton Managed Investment Fund
The Circus Fund
The Davids Fund
The Gulland Fund
The Helm Investment Fund
The Monoux Fund
The Mulberry Fund
The Navajo Fund
The New Floco Fund
The New Grande Motte Fund
The New Jaguar Fund
The New Viaduct Fund
The OHP Fund
Trojan Investment Funds
Windrush Fund

The ACD acts as Manager of the following Authorised Unit Trusts:

LF Adam Worldwide Fund
LF Canlife European Unit Trust
LF Canlife International Growth Unit Trust
LF Catalyst Trust
LF Greenmount Fund
LF Institutional World Fund
LF KB Feelgood Trust
LF KB Ramogan Trust
LF New Institutional World Fund
LF New Villture Fund
LF Personal Pension Trust
LF Prudential Pacific Markets Trust
LF Stakeholder Pension Scheme
LF Stewart Ivory Investment Markets Fund
Lorimer Trust
The LF Prudential Qualified Investor Scheme Umbrella Unit Trust
The Drygate Trust
The Holly Fund
The Mermaid Trust
The Newgate Trust

The ACD acts as Manager of the following Authorised Contractual Schemes:

LF Canada Life Authorised Contractual Scheme
LF Robeco ACS Umbrella Fund

Appendix V

Past Performance and Investor Profile

NOTE: Past performance should not be taken as a guide to the future. Please see Appendix I for the Sub-funds' objectives and below for an explanation of investor profile and details of past performance.

Please note that all performance information is at 31 December 2016. For more up-to-date performance information, please contact the ACD.

INVESTOR PROFILE

The Sub-funds are marketable to all eligible investors provided they can meet the minimum age and subscription levels. The Sub-funds may be suitable for investors who see collective investment schemes as a convenient way of participating in investment markets. They may be suitable for investors wishing to seek to achieve defined investment objectives. Such investors must have experience with, or understand, products where the capital is at risk. Investors must be able to accept some risk to their capital, thus the Sub-funds may be suitable for investors who are looking to set aside the capital for at least 5 years. If you are uncertain whether these products are suitable for you, please contact a professional adviser.

LF CANLIFE ASIA PACIFIC FUND

LF Canlife Asia Pacific may be suitable for those investors seeking capital growth from investments in the Asia-Pacific (ex-Japan) markets. It may be suitable for investors willing to take high levels of risk, who understand that returns from the Sub-fund are more volatile than general UK equity or balanced managed funds. Investors must be able to accept that increased volatility gives a higher risk of short term losses but also greater potential for higher returns.

This performance information is net of tax and charges (subscription and redemption fees) but does not include the effect of any preliminary charge that may be paid on the purchase of an investment.

Past performance is no indication of future performance.

LF Canlife Asia Pacific Fund

Year	%
2007	50.4
2008	-27.6
2009	56.3
2010	23.5
2011	-20.9
2012	12.3
2013	3.1
2014	9.4
2015	-12.6
2016	18.2
2007-2016	117.4

Percentage annual performance, B accumulation shares, (total return), based on ACD data and performance of the Sub-fund. Performance prior to May 2012 is based on LF Canlife Far East Unit Trust, which merged into the LF Canlife Asia Pacific Fund at its launch as a result of a scheme of arrangement.

Percentage cumulative performance, B accumulation shares, (total return), based on ACD data and performance of the Sub-fund. Performance prior to May 2012 is based on LF Canlife Far East Unit Trust, which merged into the LF Canlife Asia Pacific Fund at its launch as a result of a scheme of arrangement.

Please note: the source for performance data has recently been changed. This change may have resulted in variations from previously published performance figures. These variations are deemed to be insignificant both individually and cumulatively.

LF CANLIFE BALANCED FUND

LF Canlife Balanced Fund may be suitable for those investors seeking capital growth investment in other collective investment schemes covering markets around the world. It may be suitable for investors with a medium to long term view of investing (3/5 years) who are looking to greater potential for growth than low risk funds but who are willing to accept capital losses.

