

The Marlborough ETF OEIC

Prospectus

Prepared in accordance with the Collective Investment Schemes Sourcebook
Dated and valid as at: 30th July 2019

Authorised Corporate Director

Marlborough Fund Managers Limited

Registered Office and Operating Address:

Marlborough House

59 Chorley New Road

Bolton

BL1 4QP

(Authorised and regulated by the Financial Conduct Authority)

Investment Adviser

iFunds Asset Management Limited

The TechnoCentre

Puma Way

Coventry

West Midlands

CV1 2TT

(Authorised and regulated by the Financial Conduct Authority)

Registered and Head Office of the Company

Marlborough House

59 Chorley New Road

Bolton

BL1 4QP

Depositary

HSBC Bank plc

8 Canada Square

London

E14 5HQ

Solicitors

Burges Salmon LLP

One Glass Wharf

Bristol

BS2 0ZX

Auditors

Barlow Andrews

78 Chorley New Road

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BL1 4BY

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THIS PROSPECTUS IS IMPORTANT. IF YOU ARE IN ANY DOUBT AS TO THE MEANING OF ANY INFORMATION CONTAINED IN THIS PROSPECTUS, YOU SHOULD CONSULT THE ACD OR YOUR INDEPENDENT FINANCIAL ADVISER.

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.

This Prospectus is intended for distribution in the United Kingdom. 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.

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.

Shareholders are deemed to have taken notice of the provisions of the Instrument of Incorporation binding on each of the Shareholders. A copy of the Instrument of Incorporation is available on request from Marlborough Fund Managers Limited.

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

This Prospectus is based on information, law and practice as at the date "valid as at date" which appears on the front cover and below. The Company and ACD cannot be bound by a prospectus which is out of date when a new version has been issued. Investors should check with Marlborough Fund Managers Limited that this is the most recently published prospectus.

US Tax Reporting

The Company is required to comply with certain reporting requirements in order to avoid a 30% US withholding tax on interest income and the proceeds of sales of US securities and other US financial instruments. Complying with such requirements may require the Company to request certain information and documentation from Shareholders, and to agree to provide such information and documentation to the IRS if requested to do so. Any Shareholder that fails to provide the required information may be subject to a compulsory redemption of their shares and/or mandatory penalties.

Shares have not been and will not be registered under the United States Securities Act of 1933, as amended. They may not be offered or sold in the United States of America, its territories and possessions, any State of the United States of America and the District of Columbia or offered or sold to US Persons (as defined below). The Company has not been and will not be registered under the United States Investment Company Act of 1940, as amended. The ACD has not been and will not be registered under the United States Investment Advisers Act of 1940.

A "U.S Person" means any citizen or resident of the United States of America, its territories and possessions including the State and District of Columbia and all areas subject to its jurisdiction (including the Commonwealth of Puerto Rico), any corporation, trust, partnership or other entity created or organised in or under the laws of the United States of America, any state thereof or any estate or trust the income of which is subject to United States federal income tax, regardless of source. The expression also includes any person falling within the definition of the term "U.S Person" under Regulation S promulgated under the United States Securities

Act of 1933.

This Prospectus is dated and valid as at 30th July 2019.

1 INTERPRETATION

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

"ACD"	the Authorised Corporate Director of the Company holding office from time to time pursuant to the Regulations being Marlborough Fund Managers Limited at the date of this Prospectus;
"AIFM Directive"	The Directive 2011/61/EU of the European Parliament and the Council of 08 June 2011 on Alternative Investment Fund Managers and amending Directives 2004/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010;
"Act"	the Financial Services and Markets Act 2000 as amended, restated, re-enacted or replaced from time to time;
"Business Day"	Monday to Friday excluding UK public and bank holidays or any day on which the London Stock Exchange is not open and excluding the last trading day before the 25th December or any day on which the ACD has notified the Depositary that it is not open for normal business or otherwise agreed between the ACD and the Depositary;
"Collective Investment Schemes Sourcebook" or "COLL"	the Collective Investment Schemes Sourcebook issued by the FCA pursuant to the Act, as amended, restated, re-enacted or replaced from time to time;
"Company"	The Marlborough ETF OEIC;
"Depositary"	the person appointed from time to time by the Company or otherwise as depositary pursuant to the Regulations being HSBC Bank plc at the date of this Prospectus;
"FCA"	means the Financial Services Authority in respect of matter prior to 1 April 2013 and, in respect of matters after that date, the Financial Conduct Authority or any successor entity from time to time;
"FCA Handbook"	the FCA's Handbook of Rules and Guidance, as amended from time to time;
"Fund" or "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;
"FUND Sourcebook" or "FUND"	means the rules contained in the Investment Funds Sourcebook issued by the FCA as amended from time to time;

"Instrument of Incorporation" or "Instrument"	the instrument of incorporation constituting the Company, as amended from time to time;
"Investment Adviser" or "iFunds"	iFunds Asset Management Limited;
"ISA"	an individual savings account under The Individual Savings Account Regulations 1998 (as amended);
"Leverage"	means any method by which exposure of the Company or a Fund is increased whether through borrowing of cash or transferrable securities or leverage embedded in derivative positions or by any other means;
"Non-UCITS Retail Scheme" or "NURS"	means a type of collective investment scheme such as the Company which is authorised by the FCA and therefore meets the standards set by the FCA to enable the Scheme to be marketed to the public within the UK, but which does not comply with the conditions necessary for it to benefit from certain passporting rights under the UCITS Directive;
"OEIC Regulations"	The Open-Ended Investment Companies Regulations 2001;
"Professional Liability Risks"	shall have the meaning given to it in IPRU(INV) 11.3.12 EU of the FCA Handbook;
"Regulations"	the OEIC Regulations and the Collective Investment Schemes Sourcebook and or the FUND Sourcebook, as relevant;
"UCITS Directive"	the European Parliament and Council Directive of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (No 2009/65/EC) (as amended);
"VAT"	UK value added tax.

2 CONSTITUTION

General

The Company is an investment company with variable capital incorporated under the OEIC Regulations. It is a Non-UCITS Retail Scheme as defined in COLL and also an umbrella company for the purposes of the OEIC Regulations. The Company is incorporated in England and Wales with registered number IC00396. The head office of the Company is at Marlborough House, 59 Chorley New Road, Bolton, BL1 4QP. This is also the address for the service on the Company of notices or other documents required or authorised to be served on it.

The base currency for the Company is pounds sterling. The maximum size of the Company's capital is £100,000,000,000 and the minimum size is £1.

The Company was authorised by an order made by FCA with effect from 22nd June 2005 with the Product Reference Number (PRN) 432363. The operation of the Company is governed by the Regulations, the Instrument of Incorporation and this prospectus.

Structure of the Company

The Company is structured as an umbrella company, in that different Funds may be established from time to time by the ACD with the approval of the FCA and the agreement of the Depositary. On the introduction of any new Fund, a revised prospectus will be prepared setting out the relevant details of each Fund.

The Company currently issues shares in two Funds:

- **Marlborough ETF Global Growth Fund** (PRN: 634914); and
- **Marlborough ETF Commodity Fund** (PRN: 634913).

The property attributable to the Funds is managed as if each Fund belongs to the "Non-UCITS Retail Scheme" category as specified in COLL. Subject to the terms set out in this Prospectus, holders of shares in the Funds are entitled to receive the net income derived from the Funds and to redeem their shares at a price linked to the value of the property of the relevant Fund. Shareholders do not have any proprietary interest in the underlying assets of the Funds. The shareholders of the Company will not be liable for the debts of the Company.

The assets of each Fund will be treated as separate from those assets of every other Fund and will be invested in accordance with the investment objective and investment policy applicable to that Fund. Each Fund has credited to it the proceeds of all shares linked to it, together with the assets in which such proceeds are invested or reinvested and all income, earnings, profits or assets deriving from such investments.

Each Fund will be charged with the liabilities, expenses, costs and charges of the Company attributable to that Fund and within a Fund, the charges will be allocated between classes of shares in accordance with the terms of issue of the shares of those classes (as applicable). Any assets, liabilities, expenses, costs or charges not attributable to a particular Fund may be allocated by the ACD in a manner which is fair to the shareholders generally but they will be normally allocated by the ACD to all Funds pro rata to the value of the net assets of the relevant Funds.

Investors should note that the Company's Funds are segregated portfolios of assets and, accordingly, the assets of a Fund belong exclusively to that Fund, and shall not be used to discharge, directly or indirectly, the liabilities of, or claims against, any other person or body, including the Company or any other Fund, and shall not be available for any such purpose.