This performance information is net of tax and charges (subscription and redemption fees) but does not include the effect of any preliminary charge that may be paid on the purchase of an investment.

Past performance is no indication of future performance.

LF Canlife Balanced Fund

Year	%
2007	2.1
2008	-19.8
2009	16.6
2010	11.6
2011	-4.9
2012	8.8
2013	14.8
2014	4.6
2015	4.1
2016	14.1
2007-2016	57.3%

Percentage annual performance, B accumulation shares, (total return), based on ACD data and performance of the Sub-fund. Performance prior to July 2014 is based on LF Canlife Balanced Unit Trust, which merged into the LF Canlife Balanced Fund at its launch as a result of a scheme of arrangement.

Percentage cumulative performance, B accumulation shares, (total return), based on ACD data and performance of the Sub-fund. Performance prior to July 2014 is base on LF Canlife Balanced Unit Trust, which merged into the LF Canlife Balanced Fund at its launch as a result of a scheme of arrangement.

Please note: the source for performance data has recently been changed. This change may have resulted in variations from previously published performance figures. These variations are deemed to be insignificant both individually and cumulatively.

LF CANLIFE CORPORATE BOND FUND

LF Canlife Corporate Bond Fund may be suitable for those investors seeking income from investment in sterling denominated fixed income securities. It may be suitable for investors who want the minimum of risk and who are only prepared to accept a low risk of loss to their investment, after reinvesting income, over the short term and who are prepared to accept less opportunity for higher returns.

This performance information is net of tax and charges (subscription and redemption fees) but does not include the effect of any preliminary charge that may be paid on the purchase of an investment.

Past performance is no indication of future performance.

LF Canlife Corporate Bond Fund

Year	%
2007	1.5
2008	3.0
2009	10.3
2010	5.3
2011	4.8
2012	10.1
2013	-0.1
2014	9.7
2015	-0.5
2016	8.9
2007-2016	66.5

Percentage annual performance, B income shares, (total return), based on ACD data and performance of the Sub-fund. Performance prior to May 2012 is based on LF Canlife Bond Unit Trust, which merged into the LF Canlife Corporate Bond Fund at its launch as a result of a scheme of arrangement.

Percentage cumulative performance, B income shares, (total return), based on ACD data and performance of the Sub-fund. Performance prior to May 2012 is based on LF Canlife Bond Unit Trust, which merged into the LF Canlife Corporate Bond Fund at its launch as a result of a scheme of arrangement.

Please note: the source for performance data has recently been changed. This change may have resulted in variations from previously published performance figures. These variations are deemed to be insignificant both individually and cumulatively.

LF CANLIFE EUROPEAN FUND

LF Canlife European Fund may be suitable for those investors seeking capital growth investment in European markets (excluding the UK). It may be suitable for investors willing to take high levels of risk, who understand that returns from the Sub-fund are more volatile than general UK equity or balanced managed funds. Investors must be able to accept that increased volatility gives a higher risk of short term losses but also greater potential for higher returns.

This performance information is net of tax and charges (subscription and redemption fees) but does not include the effect of any preliminary charge that may be paid on the purchase of an investment.

Past performance is no indication of future performance.

LF Canlife European Fund

Year	%
2007	8.1
2008	-30.4
2009	21.9
2010	8.1
2011	-19.7
2012	17.1
2013	24.8
2014	-1.9
2015	9.5
2016	15.0
2007-2016	44.0

Percentage cumulative performance, B accumulation shares, (total return), based on ACD data and performance of the Sub-fund, Performance prior to July 2014 is based on LF Canlife European Unit Trust, which merged into the LF Canlife European Fund at its launch as a result of a scheme of arrangement.

Percentage cumulative performance, B accumulation shares , (total return), based on ACD data and performance of the Sub-fund. Performance prior to July 2014 is based on LF Canlife European Unit Trust, which merged into the LF Canlife European Fund at its launch as a result of a scheme of arrangement.

Please note: the source for performance data has recently been changed. This change may have resulted in variations from previously published performance figures. These variations are deemed to be insignificant both individually and cumulatively.

LF CANLIFE GLOBAL MACRO BOND FUND*

LF Canlife Global Macro Bond Fund may be suitable for those investors seeking income from investment grade global fixed income securities. It may be suitable for investors willing to take a higher level of risk than investing in cash or money market securities, who understand that while the returns from the Sub-fund may be higher than cash or money market securities, it may also be more volatile and there is a greater risk of loss to their investment.

This performance information is net of tax and charges (subscription and redemption fees) but does not include the effect of any preliminary charge that may be paid on the purchase of an investment.

Past performance is no indication of future performance.

LF Canlife Global Macro Bond Fund*

Year	%
2013	-4.8
2014	6.3
2015	-0.7
2016	20.7
2013-2016	21.4

Percentage annual performance, B accumulation shares, (total return), based on ACD data.

Percentage cumulative performance, B accumulation shares, (total return), based on ACD data.

* Previously known as LF Canlife Global Bond Fund.

LF CANLIFE GLOBAL EQUITY FUND

LF Canlife Global Equity Fund may be suitable for those investors seeking capital growth from overseas markets. It may be suitable for investors willing to take high levels of risk, who understand that returns from the Sub-fund are more volatile than general UK equity or balanced managed funds. Investors must be able to accept that increased volatility gives a higher risk of short term losses but also greater potential for higher returns.

This performance information is net of tax and charges (subscription and redemption fees) but does not include the effect of any preliminary charge that may be paid on the purchase of an investment.

Past performance is no indication of future performance.

LF Canlife Global Equity Fund

Year	%
2007	11.7
2008	-15.2
2009	21.1
2010	14.6
2011	-10.6
2012	8.5
2013	24.0
2014	10.2
2015	2.6
2016	31.3
2007-2016	134.4

Percentage annual performance, B accumulation shares, (total return), based on ACD data and performance of the Sub-fund. Performance prior to May 2012 is based on LF Canlife International Growth Units, which merged into the LF Canlife Global Equity Fund at its launch as a result of a scheme of arrangement.

Percentage cumulative performance, B accumulation shares, (total return), based on ACD data and performance of the Sub-fund. Performance prior to May 2012 is based on LF Canlife International Growth Units, which merged into the LF Canlife Global Equity Fund at its launch as a result of a scheme of arrangement.

Please note: the source for performance data has recently been changed. This change may have resulted in variations from previously published performance figures. These variations are deemed to be insignificant both individually and cumulatively.

LF CANLIFE GLOBAL EQUITY INCOME FUND

LF Canlife Global Equity Income Fund may be suitable for those investors seeking income and some capital growth from global markets. It may be suitable for investors with a medium to long term view of investing (3/5 years) who are looking to greater potential for growth than low risk funds but who are willing to accept capital losses.

This performance information is net of tax and charges (subscription and redemption fees) but does not include the effect of any preliminary charge that may be paid on the purchase of an investment.

Past performance is no indication of future performance.

LF Canlife Global Equity Income Fund

Year	%
2013	19.1
2014	3.5
2015	4.7
2016	27.4
2013-2016	64.5

Percentage annual performance, B accumulation shares (total return), based on ACD data.

Percentage cumulative performance, B accumulation shares, (total return), based on ACD data.

LF CANLIFE GLOBAL INFRASTRUCTURE FUND

LF Canlife Global Infrastructure Fund may be suitable for those investors seeking capital growth from companies around the globe that are involved in, or that indirectly benefit from, infrastructure-related operations. It may be suitable for investors willing to take high levels of risk, who understand that returns from the Sub-fund could be significantly more volatile than general global equity funds. Investors must be able to accept that increased volatility gives a higher risk of short term losses, but also greater potential for higher returns.

LF Canlife Global Infrastucture Fund

Year	%
2014	8.3
2015	-4.3
2016	27.0
2014-2016	31.69

Percentage annual performance, B accumulation shares (total return), based on ACD data.