While the provisions of the OEIC Regulations provide for segregated liability between the 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 how those foreign courts will react to the OEIC Regulations. It is therefore not free from doubt that the assets of a Fund will always be "ring-fenced" from the liabilities of other Funds of the Company.

In certain circumstances the Company may sue and be sued in respect of a particular Fund and may exercise rights of set-off in relation to that Fund.

3 INVESTMENT OBJECTIVES AND POLICIES

Marlborough ETF Global Growth Fund

The investment objective of the Fund is to prioritise capital growth.

It is intended that this objective will be achieved by the Fund investing primarily in either single country or regional market based Exchange Traded Funds.

Marlborough ETF Commodity Fund

The investment objective of the Fund is to achieve capital growth.

It is intended that this objective will be achieved by the Fund investing in a portfolio of global commodity Exchanged Traded Funds and other global commodity collective investment schemes.

Exchange Traded Funds are collective investment schemes whose shares are traded on investment exchanges worldwide.

The asset classes in which the Funds are permitted to invest includes units and shares in collective investment schemes, transferable securities, money market instruments and deposits as permitted for Non-UCITS Retail Schemes under COLL and in accordance with the Company's investment powers as summarised in this Prospectus. The Funds may invest in derivative instruments and forward transactions for limited purposes as set out in this Prospectus.

Assessing performance

In order to assess the performance of the Fund, you may wish to compare it to the Deutsche Bank Liquid Commodities Indices Optimum Yield (DBLCI-OY) Balanced TR Index (GBP). This index provides an indication of broad trends in commodity prices.

Further Funds

Subject to the Company's Instrument of Incorporation and COLL, the ACD may establish additional Funds from time to time.

4 RISK FACTORS

Investors should bear in mind that all investment carries risk and in particular should be aware of the following:

- (a) Past performance is not a guide to future performance. The value of shares and the income derived from them can go down as well as up and as a result the investor may not get back the amount originally invested. This can be as a result of market movements and also of variations in the exchange rates between currencies. There is no certainty that the investment objectives of the Funds will be achieved.
- (b) The ACD's initial charge (as set out under the heading "**The Authorised Corporate Director's Charges**") is deducted from an investment at the outset such that an equivalent rise in the value of the shares is required before the original investment can be recovered;
- (c) In certain circumstances, for hedging purposes (as explained under the heading "**Risk Management**") to reduce or eliminate risk arising from fluctuations in interest or exchange rates and in the price of investments, the Company may enter into certain derivatives transactions, including, without limitation, forward transactions, futures and options. The value of these investments may fluctuate significantly. By holding these types of investments there is a risk of capital depreciation in relation to certain Fund assets. There is also the potential for capital appreciation of such assets;
- (d) The summary of the tax treatment in section 24 of this Prospectus is based on current law and practice which may change. The levels of relief from taxation will depend upon individual circumstances. Please note current tax levels and

reliefs may change and their value will depend on the investor's individual circumstances.

- (e) The Company and the Funds are classed as NURS for the purposes of the Regulations. Such funds can have wider investment and borrowing powers than UCITS schemes with higher investment limits in various areas. They can also invest to a greater extent in areas such as property and unregulated schemes and have the option to borrow on a permanent basis. Such additional powers can increase potential reward, but may also increase risk.
- (f) The Company's investments may be subject to liquidity constraints, which means that the investments may trade infrequently and in small volumes, or that a particular instrument is difficult to buy and sell. Normally liquid investments may also be subject to periods of disruption in difficult market conditions. As a result, changes in the value of investments may be unpredictable and, in certain circumstances, it may be difficult to deal in an investment at the latest market price quoted or at a value considered by the ACD to be fair.
- (g) The Company and the Funds may incur Leverage through borrowing cash up to 10% of the value of the scheme property, in which case the Company's or a Fund's exposure may be increased by reinvesting such cash borrowings. In the event that the interest costs associated with the borrowings are greater than any investment income and gains earned on investments made through the use of borrowing, the net asset value of the shares in a Fund may decline more rapidly than would otherwise be the case.
- (h) Investors are reminded that in certain circumstances their right to redeem shares (including a redemption by way of switching) may be suspended and/or deferred.
- (i) Whilst equity investments carry potential for attractive returns over the longer term, the volatility of these returns can also be relatively high.
- (j) Investment in smaller companies can be higher risk than investment in larger companies. The shares of smaller companies may be less liquid and their performance more volatile over short time periods.
- (k) Investment in emerging markets may involve a higher than average risk due to the volatility of currency exchange rates, limited geographic focus, investment in a smaller number of issues, political and economic instability and less liquid markets.
- (l) 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. The value of a fixed interest security may fall in the event of a default or reduced credit rating of the issuer.
- (m) Currency fluctuations may adversely affect the value of a Fund's investments and the income thereon and, depending on the reference currency of the relevant share class, currency fluctuations may also adversely affect the value of a share class.
- (n) The Funds may invest in other collective investment schemes and as such a Fund will bear its portion of the expenses of the other collective investment scheme, including 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.

- (o) Subject to COLL, the Funds may invest in unregulated collective investment schemes (including hedge funds). Investment in unregulated collective investment schemes carries additional risks as these schemes may not be under the regulation of a competent regulatory authority, may use leverage and may carry increased liquidity risk as units/shares in such schemes may not be readily realisable.
- (p) Where assets are held in custody, there may be a risk of loss resulting from the insolvency, negligence or fraudulent action of the custodian or sub-custodian.
- (q) A Fund will be exposed to a credit risk on parties with whom it trades and will also bear the risk of settlement default. The Funds may enter into transactions in over-the-counter markets which will expose the Funds to the credit of its counterparties and their abilities to satisfy the terms of such contracts.
- (r) The real value of any returns that an investor may receive from a Fund could be affected by interest rates and inflation over time.
- (s) The Funds may invest in property funds. The value of investments held in a property fund are generally determined by the opinion of an independent valuer and is therefore subjective. Investment in such funds should be considered as long term in nature. Property investments can be relatively illiquid compared to bonds and equities and may be subject to significantly wider price spreads which could affect the valuation.
- (t) The Funds may invest in structured products in accordance with COLL. Structured products are designed to combine the potential upside of market performance with limited downside and 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 risk that may affect the performance of the Funds.
- (u) Investors should bear in mind that commodity prices react, among other things, to economic factors such as changing supply and demand relationships, weather conditions and other natural events, the agricultural, trade, fiscal, monetary and other policies of governments and other unforeseeable events.

Typical Investor

The Funds are suitable for retail investors, professional investors and eligible counterparties whose investment requirements are aligned with the objectives, policies and risk profiles of the Funds. The Funds will be distributed primarily via fund platforms, wealth managers, discretionary fund managers and financial institutions. The Funds have no complex features or guarantees and investors do not necessarily need to have investment experience however a basic understanding of investment markets, the kind of underlying investments of the Funds and the risks involved in investment is important.

This Prospectus contains detail on the Funds' objectives, investment strategies, risks, performance, distribution policy and fees and expenses. All investors are expected to have also read the Key Investor Information Document (KIID) which is intended to help investors understand the nature and risks of investing in the Funds.

The Funds may not be suitable for certain investors, including but not limited to those whose objectives and needs are not consistent with the nature of the Funds, those who are unable to commit capital for a sufficient term or do not have sufficient resources to bear any loss which may result from an investment in the Funds. The Funds are also not committed to meeting any specific ethical, social, religious or environmental restrictions which some investors may be

seeking.

Further information on the intended target market for the Funds is available from the ACD upon request. If you are in any doubt as to the suitability of the Funds, you should consult an appropriately qualified financial adviser prior to making an investment.

5 THE AUTHORISED CORPORATE DIRECTOR

The authorised corporate director ("**ACD**") of the Company is Marlborough Fund Managers Limited. The ACD is a private company limited by shares, incorporated in England and Wales on 3rd October 1986 under the Companies Act 1985. The registered and head office of the ACD is at Marlborough House, 59 Chorley New Road, Bolton, BL1 4QP. This is the address at which notices or other documents may be served on the Company. The amount of the ACD's issued and fully paid share capital is £50,000. The ACD's ultimate holding company is UFC Fund Management Plc, a public company incorporated in England and Wales.