Percentage cumulative performance, B accumulation shares, (total return), based on ACD data.

LF CANLIFE GLOBAL RESOURCE FUND

LF Canlife Global Resource Fund may be suitable for those investors seeking capital growth from companies around the globe that are involved in, or that indirectly benefit from, the natural resources sector. It may be suitable for investors willing to take high levels of risk, who understand that returns from the Sub-fund could be significantly more volatile than general global equity funds. Investors must be able to accept that increased volatility gives a higher risk of short term losses, but also greater potential for higher returns.

LF Canlife Global Resource Fund

Year	%
2014	-13.4
2015	-23.3
2016	76.4
2014-2016	17.1

Percentage annual performance, B accumulation shares (total return), based on ACD data.

Percentage cumulative performance, B accumulation shares, (total return), based on ACD data.

LF CANLIFE JAPAN FUND

LF Canlife Japan Fund may be suitable for those investors seeking capital growth investment in Japanese markets. It may be suitable for investors willing to take high levels of risk, who understand that returns from the fund are more volatile than general UK equity or balanced managed funds. Investors must be able to accept that increased volatility gives a higher risk of short term losses but also greater potential for higher returns.

This performance information is net of tax and charges (subscription and redemption fees) but does not include the effect of any preliminary charge that may be paid on the purchase of an investment.

Past performance is no indication of future performance.

LF Canlife Japan Fund

Year	%
2007	-13.5
2008	8.4
2009	-2.5
2010	19.3
2011	-13.9
2012	6.4
2013	23.9
2014	-3.4
2015	12.5
2016	21.0
2007-2016	62.9

Percentage annual performance, B accumulation shares (total return), based on ACD data and performance of the Sub-fund. Performance prior to July 2014 is based on LF Canlife Japanese Growth Unit Trust, which merged into the LF Canlife Japan Fund at its launch as a result of a scheme of arrangement.

Percentage cumulative performance, B accumulation shares (total return), based on ACD data and performance of the Sub-fund. Performance prior to July 2014 is based on LF Canlife Japanese Growth Unit Trust, which merged into the LF Canlife Japan Fund at its launch as a result of a scheme of arrangement.

Please note: the source for performance data has recently been changed. This change may have resulted in variations from previously published performance figures. These variations are deemed to be insignificant both individually and cumulatively.

LF CANLIFE NORTH AMERICAN FUND

LF Canlife North American Fund may be suitable for those investors seeking capital growth from investments in North American markets. It may be suitable for investors willing to take high levels of risk, who understand that returns from the Sub-fund are more volatile than general UK equity or balanced managed funds. Investors must be able to accept that increased volatility gives a higher risk of short term losses but also greater potential for higher returns.

This performance information is net of tax and charges (subscription and redemption fees) but does not include the effect of any preliminary charge that may be paid on the purchase of an investment.

Past performance is no indication of future performance.

LF Canlife North American Fund

Year	%
2007	4.7
2008	-9.7
2009	18.7
2010	17.5
2011	-1.0
2012	7.7
2013	28.0
2014	16.7
2015	0.1
2016	45.9
2007-2016	206.3

Percentage annual performance, B accumulation shares (total return), based on ACD data and performance of the Sub-fund. Performance prior to May 2012 is based on LF Canlife North American Unit Trust, which merged into the LF Canlife North American Fund at its launch as a result of a scheme of arrangement.

Percentage cumulative performance, B accumulation shares (total return), based on ACD data and performance of the Sub-fund. Performance prior to May 2012 is based on LF Canlife North American Unit Trust, which merged into the LF Canlife North American Fund at its launch as a result of a scheme of arrangement.

Please note: the source for performance data has recently been changed. This change may have resulted in variations from previously published performance figures. These variations are deemed to be insignificant both individually and cumulatively.

LF CANLIFE SHORT DURATION CORPORATE BOND FUND

LF Canlife Short Duration Corporate Bond Fund may be suitable for those investors seeking income from investment in sterling denominated fixed income securities. It may be suitable for investors who want the minimum of risk and who are only prepared to accept a low risk of loss to their investment, after reinvesting income, over the short term and who are prepared to accept less opportunity for higher returns.

The Sub-fund has only recently been launched and no performance figures are currently available.

LF CANLIFE STRATEGIC RETURN FUND

LF Canlife Strategic Return Fund may be suitable for those investors seeking positive absolute returns throughout varying market conditions. It may be suitable for investors willing to take a moderate level of risk. Investors should have experience with investments in equities, fixed income and derivatives. Investors must be able to accept some risk to their capital, and therefore the Sub-fund is only suitable for investors who can afford to set aside the capital for at least 5 years.

LF Canlife Strategic Return Fund

Year	%
2015	-4.7
2016	12.8
2015-2016	7.5

Percentage annual performance, B accumulation shares (total return), based on ACD data.

Percentage cumulative performance, B accumulation shares, (total return), based on ACD data.

LF CANLIFE STERLING LIQUIDITY FUND

LF Canlife Sterling Liquidity Fund may be suitable for professional investors seeking a return in line with sterling money market rates from investment in sterling denominated money-market instruments and require a highly liquid investment.

The Sub-fund has only recently been launched and no performance figures are currently available.

LF CANLIFE TOTAL RETURN FUND[1]

LF Canlife Total Return Fund may be suitable for those investors seeking positive total returns, both relative and absolute, throughout varying market conditions. It may be suitable for investors willing to take high levels of risk, who understand that returns from the Sub-fund could be more volatile than general UK equity or bond funds. Investors should have experience with investments in equities and fixed income investments and be able to accept that increased volatility gives a higher risk of short term losses, but also greater potential for higher returns. The Sub-fund is only suitable for investors who can afford to set aside the capital for at least 5 years.

This performance information is calculated in Pound Sterling (net of taxes and charges) and the performance prior to 2014 has been simulated based on the performance of the Class S Units of the Master Fund.

Past performance is no indication of future performance. Please note that the LF Canlife Total Return Fund was launched in January 2013.

LF Canlife Total Return Fund

Year	%
2007	10.8
2008	-19.1
2009	32.1
2010	14.0
2011	2.3
2012	11.6
2013	4.5
2014	2.4
2015	-5.5
2016	6.2
2007-2016	65.7

Percentage annual performance, B accumulation shares (total return), based on ACD data and performance of the Sub-fund. Performance prior to 2014 is based on the performance of Class S income units (total return) of the Putnam Total Return Fund (the corresponding master UCITS Fund).

Percentage cumulative performance, B accumulation shares (total return), based on ACD data and performance of the Sub-fund. Performance prior to 2014 is based on the performance of Class S income units (total return) of the Putnam Total Return Fund (the corresponding master UCITS Fund).

[1] The LF Canlife Total Return Fund is no longer available for investment.

LF CANLIFE UK EQUITY INCOME FUND

LF Canlife UK Equity Income Fund may be suitable for those investors seeking income and some capital growth from UK investment. It may be suitable for investors with a medium to long term view of investing (3/5 years) willing to invest mainly in UK equities who are looking to greater potential for growth than low risk funds but who are willing to accept capital losses.

This performance information is net of tax and charges (subscription and redemption fees) but does not include the effect of any preliminary charge that may be paid on the purchase of an investment.

Past performance is no indication of future performance.

LF Canlife UK Equity Income Fund

Year	%
2007	1.5
2008	-24.1
2009	10.9
2010	11.9
2011	-1.7
2012	8.5
2013	21.0
2014	3.0
2015	10.6
2016	5.2
2007-2016	47.9

Percentage annual performance, B income shares (total return), based on ACD data and performance of the Sub-fund. Performance prior to May 2012 is based on LF Canlife High Income Unit Trust, which merged into the LF Canlife UK Equity Income Fund at its launch as a result of a scheme of arrangement.