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

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

The ACD provides its services to the Company under the terms of a service agreement (the "**ACD Agreement**"). The ACD Agreement will terminate with immediate effect if the ACD ceases to hold office as such. The ACD's appointment may be terminated by the Company in a general meeting at any time. Otherwise, save by reason of certain events of default as specified in the ACD Agreement, the Company may terminate the ACD's appointment on 12 months' notice. No such notice shall take effect until the appointment of a successor ACD. The ACD Agreement contains certain limitations upon the liability of the ACD where loss or damage has been caused to the Company, save where loss arises by reason of negligence, default, breach of duty or trust by the ACD. The ACD Agreement contains an indemnity from the Company to the ACD in respect of losses, claims and similar liabilities incurred by the ACD as such, save where such losses, claims and similar liabilities arise from the negligence, default, breach of duty or breach of trust of the ACD.

The ACD is responsible for managing and administering the Company's affairs in compliance with the Regulations. The ACD may delegate its management and administration functions, but not responsibility for such functions, to third parties, including its associates, subject to the Regulations. The ACD's investment management function has been delegated to the Investment Adviser (see below).

6 THE INVESTMENT ADVISER

iFunds Asset Management Limited ("**iFunds**") is the Investment Adviser to the ACD in relation to the Funds. iFunds is authorised and regulated by the FCA. iFund's principal activity is the provision of investment advisory services.

Pursuant to an agreement between iFunds and the ACD, iFunds provides general discretionary investment management services in respect of the Funds. iFunds has the authority to make decisions on behalf of the ACD in relation to the Funds' investments subject always to the provisions of the Instrument of Incorporation, this Prospectus, the Regulations and the investment objectives and policies of the Funds. This arrangement may be terminated by either party giving the other no less than 36 months' written notice.

7 THE DEPOSITARY

Pursuant to the Depositary Services Agreement, HSBC Bank plc has been appointed as depositary to the Company.

The Depositary is a public limited company incorporated in England and Wales with company registration number 00014259. HSBC is a wholly owned subsidiary of HSBC Holdings plc. The Depositary's registered and head office is located at 8 Canada Square, London E14 5HQ and the principal business activity of the Depositary is the provision of financial services, including trustee and depositary services. HSBC Bank plc is authorised by the Prudential Regulation Authority and regulated by the Prudential Regulation Authority and the Financial Conduct Authority.

The Depositary provides services to the Company as set out in the Depositary Services Agreement and, in doing so, shall comply with the provisions of the FCA's COLL and FUND Sourcebooks.

The Depositary's duties include the following:-

- (i) Ensuring that the Company's cash flows are properly monitored and that all payments made by or on behalf of applicants upon the subscription to shares of the Company have been received.
- (ii) Safekeeping the assets of the Company, which includes (i) holding in custody all financial instruments that can be registered in a financial instrument account opened in the Depositary's books and all financial instruments that can be physically delivered to the Depositary; and (ii) verifying the ownership of other assets and maintaining records accordingly.
- (iii) Ensuring that issues, redemptions and cancellations of the shares of the Company are carried out in accordance with the applicable law.
- (iv) Ensuring that the value of the shares of the Company are calculated in accordance with the applicable law.
- (v) Carrying out the instructions of the ACD, unless they conflict with the applicable law.
- (vi) Ensuring that in transactions involving the Company's assets any consideration is remitted to the Company within the usual time limits.
- (vii) Ensuring that the Company's income is applied in accordance with applicable law.
- (viii) Ensuring that the income of the Company is received in line with the tax status of each (shareholder) and tax vouchers are distributed in the name of each shareholder in accordance with applicable law.

The appointment of the Depositary under the Depositary Services Agreement may be terminated without cause by not less than 90 days written notice provided that the Depositary Services Agreement does not terminate until a replacement Depositary has been appointed.

Subject to the FCA Rules, the Depositary has full power under the Depositary Agreement to delegate (and authorise its delegate to sub-delegate) all or part of its duties as Depositary. For this fund custody services are provided by HSBC Bank plc, HSBC Securities Services.

Investors have no personal right to directly enforce any rights or obligations under the Depositary Agreement.

The Depositary is liable to the Company for the loss of financial instruments of the Company

which are held in custody. The liability of the Depositary will not be affected by the fact that it has delegated safekeeping to a third party save where this liability has been lawfully discharged to a delegate (any such discharge will be notified to the Unitholders and consent will be obtained from the ACD to such delegation and discharge) or where the loss of financial instruments arises as a result of an external event beyond reasonable control of the Depositary as provided for under AIFMD. The Depositary will not be indemnified out of the assets of the Company for the loss of financial instruments where it is so liable.

From time to time actual or potential conflicts of interest may arise between the Depositary and its delegates. For example, such conflicts may arise; (i) where an appointed delegate is an affiliated group company and is providing a product or service to the Company and has a financial or business interest in such product or service; or, (ii) where an appointed delegate is an affiliated group company which receives remuneration for other related products or services it provides to the Company. The Depositary maintains a conflict of interest policy to address this.

In addition, actual or potential conflicts of interest may also arise between the Company, the Shareholders or the ACD on the one hand and the Depositary on the other hand. For example, such actual or potential conflict may arise because the Depositary is part of a legal entity or is related to a legal entity which provides other products or services to the Company and from which fees and profits in relation to the provision of those products or services may arise and from which the Depositary may benefit directly or indirectly. In addition, the Depositary may have a financial or business interest in the provision of such products or services, or receives remuneration for related products or services provided to the Company or may have other clients whose interests may conflict with those of the Company, the Shareholders or the ACD.

In particular, HSBC Bank plc may provide foreign exchange services to the Company for which they are remunerated out of the property of the Company. HSBC Bank plc or any of its affiliates or connected persons may also act as market maker in the investments of the Company; provides broking services to the Company and/or to other funds or companies; acts as financial adviser, banker, derivatives counterparty or otherwise provides services to the issuer of the investments of the Company; acts in the same transaction as agent for more than one client; has a material interest in the issue of the investments of the Company; or earns profits from or has a financial or business interest in any of these activities.

The Depositary will ensure that any such additional services provided by it or its affiliates are on terms which are not materially less favourable to the Company than if the conflict or potential conflict had not existed.

The Depositary has a conflict of interest policy in place to identify, manage and monitor on an on-going basis any actual or potential conflict of interest. The Depositary has functionally and hierarchically separated the performance of its depositary tasks from its other potentially conflicting tasks. The system of internal controls, the different reporting lines, the allocation of tasks and the management reporting allow potential conflicts of interest and the Depositary issues to be properly identified, managed and monitored.

8 NO LIABILITY TO ACCOUNT

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

- (a) dealings in the shares of the Company;
- (b) any transaction in the underlying property of the Company; or

- (c) the supply of services to the Company.

9 SHARES IN THE COMPANY

Under the Company's Instrument of Incorporation, the Company is permitted to issue Class A, Class B, Class C and Class P income and accumulation shares in relation to the Funds, however only accumulation shares are currently available in relation to each Fund.

Further classes of shares may be issued from time to time by the ACD in accordance with the Instrument. On the introduction of a new share class, a revised Prospectus will be prepared setting out the details of the share class.

Each share is deemed to represent one undivided unit of entitlement in the property of a Fund. If both income and accumulation shares are in existence, the number of undivided units of entitlement in the property of that Fund represented by each accumulation share increases as income is accumulated.

Any income (net of tax) arising in relation to an accumulation share will be credited automatically to capital on the relevant accumulation/distribution date (see “**Distribution**”) and this will be reflected in the price of such share.

If both income and accumulation shares are in existence in relation to a Fund, the income of that Fund is allocated as between income shares and accumulation shares according to the respective units of entitlement in the property of the relevant Fund represented by the accumulation shares and income shares in existence at the end of the relevant accounting period.

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

Share Classes

One or more classes of share(s) may be created in respect of each Fund. Currently, Class A, Class B, Class C and Class P shares are issued by the Funds and are described below:

Marlborough ETF Commodity Fund

Class of Share	Type of Share	Minimum Investment	Initial Charge	Annual Charge
A	Accumulation	£1,000	5%	1.5%
B	Accumulation	£50,000	0.5%	1%
C	Accumulation	£10,000,000	5.5%	0.375%
P	Accumulation	£1,000,000	0 %	0.75%

Marlborough ETF Global Growth Fund

Class of Share	Type of Share	Minimum Investment	Initial Charge	Annual Charge
A	Accumulation	£1,000	5%	1.5%
B	Accumulation	£50,000	0.5%	1%
C	Accumulation	£10,000,000	5.5%	0.375%
P	Accumulation	£1,000,000	0%	0.75%

In order to invest in Class A, Class B, Class C or Class P shares the minimum investment requirement for the relevant class (as set out above) must be met. Class A shares and Class C shares are available to retail and institutional investors whereas Class B shares and Class P shares are available to institutional investors only.

The ACD reserves the right to waive any or all restrictions applicable to investment in any class of share at any time.