Percentage cumulative performance, B income shares (total return), based on ACD data and performance of the Sub-fund. Performance prior to May 2012 is based on LF Canlife High Income Unit Trust, which merged into the LF Canlife UK Equity Income Fund at its launch as a result of a scheme of arrangement.

Please note: the source for performance data has recently been changed. This change may have resulted in variations from previously published performance figures. These variations are deemed to be insignificant both individually and cumulatively.

LF CANLIFE UK EQUITY AND BOND INCOME FUND

LF Canlife UK Equity and Bond Income Fund may be suitable for those investors seeking an above-average income with moderate long-term capital growth from investment mainly in UK equities and fixed income securities. It may be suitable for investors with a medium to long term view of investing (3/5 years) willing to invest mainly in UK equities and fixed income securities who are looking to greater potential for growth than low risk funds but who are willing to accept capital losses.

This performance information is net of tax and charges (subscription and redemption fees) but does not include the effect of any preliminary charge that may be paid on the purchase of an investment.

Past performance is no indication of future performance.

LF Canlife UK Equity and Bond Income Fund

Year	%
2007	1.1
2008	-21.3
2009	13.1
2010	10.7
2011	-0.5
2012	10.7
2013	17.8
2014	4.1
2015	8.5
2016	7.1
2007-2016	56.1

Percentage annual performance, B accumulation shares (total return), based on ACD data and performance of the Sub-fund. Performance prior to May 2012 is based on LF Canlife Income Unit Trust, which merged into the LF Canlife UK Equity and Bond Income Fund at its launch as a result of a scheme of arrangement.

Percentage cumulative performance, B accumulation shares (total return), based on ACD data and performance of the Sub-fund. Performance prior to May 2012 is based on LF Canlife Income Unit Trust, which merged into the LF Canlife UK Equity and Bond Income Fund at its launch as a result of a scheme of arrangement.

Please note: the source for performance data has recently been changed. This change may have resulted in variations from previously published performance figures. These variations are deemed to be insignificant both individually and cumulatively.

LF CANLIFE UK EQUITY FUND

LF Canlife UK Equity Fund may be suitable for those investors seeking long-term capital growth from investment mainly in UK equities. It may be suitable for investors willing to take higher levels of risk, who are looking to greater potential for growth than low risk funds but who are willing to accept capital losses.

LF Canlife UK Equity Fund

Year	%
2014	3.0
2015	5.7
2016	-3.1
2014-2016	5.5

Percentage annual performance, B accumulation shares (total return), based on ACD data.

Percentage cumulative performance, B accumulation shares, (total return), based on ACD data.

LF CANLIFE GLOBAL HIGH YIELD BOND FUND

LF Canlife Global High Yield Bond Fund may be suitable for those investors seeking income and some capital growth from global investment in high yield bonds. It may be suitable for investors with a medium to long term view of investing (3/5 years) willing to take higher levels of risk by investing mainly in lower-rated global debt securities and who are looking to greater potential for growth than low risk funds but who are willing to accept capital losses.

This performance information is calculated in Pound Sterling (net of taxes and charges) and the performance prior to 2014 has been simulated based on the performance of the Class S Units of the Master Fund.

Past performance is no indication of future performance. Please note that the LF Global High Yield Bond Fund was launched in May 2013.

LF Canlife Global High Yield Bond Fund

Year	%
2007	0.3
2008	-23.3
2009	49.6
2010	14.1
2011	1.3
2012	18.0
2013	8.0
2014	0.8
2015	-5.2
2016	12.8
2007-2016	82.9

Percentage annual performance, B income shares (total return), based on ACD data and performance of the Sub-fund. Performance prior to 2014 is based on the performance of Class S income (total return) of the Putnam Total Return Fund (the corresponding master UCITS Fund).

Percentage cumulative performance, B income shares (total return), based on ACD data and performance of the Sub-fund. Performance prior to 2014 is based on the performance of Class S income units (total return) of the Putnam Global High Yield Bond Fund (the corresponding master UCITS Fund).