Each class of share attracts different charges and expenses therefore when such charges and expenses are levied the proportionate interests of the Fund property attributable to such class will be adjusted accordingly.

10 REGISTER

The ACD is the registrar for the Company. The register of shareholders is maintained at the ACD's office at Marlborough House, 59 Chorley New Road, Bolton, BL1 4QP, where it can be inspected by shareholders during normal office hours.

No certificates will be issued in respect of a holding of shares and should any shareholder require evidence of title to shares the ACD will, upon such proof of identity and the payment of such fee (if any) as the ACD may reasonably require, supply the shareholder with a certified copy of the relevant entry in the register relating to the shareholder's holding of shares.

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

No bearer shares are issued.

11 VALUATIONS

Valuations of the property of the Company for the purpose of the calculation of share prices will be carried out in accordance with the rules for single-priced funds in COLL.

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

Valuations are normally carried out on each dealing day (being each day which is a Business Day excluding the last business day before the 25th December and the last business day of the year). The valuation point for the Funds is 12 noon on each dealing day.

The ACD may carry out additional valuations if it considers it desirable to do so and may use the price obtained at such additional valuation points as the price for the relevant day. The ACD shall inform the Depositary of any decision to carry out any such additional valuations. Valuations will not be made during a period of suspension of dealings (see "**Suspension of Dealings**" below). The ACD is required to notify the Depositary if it carries out an additional valuation.

The value of the scheme property of the Company or of a Fund (as the case may be) shall be the value of its assets less the value of its liabilities determined in accordance with the following provisions.

All the scheme property (including receivables) is to be included, subject to the following provisions.

- Property which is not cash (or other asset dealt with below) shall be valued as follows and the prices used shall (subject as follows) be the most recent prices which it is practicable to obtain:
 - units of shares in a collective investment scheme:
 - if a single price for buying and selling units is quoted, at the most recent quoted price; or

- if separate buying or selling prices are quoted, at the average of the two prices provided the buying price has been reduced by any initial charge included therein and the selling price has been increased by any exit or redemption charge attributable thereto; or
 - if in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no recent price exists, at a value which, in the opinion of the ACD, is fair and reasonable.
- exchange-traded derivative contracts:
 - if a single price for buying and selling the exchange-traded derivative contract is quoted, at that price; or
 - if separate buying and selling prices are quoted, at the average of the two prices.
- over-the-counter derivative contracts shall be valued in accordance with the method of valuation as shall have been agreed between the ACD and the Depositary.
- any other investment:
 - if a single price for buying and selling the security is quoted at that price; or
 - if separate buying and selling prices are quoted, the average of those two prices; or
 - If in the opinion of the ACD the price obtained is unreliable or the most recent traded price available does not reflect the ACD's best estimate of the value, at a value which, in the opinion of the ACD, is fair and reasonable.
- property other than that described above:
 - at a value which, in the opinion of the ACD, represents a fair and reasonable mid-market price.
- Cash and amounts held in current, deposit accounts and margin accounts and other time-related deposits shall be valued at their nominal values.
- In determining the value of the scheme property, all instructions given to issue or cancel shares shall be assumed (unless the contrary is shown) to have been carried out (and any cash paid or received) and all consequential action required by the Regulations or the Instrument of Incorporation shall be assumed (unless the contrary has been shown) to have been taken.
- Subject to the two paragraphs below, agreements for the unconditional sale or purchase of property which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the valuation takes place and in the opinion of the ACD, their omission will not materially affect the final net asset amount.
- 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 the paragraph above.

- All agreements are to be included under the second paragraph above which are, or ought reasonable to have been, known to the person valuing the property assuming that all other persons in the ACD's employment take all reasonable steps to inform it immediately of the making of any agreement.
- An estimated amount for anticipated tax liabilities (on unrealised capital gains where the liabilities have accrued and are payable out of the property of the Company; on realised capital gains in respect of previously completed and current accounting periods; and on income where liability have accrued) including (as applicable and without limitation) capital gains tax, income tax, corporation tax, value added tax, stamp duty and stamp duty reserve tax will be deducted.
- An estimated amount for any liabilities payable out of the scheme property and any tax thereon treating periodic items as accruing from day to day will be deducted.
- The principal amount of any outstanding borrowings whenever repayable and any accrued but unpaid interest on borrowings will be deducted.
- An estimated amount for accrued claims for tax of whatever nature which may be recoverable will be added.
- Any other credits or amounts due to be paid into the scheme property will be added.
- A sum representing any interest or any income accrued due or deemed to have accrued but not received and any stamp duty reserve tax provision anticipated to be received will be added.
- Currencies or values in currencies other than base currency or (as the case may be) the designated currency of a Fund shall be converted at the relevant valuation point at a rate or exchange that is not likely to result in any material prejudice to the interests of shareholders or potential shareholders.
- A Fund has credited to it proceeds of all shares attributed to it, together with the assets in which such proceeds are invested or reinvested and all income, earnings, profits or assets derived from such investments. All liabilities and expenses attributed to a Fund are charged to that Fund.
- The Company is required to allocate (and the ACD may from time to time reallocate) any assets, costs, charges or expenses which are not attributable to a particular Fund against all the Funds in a manner which is fair to the shareholders of the Company generally.

Fair value pricing

Where the ACD has reasonable grounds to believe that no reasonable price exists for a security at a valuation point or the most recent price available does not reflect the ACD's best estimate of the value of a security at a valuation point, it will value an investment at a price which, in its opinion, reflects a fair and reasonable price for that investment (the fair value price).

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

12 PRICES OF SHARES

The Company deals on a forward pricing basis. A forward price is the price calculated at the next valuation of the scheme property after the purchase, redemption, conversion or switch of share is agreed. As noted above, shares in the Company are "single priced". This means that subject to the dilution levy referred to below and the initial charge (explained under the heading "**The Authorised Corporate Director's Charges**"), the price of a share for both buying and selling purposes will be the same and determined by reference to a particular valuation point. The price of a share is calculated at or about the valuation point each dealing day (to at least four significant figures) by:

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

Publication of Prices

The price of the Class A accumulation shares are published in the Financial Times. In addition, all prices can be obtained from our website at www.marlboroughfunds.com or by calling 0808 145 2500. The ACD is not responsible for any errors in publication or non-publication.

13 DILUTION LEVY

The actual cost of purchasing or selling investments may be higher or lower than the mid-market value used in calculating the share price – for example, due to dealing charges, or through dealing at prices other than the mid-market price. Under certain circumstances (for example, large volumes of deals) this may have an adverse effect on the shareholders' interest in the Company. In order to prevent this effect, called "dilution", the ACD has the power to charge a "dilution levy" on the sale and/or redemption of shares but does not at present intend to do so. As a dilution levy is not currently charged, the cost of purchasing or selling investments for the Company subsequent to shareholder dealing will be borne by the Company with a consequent effect on future growth. If the ACD decides in the future to charge a dilution levy, it will be calculated by reference to the costs of dealing in the underlying investments of the Company, including any dealing spreads, commission and transfer taxes.

The need to charge a dilution levy will depend on the volume of sales and redemptions. The ACD may charge a discretionary dilution levy on the sale and redemption of shares if, in its opinion, the existing shareholders (for sales) or remaining shareholders (for redemptions) might otherwise be adversely affected. In particular, the dilution levy may be charged in the following circumstances: where the Scheme property is in continual decline; if the Company experiences large levels of net sales relative to its size; on "large deals" (defined as a transaction or a series of transactions in one dealing period with a gross value equal to or exceeding 1% of the total Fund value); in any case where the ACD is of the opinion that the interests of remaining shareholders require the imposition of a dilution levy. It is therefore not possible to predict accurately whether a dilution levy would be applied at any point in time.

The ACD has no plans at present to introduce a dilution levy on the purchase or sale of shares. The ACD may only alter its dilution policy following prior written notification to shareholders and by amending this Prospectus.

14 STAMP DUTY RESERVE TAX

This section is based on current law and HM Revenue & Customs practice which may change.

The Stamp Duty Reserve Tax (SDRT) charge on the surrender of units / shares in UK based unit trust schemes and open ended investment companies (OEICs) to the fund manager was abolished on 30 March 2014.

However, the SDRT charge will remain in relation to certain transactions:

- Third party transfers of units

Where the transaction is handled by the ACD there will continue to be no principal SDRT charge. However, where transactions are not handled by the ACD (i.e. a third party transfer where only beneficial ownership of the shares change) then the principal SDRT charge on agreements to transfer will still technically apply at 0.5% or at the higher rate (1.5%) if transferred into depositary receipt arrangements or clearance services.

- Non-pro rata in specie redemptions

An additional revision was made to the legislation to make non-pro rata in specie redemptions subject to a principal SDRT charge rather than a schedule 19 charge.

There is no charge on a pro rata in specie redemption. A pro rata in specie redemption ensures that an investor redeems an equal and exactly proportionate stake of their investment in the scheme, however a non-pro rata in specie redemption does not and it is therefore deemed by HMRC that the investor is effectively acquiring new interests in chargeable securities and is hence subject to an SDRT charge.

ISSUE, REDEMPTION AND EXCHANGE OF SHARES

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

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

The ACD is under no obligation to account to the Company or to shareholders or any of them for any profit it makes on the issue of shares or on the reissue or cancellation of shares which it has redeemed from its "box" and will not do so.

Issue

Applications

Subject to restrictions applicable to certain classes of shares, applications for shares linked to the Funds may be made by any person. Dealings are at forward prices i.e. at prices calculated by reference to the next valuation following receipt of the application. Shares to satisfy an application received before the valuation point of the Funds (see "Valuations" for details of the valuation points) on a dealing day will be issued at a price based on that day's valuation and shares to satisfy an application received after the valuation point, or on a day which is not a dealing day, will be issued at a price based on the valuation made on the next dealing day.

Applications may be made by completing an application form and delivering it to the ACD at Marlborough House, 59 Chorley New Road, Bolton, BL1 4QP or by telephone between 9.00 am and 5.00 pm on any Business Day, excluding the afternoon of the business day before 25th December and the afternoon of the last business day of the year. The ACD may also, at its sole discretion, accept instructions by facsimile or electronic means on such terms as it may specify. Telephone applications should be made to the ACD's share dealers on 0808 145 2501 or by fax on 01204 533 045 or through approved agents. Application forms are available from the ACD. Applications, however made, are irrevocable. Subject to its obligations under COLL, the ACD reserves the right to reject any application in whole or in part. In that event application monies or any balance will be returned to the applicant by post at the applicant's risk.

Application forms are available from the ACD. Applications, however made, are irrevocable (except in the case where cancellation rights are applied - see below). Subject to its obligations under COLL, the ACD reserves the right to reject any application in whole or in part. In that event, any application monies or any balance will be returned to the applicant by post at the applicant's risk.

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

Payment in respect of applications must be received no later than the fourth business day after the relevant dealing day. However, the ACD reserves the right to request that payment in respect of applications be received prior to the relevant dealing day.

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

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 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.

Money laundering prevention

The Company is subject to the Money Laundering Regulations 2007 and the ACD may in its absolute discretion require verification of identity from any person applying for shares (the "**Applicant**") including, without limitation, any Applicant who:

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

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

Until satisfactory proof of identity is provided, the ACD reserves the right to refuse to issue shares, pay the proceeds of the redemption of shares, or pay income on shares to investors. In the case of a purchase of shares where the Applicant is not willing or is unable to provide the information request 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. The ACD will not be liable for any share price movements occurring during delays while money laundering checks are carried out.

The ACD will, where possible, verify identity using information from credit reference agencies. Where this is not possible or where the ACD decides, at its own discretion, that it is appropriate further documentation will be requested.

In Specie Application

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

Minimum Purchase

The following minimum investment requirements apply to each share class:

Share Class	Minimum Initial Investment	Minimum Subsequent Investment
A	£1,000	£1,000
B	£50,000	£1,000
C	£10,000,000	£10,000
P	£1,000,000	£1,000

However, the ACD may by special arrangement and at its discretion, agree on an individual basis a lower amount in relation to the minimum transaction sizes, or waive such requirements at its discretion.

Redemption

Shares in each Fund may be redeemed on any dealing day. Dealings are on a forward price basis as explained in the paragraph headed "**Issue**" above. Shares to be redeemed pursuant to a redemption request received before the valuation point of the relevant Fund on a dealing day will be redeemed at a price based on that day's valuation and shares to be redeemed pursuant to a redemption request received after that time, or on a day which is not a dealing day, will be redeemed at a price based on the valuation made on the next dealing day. Redemption instructions may be given by delivery to the ACD of written instructions for redemption (by letter at Marlborough House, 59 Chorley New Road, Bolton, BL1 4QP or fax) or by telephoning the ACD on 0808 145 2501 between 9.00 am and 5.00 pm on any Business Day, excluding the afternoon of the business day before 25th December and the afternoon of the last business day of the year. Redemption instructions given by telephone must be confirmed in writing to the ACD prior to redemption proceeds being remitted. Redemption instructions are irrevocable.

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

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

However, neither the Company nor the ACD is required to make payment in respect of a redemption of shares where the money due on the earlier issue of those shares has not yet been received or where the ACD considers it necessary to carry out or complete identification procedures in relation to the holder or another person pursuant to a statutory, regulatory or European Union obligation (such as the Money Laundering Regulations 2007).

Minimum Holding and Redemption

The following minimum holding and redemption requirements apply to each share class (subject to the ACD's discretion):

Share Class	Minimum Holding Requirement	Minimum Redemption Requirement
A	£1,000	£500
B	£50,000	£500
C	£10,000,000	£500
P	£1,000,000	£500

In Specie Redemption

Where a shareholder requests redemption of a number of shares, the ACD at its discretion may, by serving a notice of election on the shareholder not later than the close of business on the second Business Day following the day of receipt of the request, elect that the shareholder shall not be paid the redemption price of his shares but instead there shall be a transfer to that holder of property of the relevant Fund having the appropriate value. Where such a notice is so served on a shareholder, the shareholder may serve a further notice on the ACD not later than the close of business on the fourth Business Day following the day of receipt by the shareholder of the first mentioned notice requiring the ACD, instead of arranging for a transfer of property, to arrange for a sale of that property and the payment to the shareholder of the net proceeds of that sale. The selection of scheme property to be transferred (or sold) is made by the ACD in consultation with the Depositary, with a view to achieving no more advantage or disadvantage to the shareholder requesting redemption of his shares than to continuing shareholders. The Company may retain out of the property to be transferred (or the proceeds of sale) property or cash of value or amount equivalent to any SDRT to be paid in relation to the cancellation of the shares.

Electronic Communication of Transfer / Renunciation of Title to Funds

The Manager may accept instructions to transfer or renounce title to units by electronic communication in certain, limited circumstances following our prior agreement which will only be given on a case by case basis. In such circumstances the Manager will accept electronic communication only where the Manager can satisfy itself that the communication is from the unitholder and is genuine. The Manager does not intend, however, to accept electronic instructions as a matter of course and will require signed, hard copy instructions in accordance with the above.

Deferred Redemption

In times of high levels of redemption, the ACD may, with the prior agreement of the Depositary, or shall if the Depositary so requires, permit deferral of redemptions to the next valuation point where the total value of the redemptions requested together represent over 10% of the Fund's net asset value. Subject to sufficient liquidity being raised at the next valuation point all redemption requests relating to the earlier valuation point will be completed before those relating to the later valuation point.

15 SWITCHING AND CONVERSIONS

Conversions

Subject to any restrictions on the eligibility of investors for a particular share class, a shareholder may to convert shares in one class in a Fund for shares in a different class in the same Fund subject to the investment minima as set out in this Prospectus.

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

If a shareholder wishes to convert shares he should apply to the ACD in the same manner as for a sale as set out section 14 above.

Conversions will be effected at the next valuation point. The number of shares to be issued in the new class will be calculated relative to the price of shares being converted from. The ACD will notify shareholders once the conversion has been effected. Conversions will not generally be treated as a disposal for capital gains tax purposes and no stamp duty reserve tax will be payable usually on the conversion.

There is no fee on a conversion between classes of the same Fund.

Switches

Shareholders may (subject to the qualifications below) exchange shares in one Fund for shares in a different Fund. The appropriate number of shares is determined by the following formula:

$$N = \frac{O \times RP}{SP}$$

where N is the number of new shares to be issued, rounded down to the nearest whole number of shares; O is the number of shares of the old class to be exchanged, RP is the price at which one share of the old class can be redeemed and SP is the price at which one share of the new class can be purchased (net of any initial charge), in both cases at the application valuation point (see below). The ACD may adjust the number of new shares to be sold to reflect the effect of the dilution levy (if applicable) and any SDRT or other charges payable on the redemption or sale (as applicable) of the shares concerned.