LF CANLIFE UK GOVERNMENT BOND FUND

LF Canlife UK Government Bond Fund may be suitable for investors seeking above-average secure income plus capital growth by investment in UK Government and/or other UK public securities. It may be suitable for investors who want the minimum of risk and who are only prepared to accept a low risk of loss to their investment, after reinvesting income, over the short term and who are prepared to accept less opportunity for higher returns.

This performance information is net of tax and charges (subscription and redemption fees) but does not include the effect of any preliminary charge that may be paid on the purchase of an investment.

Past performance is no indication of future performance.

LF Canlife Government Bond Fund

Year	%
2007	2.9
2008	10.9
2009	-3.1
2010	5.2
2011	13.2
2012	0.8
2013	-5.3
2014	10.7
2015	-0.5
2016	8.0
2007-2016	49.6

Percentage annual performance, B income shares, (total return), based on ACD data and performance of the Sub-fund. Performance prior to July 2014 is based on LF Canlife Gilt and Fixed Interest Unit Trust, which merged into the LF Canlife UK Government Bond Fund at its launch as a result of a scheme of arrangement.

Percentage cumulative performance, B income shares (total return), based on ACD data and performance of the Sub-fund. Performance prior to July 2014 is based on LF Canlife Gilt and Fixed Interest Unit Trust, which merged into the LF Canlife UK Government Bond Fund at its launch as a result of a scheme of arrangement.

Please note: the source for performance data has recently been changed. This change may have resulted in variations from previously published performance figures. These variations are deemed to be insignificant both individually and cumulatively.

Appendix VI

List of Sub-Custodians

The Global Sub-Custodian may delegate the custody of assets to the following Sub-Custodians:

Argentina	Citibank N.A., Argentina
Australia	The Hongkong and Shanghai Banking Corporation Limited
Austria	UniCredit Bank Austria AG
Bahrain	HSBC Bank Middle East Limited
Bangladesh	The Hongkong and Shanghai Banking Corporation Limited
Belgium	The Bank of New York Mellon SA/NV
	Citibank Europe Plc, UK branch
Bermuda	HSBC Bank Bermuda Limited
Botswana	Stanbic Bank Botswana Limited
Brazil	Citibank N.A., Brazil
	Itau Unibanco S.A.
Bulgaria	Citibank Europe plc, Bulgaria Branch
Canada	CIBC Mellon Trust Company (CIBC Mellon)
Cayman Islands	The Bank of New York Mellon
Channel Islands	The Bank of New York Mellon
Chile	Banco de Chile
	Itau Corpbanca S.A.
China	HSBC Bank (China) Company Limited
Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria
Costa Rica	Banco Nacional de Costa Rica
Croatia	Privredna banka Zagreb d.d.
Cyprus	BNP Paribas Securities Services
Czech Republic	Citibank Europe plc, organizacni slozka
Denmark	Skandinaviska Enskilda Banken AB (Publ)
Egypt	HSBC Bank Egypt S.A.E.
Estonia	SEB Pank AS
Eswatini	Standard Bank Swaziland Limited
Euromarket	Clearstream Banking S.A
	Euroclear Bank
Finland	Skandinaviska Enskilda Banken AB (Publ)
France	The Bank of New York Mellon SA/NV
Germany	The Bank of New York Mellon SA/NV
Ghana	Stanbic Bank Ghana Limited
Greece	BNP Paribas Securities Services
Hong Kong	The Hongkong and Shanghai Banking Corporation Limited
Hungary	Citibank Europe plc. Hungarian Branch Office
Iceland	Landsbankinn hf.
India	Deutsche Bank AG
	The Hongkong and Shanghai Banking Corporation Limited
Indonesia	Deutsche Bank AG