The right to exchange is subject to the following:

- the ACD and the Depositary are not obliged to give effect to a request for exchange of shares if the value of the shares to be exchanged is less than the minimum permitted transaction (see above) or if it would result in the shareholder holding shares of any class of less than the minimum holding for that class of share (see above);
- the ACD may decline to permit an exchange into a Fund in respect of which there are no shares in issue, or in any case in which they would be entitled under COLL to refuse to give effect to a request by the shareholder for the redemption of shares of the old class or the issue of shares of the new class.

Exchanges between classes of shares linked to different Funds may be subject to a charge (See "Switching Charge" below).

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

It should be noted that an exchange of shares in a Fund for shares in any other Fund is treated as a redemption and sale and will, for persons subject to UK taxation, be regarded as a realisation for the purposes of capital gains taxation.

Application

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

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

16 SUSPENSION OF DEALINGS

The ACD may with the prior agreement of the Depositary, and must without delay, if the Depositary so requires, temporarily suspend the issue, cancellation, sale, redemption and exchange of any shares in a Fund ("dealing") where due to exceptional circumstances it is in the interests of all shareholders in the Fund.

The ACD and the Depositary must ensure that the suspension is only allowed to continue for so long as it is justified having regard to the interests of the shareholders. On suspension, the ACD, or the Depositary (if the Depositary has required the ACD to suspend dealings) will immediately inform the FCA stating the reason for the suspension and as soon as practicable give written confirmation of the suspension and the reasons for it to the FCA.

The ACD will notify shareholders of the suspension as soon as practicable after suspension commences, drawing shareholders' particular attention to the exceptional circumstances which resulted in the suspension in a manner that is clear, fair and not misleading, and will inform shareholders of how to obtain further information regarding the suspension with a view to keeping shareholders sufficiently informed. The ACD shall publish on its website and/or by other general means sufficient details to keep shareholders appropriately informed about the suspension including, if known, its likely duration.

During a suspension none of the obligations in COLL 6.2 (Dealing) apply; and the ACD shall comply with as much of COLL 6.3 (Valuation and pricing) as is practicable in the light of the suspension. The suspension of dealings in shares must cease as soon as practicable after the exceptional circumstances which led to the suspension, have ceased.

The ACD and the Depositary shall formally review the suspension at least every 28 days and inform the FCA of the results of this review and any change to the information provided to the FCA in respect of the reasons for the suspension.

The ACD shall inform the FCA of the proposed restart of dealing in Shares and immediately after the restart shall confirm this by giving notice to the FCA.

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 restart of dealing in shares, provided that if the ACD operates limited redemption arrangements, and the event leading to the suspension of dealing has affected a valuation point, the ACD shall declare an additional valuation point as soon as possible after the restart of dealing in shares.

The provisions relating to suspension of dealings can only apply to one or more classes of shares without being applied to other classes, if it is in the interest of all the shareholders.

17 MANDATORY REDEMPTION OF SHARES

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

- (a) constitute a breach of the law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory; or
- (b) may (or may if other shares are acquired or held in like circumstances) result in the Company incurring any liability to taxation or suffering any other adverse consequence (including a requirement to register under any securities or investment or similar laws or governmental regulation of any country or territory);
- (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
- (d) are owned by a Shareholder who is registered in a jurisdiction (where the Fund is not registered or recognised by the relevant competent authority) whereby communication with that shareholder by the ACD, on behalf of the Fund, might constitute a breach of the regulations in that jurisdiction (unless specific action is taken by the ACD to prevent such a communication constituting a breach),

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

18 DISTRIBUTION

The annual accounting period for the Company and the Funds ends on 31 March (the "**accounting reference date**"). The half-yearly accounting period ends on 30 September (the "**interim accounting reference date**").

Allocations and, if relevant, distributions of income will be made on or before 31 July each year (being within four months after the end of the relevant annual accounting reference date).

Distribution statements and tax certificates will be sent to shareholders. Payment of the net distribution will be made by bank automated credit system. Cheques will not be sent. Where a shareholder's bank details are not known or are inaccurate, accumulation shares will be purchased, where available, otherwise any income from income shares will be reinvested.

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

Determination of Distributable Income

As at the end of each annual accounting period, the ACD must arrange for the Depositary to transfer the income payable for distribution attributable to the relevant Fund to the distribution account.

In this context, income payable for distribution generally means all sums considered by the ACD, in each case after consultation with the Company's auditors, to be in the nature of income received or receivable for the account of and in respect of the property attributable to the relevant Fund, but excluding any amount (if any) for the time being standing to the credit of the distribution account.

The ACD need not comply with the above provisions if the average of the allocations of income to the shareholders of the relevant Fund would be less than £10 or such other amount agreed between the ACD and the Depositary. In that case, such amounts may be carried forward to the next accounting period and will be regarded as received at the start of that period. Otherwise, such sums may be credited to capital as determined by the ACD.

On or before each annual income distribution date, the ACD must calculate the amount available for income distribution for the immediately preceding annual accounting period and must inform the Depositary of such amount.

The amount available for income distribution is calculated by taking the aggregate of the income property received or receivable for the account of the relevant Fund in respect of the relevant period, deducting the charges and expenses of the Company paid or payable out of the income property in respect of that period and adding the ACD's best estimate of any relief from tax on those charges and expenses. Further adjustments may be made as the ACD considers appropriate (after consultation with the auditors) in relation to taxation and the proportion of the prices received or paid for shares that relate to income (taking account of any provisions in the Instrument of Incorporation relating to income equalisation), potential income which is unlikely to be received until 12 months after the relevant allocation date, income which should not be accounted for on an accrual basis because of lack of information about how it accrues, any transfer between the income and the capital account (regarding payments from capital or income) and making any other adjustments which the ACD considers appropriate (after consultation with the auditors).

In relation to income shares, on or before each relevant income distribution date, the ACD will instruct the Depositary to enable it to distribute the income allocated to income shares among the holders of such shares and the ACD in proportion to the number of such shares held, or treated as held, by them respectively at the end of the relevant period.

The amount of income allocated to accumulation shares becomes part of the capital property and to the extent that shares of any other class (such as income shares) were in issue in relation to the relevant period, the interests of holders of accumulation shares in that amount must be satisfied by an adjustment at the end of the relevant period in the proportion of the scheme property to which the price of an accumulation share is related. This ensures that the price of an accumulation share remains unchanged despite the transfer of income to capital property.

In calculating the amount to be distributed, the ACD must deduct and carry forward in the income account such amount as is necessary to adjust the allocation of income to the nearest one hundredth of a penny per share or such lesser fraction as the ACD may determine.

19 INCOME EQUALISATION

An allocation of income (whether annual or interim) to be made in respect of each share issued or sold by the ACD during an accounting period in respect of which that income allocation is made may include a capital sum ("**income equalisation**") representing the ACD's best estimate of the amount of income included in the price of that share.

The amount of income equalisation in respect of any share may be the actual amount of income included in the issue price of the share in question or it may be an amount arrived at by taking the aggregate of the ACD's best estimate of the amounts of income included in the share price of shares of that class issued or sold in the annual or interim accounting period in question and dividing that aggregate by the number of those shares and applying the resultant average to each of the shares in question.

20 THE AUTHORISED CORPORATE DIRECTOR'S CHARGES

Initial Charge

The ACD may impose a charge payable by the shareholder on the issue of shares (the "**initial charge**"). This charge is calculated by reference to the issue price of the shares purchased. If an initial charge is applied, it will be deducted from the investment proceeds at the outset and is calculated as a percentage of the price of a share. The current initial charges applicable to shares of the Fund are set out in the table below.

Sub-Fund	Share Class	Current Initial Charge
Marlborough ETF Global Growth Fund	A	5%
	B	0.5%
	C	5.5%
	P	0%
Marlborough ETF Commodity Fund	A	5%
	B	0.5%
	C	5.5%
	P	0%

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

Switching Charge

The ACD may impose a charge equal to the initial charge of the share class shareholders choose to convert or switch into in relation to any exchange of shares in the Company.

The ACD may impose a charge if an existing holder of A shares instructs the ACD to hold such shares (or a proportion thereof) in a stocks and shares component of an ISA.

Annual Charge

The ACD is entitled to a periodic charge which accrues daily. The calculation of the annual charge is based upon the first or only valuation point on each Business Day. The annual charge charged during a calendar month is paid to the ACD no more frequently than weekly. The annual charge is payable by the Company from the scheme property attributable to each Fund and is paid to the ACD by way of remuneration for its duties and responsibilities to the Company as ACD. The charge is calculated separately in relation to each class of share linked to that Fund as a percentage rate per annum of the total value of the units of entitlement in the property of the Fund represented by the class on the relevant valuation date.

The current charges are as follows:

Sub-Fund	Share Class	Current Annual Charge
Marlborough ETF Global Growth Fund	A	1.5%
	B	1%

	C	0.375%
	P	0.75%
Marlborough ETF Commodity Fund	A	1.5%
	B	1%
	C	0.375%
	P	0.75%

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

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

21 THE FEES, CHARGES AND EXPENSES OF THE DEPOSITARY

The Depositary receives for its own account a periodic fee which will be accrued daily. The calculation of the periodic fee is based upon the first or only valuation point on each Business Day. The periodic fee charged during a calendar month is paid to the Depositary on or as soon as is reasonably practicable after the last Business Day of that calendar month, and is payable out of the property attributable to each Fund. The rate of the periodic fee is agreed between the ACD and the Depositary from time to time and the current sliding scale fee is as follows:

- 0.03% per annum of the first £200 million of the Scheme property;
- 0.015% per annum of the next £800 million of the Scheme property;
- 0.0075% per annum of the balance over £1 billion.

The first accrual in relation to any new Fund will take place in respect of the period beginning on the day on which the first valuation of that Fund is made and ending on the last business day of the month in which that day falls and will be calculated based upon the first valuation point. Any increase will only be permitted after 60 days' notice has been given to all shareholders and the Prospectus has been revised to reflect the new current rate and date of its commencement.

Custody and activity fees

A custody fee is charged on the same value and accrual basis as the Depositary fee. The value is sub-divided according to the geographical spread of the portfolio and the rates set out below applied to the individual parts.

Fixed Rate Activity Fees, again based on geographical spread, are charged monthly on the movement of stocks other than on corporate actions, scrip dividends or stock loans.

The current rates for the custody and activity fees are as shown below:

Geographical Area	Custody Fee (BPS per Annum)	Activity Fee £
United Kingdom (Crest Transaction)	0.60	11.00
United Kingdom (Non Crest Transactions)	0.90	20.00
USA + Cedel	2.00	20.00

Euroclear/Clearstream	2.50	22.50
Europe	2.00 to 7.00	22.50 to 45.00
Japan	3.00	30.00
Other Markets	2.50 to 15.00	30.00 to 60.00

The custody and activity fees are currently exempt from value added tax.

Expenses

The Depositary is entitled to be reimbursed out of the property of each of the Funds expenses properly incurred in performing duties imposed on it or exercising powers conferred upon it by COLL, together with any VAT payable. The relevant duties may include without limitation:

- Delivery of stock to the Depositary or custodian (where relevant);
- Custody of assets;
- Collection of income
- Submission of tax returns;
- Handling tax claims;
- Preparation of the Depositary's annual report;
- Such other duties as the Depositary is required by law to perform.

In particular, the Depositary may be paid the following expenses or disbursements (plus VAT):

- (i) all expenses of registration of assets in the name of the Depositary or its nominees or agents; of acquiring, holding, realising or otherwise dealing with any asset; of custody of documents; of insurance of documents and of collecting income or capital; of opening bank accounts; of effecting currency transactions and transmitting money relating to borrowings or other permitted transactions; of obtaining advice, including legal, accountancy or other advice; of conducting legal proceedings; of communicating with holders, the ACD, the Registrar or other persons in respect of each of the Funds, relating to any enquiry by the Depositary into the conduct of the ACD and any report to holders or otherwise relating to the performance by the Depositary of its duties or the exercise by the Depositary of its powers; and
- (ii) all charges of nominees or agents in connection with any of the matters referred to at (i) above; and
- (iii) any other costs, disbursements or expenses accepted under the laws of England and Wales from time to time as being properly chargeable by the Depositary. If any person, at the request of the Depositary in accordance with the Regulations, provides services including but not limited to those of a custodian of property of the Funds, the expenses and disbursements hereby authorised to be paid to the Depositary out of the property of the Funds shall extend to the remuneration of such persons as approved by the Depositary and the ACD.

The amount or rate of any of the Depositary's fees and charges referred to above shall (unless otherwise stated) be determined by reference to the scale or tariff or other basis from time to time agreed between the ACD and the Depositary and notified to the ACD by the Depositary.

The Depositary shall be entitled to recover its fees, charges and expenses when the relevant transaction or other dealing is effected or relevant service is provided or as may otherwise be agreed between the Depositary and the Company or the ACD.

On a winding up of the Company, the termination of a Fund or the redemption of a class of shares, the Depositary will be entitled to its pro rata fees, charges and expenses to the date of the commencement of the winding up the termination or the redemption (as appropriate) and

any additional expenses necessarily realised in settling or receiving any outstanding obligations. No compensation for loss of office is provided for in the agreement with the Depositary.

Any expenses, fees, liabilities, costs or charges not attributable to a particular Fund will generally be allocated between the Funds pro rata to the value of the Net Asset Value of the Funds. However, the ACD has the discretion to allocate these fees and expenses in a manner which it considers fair to the shareholders generally. In each such case such expenses and disbursements may 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 Regulations by the Depositary.

22 OTHER PAYMENTS OF THE COMPANY

The following expenses (being the actual amounts incurred together with any applicable VAT thereon) may also be payable by the Company out of its assets at the discretion of the ACD:

- a) transaction costs, including (without limitation) the fees and expenses incurred in acquiring, registering and disposing of investments such as (for example) broker's commissions (where permitted under the FCA Handbook), fiscal charges and other disbursements which are necessarily incurred in effecting transactions for the Funds and normally shown on contract notes, confirmation notes and difference accounts as appropriate;
- b) the direct and indirect transaction and operational costs and/or fees arising from time to time as a result of the ACD's use of efficient portfolio management techniques (as described in section 28);
- c) interest on and other charges relating to permitted borrowings;
- d) taxation and other duties payable by the Company;
- e) any costs incurred in amending the Instrument of Incorporation and this Prospectus including the removal of obsolete provisions;
- f) any costs incurred in respect of any meetings of shareholders convened on a requisition by holders not including the ACD or an associate of the ACD;
- g) the expenses of the Depositary in convening a meeting of shareholders convened by the Depositary above;
- h) any fees in relation to a unitisation, amalgamation or reconstruction where the property of a body corporate (such as an investment company) or of another collective investment scheme is transferred to the Company in consideration of the issue of shares in the Company to shareholders in that body corporate or to participation in that other scheme, any liability arising after the transfer which, had it arisen before the transfer, could properly have been paid out of that other property provided that the ACD is of the opinion that proper provision was made for meeting such liabilities as were known or could reasonably have been anticipated at the time of the transfer;
- i) any audit fee and any proper expenses of the auditor;
- j) any fee and any proper expenses of any professional advisers retained by the Company or by the ACD in relation to the Company or the Funds;
- k) the cost of preparing, printing and distributing literature required or necessary for the purpose of complying with the Regulations or any other applicable law or regulation (excluding the cost of dissemination of the Key Investor Information Document or any successor or equivalent documentation);

- l) any costs of printing and distributing annual, half yearly and quarterly reports and any other reports or information provided for shareholders;
- m) any costs of listing the prices of the Funds in publications and information services selected by the ACD including the Financial Times;
- n) any costs of establishing the Company;
- o) any costs of establishing and authorising new Funds of the Company after its initial establishment;
- p) any fees and expenses in respect of establishing and maintaining the register of shareholders and any sub-register of shareholders;
- q) any costs incurred in producing and despatching any payment made by the Company;
- r) any costs incurred in taking out and maintaining an insurance policy in relation to the Company;
- s) the periodic fees of the FCA 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;
- t) 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;
- u) any costs associated with the admission of shares to listings on any stock exchange and with the maintenance of that listing (including, for the avoidance of doubt, the fees levied by the exchange in question as a condition of the admission to listing of the shares and the periodic renewal of that listing), any offer of shares, including the preparation and printing of any prospectus and the creation, conversion and cancellation of shares associated with such prospectus;
- v) any expense incurred with respect to the publication and circulation of details of the net asset value of the Funds;
- w) subject to the Regulations, any amount payable by the Company under any indemnity provisions provided for in the Instrument of Incorporation or any agreement to which the Company is party.

VAT on any fees, charges or expenses will be added to such fees, charges or expenses and will be payable by the Company.

Register fees

The ACD is entitled to payment of any fees, expenses and disbursements (including the fees, expenses and disbursements resulting from the establishment and maintenance of any sub-register) for which the Company is also responsible for paying. The registrar charge is a fixed annual amount together with an additional amount for each shareholder on the register at the beginning of the accounting period concerned. The current charge is a fixed annual amount of £200 (excluding VAT) together with an additional amount of £10.75 (excluding VAT) per shareholder.