Ireland	The Bank of New York Mellon
Israel	Bank Hapoalim B.M.
Italy	The Bank of New York Mellon SA/NV
Japan	Mizuho Bank, Ltd.
	MUFG Bank, Ltd.
Jordan	Standard Chartered Bank, Jordan Branch
Kazakhstan	Citibank Kazakhstan Joint-Stock Company
Kenya	Stanbic Bank Kenya Limited
Kuwait	HSBC Bank Middle East Limited, Kuwait
Latvia	AS SEB banka
Lithuania	AB SEB bankas
Luxembourg	Euroclear Bank
Malawi	Standard Bank PLC
Malaysia	Deutsche Bank (Malaysia) Berhad
Malta	The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main
Mauritius	The Hongkong and Shanghai Banking Corporation Limited
Mexico	Banco Santander (México), S.A.
	Citibanamex
Morocco	Citibank Maghreb S.A.
Namibia	Standard Bank Namibia Limited
Netherlands	The Bank of New York Mellon SA/NV
New Zealand	The Hongkong and Shanghai Banking Corporation Limited
Nigeria	Stanic IBTC Bank Plc.
Norway	Skandinaviska Enskilda Banken AB (Publ)
Oman	HSBC Bank Oman S.A.O.G.
Pakistan	Deutsche Bank AG
Peru	Citibank del Peru S.A.
Philippines	Deutsche Bank AG
Poland	Bank Polska Kasa Opieki S.A.
Portugal	Citibank Europe Plc
Qatar	HSBC Bank Middle East Limited, Doha
Romania	Citibank Europe plc Dublin, Romania Branch
Russia	PJSC ROSBANK
Saudi Arabia	HSBC Saudi Arabia
Serbia	UniCredit Bank Serbia JSC
Singapore	DBS Bank Ltd
Slovak Republic	Citibank Europe plc, pobocka zahranicnej banky
Slovenia	UniCredit Banka Slovenia d.d.
South Africa	Standard Chartered Bank
	The Standard Bank of South Africa Limited
South Korea	The Hongkong and Shanghai Banking Corporation Limited
	Deutsche Bank AG
Spain	Banco Bilbao Vizcaya Argentaria, S.A.
	Santander Securities Services, S.A.U.

Sri Lanka	The Hongkong and Shanghai Banking Corporation Limited
Sweden	Skandinaviska Enskilda Banken AB (Publ)
Switzerland	Credit Suisse (Switzerland) Ltd
	UBS Switzerland AG
Taiwan	HSBC Bank (Taiwan) Limited
Tanzania	Stanbic Bank Tanzania Limited
Thailand	The Hongkong and Shanghai Banking Corporation Limited
Tunisia	Union Internationale de Banques
Turkey	Deutsche Bank A.S.
U.A.E.	HSBC Bank Middle East Limited, Dubai
U.K.	Depository and Clearing Centre (DCC)
	Deutsche Bank AG, London Branch
	The Bank of New York Mellon
U.S.A.	The Bank of New York Mellon
U.S.A. Precious Metals	HSBC Bank, USA, N.A
Uganda	Stanbic Bank Uganda Limited
Ukraine	JSC “Citibank”
Uruguay	Banco Itaú Uruguay S.A.
Vietnam	HSBC Bank (Vietnam) Ltd

Appendix VII

Directory

THE COMPANY AND HEAD OFFICE:
LF Canada Life Investments Fund
6th Floor
65 Gresham Street
London
EC2V 7NQ

AUTHORISED CORPORATE DIRECTOR:
Link Fund Solutions Limited
6th Floor
65 Gresham Street
London
EC2V 7NQ

DEPOSITARY:
The Bank of New York Mellon (International) Limited
One Canada Square
London
E14 5AL

INVESTMENT MANAGER:
Canada Life Asset Management Limited
Canada Life Place
High Street
Potters Bar
Hertfordshire
EN6 5BA

REGISTRAR:
Link Fund Administrators Limited
Arlington Business Centre
Millshaw Park Lane
Leeds
LS11 0PA

AUDITORS:
Ernst & Young LLP
25 Churchill Place
Canary Wharf
London
E14 5EY