23 TAXATION

General

The taxation of both the Company and its shareholders is subject to the fiscal law and practice

of the UK and of the jurisdictions in which shareholders are resident or otherwise subject to tax. The following summary of the anticipated tax treatment in the UK does not constitute legal or tax advice. Prospective investors should consult their own professional advisers on the tax implications of making an investment in the Company, holding or disposing of shares and the receipts of distributions. The following summary is based on the taxation law and practice in force at the date of this Prospectus, but prospective investors should be aware that the relevant fiscal rules or their interpretation are subject to change.

The Company

The UK tax regime applicable to the Company is primarily set out in Chapter 2 of Part 13 of the Corporation Tax Act 2010 and in the Authorised Investment Funds (Tax) Regulations 2006 (SI 2006/964) (the "Tax Regulations").

The Company will be liable to corporation tax on its taxable income, less its expenses of management. Corporation tax will be payable for a financial year at the lower rate of income tax for the tax year beginning in that financial year (currently 20%). Sums appropriated in accordance with the terms of this Prospectus (as amended from time to time) for the remuneration of the ACD will be treated as management expenses.

Like other UK companies, the Company will not be subject to corporation tax on dividends from United Kingdom resident companies. Dividends from other OEICs and authorised unit trusts will be received subject to the corporate streaming rules. The portion of such dividends deemed to represent unfranked income will constitute taxable income of the Company. Where foreign tax has been deducted from income from overseas sources, that tax may in some instances be offset against corporation tax payable by the Company under double taxation relief arrangements.

As an OEIC, the Company will benefit from the exemption from corporation tax on chargeable gains in respect of disposals of its investments. The Company will also not be subject to corporation tax on any profits or gains (or be entitled to corporation tax relief for any losses) which it derives from its creditor loan relationships or its derivative contracts, to the extent that those profits, gains or losses are treated as capital in nature. Capital profits, gains or losses for this purpose are those profits, gains or losses arising from an OEIC's creditor loan relationships or derivative contracts which fall to be dealt with under either the heading "net gains/losses on investments during the period" or the heading "other gains/losses" in the OEIC's statement of total return for the accounting period in question

Dependent upon the nature of the income arising within individual Funds, the total amount shown in the distribution accounts of the Company is available for distribution to shareholders in one of two ways:

- (a) it may be shown as available for distribution as a dividend; or
- (b) it may be shown as available for distribution as yearly interest.

Each Fund is regarded as a separate OEIC for tax purposes and the Company as a whole is not so regarded. The Tax Regulations also provide that where an OEIC has different share classes there shall be no discrimination between participants in respect of different classes of shares, and accordingly it is not possible to make different types of distributions to different classes of shares within a Fund.

Shareholders

The following is a general statement of current UK tax law and HM Revenue & Customs' published practice. Such law and practice may alter without prior warning. It does not describe the taxation treatment of shareholders which are subject to specific tax regimes or of persons

resident in jurisdictions other than the United Kingdom. Shareholders are advised to consult their professional advisers as to their tax position in all circumstances.

Individuals

The Company will generally make dividend distributions which broadly reflect any income arising from its investments. Dividend distributions by the Company are made without deduction of income tax. The first £2,000 of dividend distributions received by individual investors in any tax year are not subject to income tax. Dividend distributions received in excess of this amount should be reported on the individual investor's Self Assessment Tax Return. For distribution amounts in excess of £2,000 in any tax year, individual investors liable to income tax at the basic rate will have an additional liability to income tax equal to 7.5% of the dividend distribution to the extent that such sum, when treated as the top slice of his income, falls above the threshold for basic rate tax. Higher rate taxpayers will have a further liability to income tax equal to 32.5% of the dividend distribution to the extent that such sum, when treated as the top slice of his income, falls above the threshold for higher rate tax. Additional rate taxpayers will have a further liability to income tax equal to 38.1% of the dividend distribution to the extent that such sum, when treated as the top slice of his income, falls above the threshold for the additional rate of tax.

Corporate

Dividend distributions received by corporate shareholders chargeable to UK corporation tax will need to be streamed into 'franked' and 'unfranked' income according to the underlying gross income of the Company.

In broad terms, the portion treated as being 'franked' will be such proportion of the Company's total income (brought into account when determining the distribution for the period in question) which consists of dividend income received which is treated as exempt under Part 9A of CTA 2009. The 'franked' portion will be treated as exempt dividend income when received by a UK resident corporate shareholder (unless the shareholder is treated as a dealer in securities for tax purposes). The 'unfranked' portion will be treated as an annual payment from which income tax at a rate of 20% has been deducted. A UK resident corporate shareholder will, therefore, be subject to corporate tax at the rate applicable to that corporate shareholder but with credit for the income tax deducted. Such shareholders may, therefore, be liable to further tax and any ability to claim repayment of the income tax credit will be limited to the corporate shareholder's share of the Company's liability to corporation tax for the distribution period in question.

Capital Gains

Capital gains made by individual Shareholders who are resident in the UK for tax purposes on the sale, disposal or as a result of any other chargeable event will be tax free if they fall within an individual's annual capital gains exemption. For the tax year 2019/2020, the first £12,000 of an individual's chargeable gains (that is after deduction of allowable losses) from all sources will, therefore, be exempt from capital gains tax. Subject to their personal circumstances, gains in excess of this amount are taxed at 10% for basic rate taxpayers and 20% for higher and additional rate taxpayers.

Capital gains made by Shareholders liable to UK corporation tax will be taxable at the corporation tax rate applicable to that corporate Shareholder after taking account the availability of any indexation relief. The main rate of corporation tax is currently 19%.

ISAs

Shares attributable to the Funds will be eligible for inclusion within a stocks and shares ISA.

General

In the case of accumulation shares, reinvested income is deemed to have been distributed to the shareholder for the purposes of taxation and a tax voucher will be issued to the shareholder to provide the appropriate details for their returns.

24 REPORTS AND ACCOUNTS

The annual accounting period of the Company ends on 31 March or a day chosen by the ACD, with the agreement of the Depositary, being within seven days of that date.

The annual report of the Company (the "**long report**") will be published on or before the end of July and the half-yearly long report on or before the end of November in each year. Copies of these long reports may be inspected at, and copies available on our website at www.marlboroughfunds.com. Alternatively copies can be obtained free of charge from the ACD at its operating address. These reports may also be inspected at the Depositary's office during normal office hours.

The long reports shall (if relevant) contain details of:

- (a) the percentage of each Fund's assets that are subject to special arrangements arising from their illiquid nature;
- (b) any new arrangements that the ACD has made for managing a Fund's liquidity;
- (c) each Fund's current risk profile and the risk management systems employed by the ACD to manage those risks.

25 ANNUAL GENERAL MEETING

The OEIC Regulations allow for the Company to dispense with the requirement to hold Annual General Meetings. The ACD has therefore decided that the Company will not hold Annual General Meetings. Shareholders will therefore only be entitled to exercise their voting rights at Extraordinary General Meetings of the Company.

26 VOTING

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

At a meeting of shareholders, on a show of hands every holder who (being an individual) is present in person or by proxy or, if a corporation, is present by a properly authorised representative, has one vote. On a poll votes may be given either personally or by proxy and the voting rights attached to a share are such proportion of the total voting rights attached to all shares in issue as the price of the share bears to the aggregate price of shares in issue on the cut-off date. A holder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way. A vote will be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the chairman, by the Depositary or by two shareholders present or by proxy.

An instrument appointing a proxy may be in any usual or common form or in any other form approved by the ACD. It should be in writing under the hand of the appointor or his attorney or, if the appointor is a corporation, either under the common seal, executed as a Deed or under

the hand of a duly authorised officer or attorney. A person appointed to act as a proxy need not be a holder.

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

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

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

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

Powers of a Shareholders' Meeting

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

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

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

27 INVESTMENT AND BORROWING POWERS

The Company may exercise the full authority and powers permitted by COLL applicable to Non-UCITS Retail Schemes. However, this is subject to the applicable investment limits and restrictions set out in COLL, the Instrument of Incorporation and this Prospectus. The Company may in respect of the Fund exercise the full authority and powers permitted by COLL applicable to Non-UCITS Retail Schemes subject to the Funds' investment objective and policy.

Save for any investment purchased or transaction entered into for the purposes of hedging (referred to in more detail under the heading "Derivatives" below), the property of the Funds may not include any investment to which a liability (whether actual or contingent) is attached unless the maximum amount of such liability is ascertained at the time when such investment is acquired for the account of the relevant Fund.

In accordance with the investment policy of the Funds, the Funds shall primarily invest in units and shares of collective investment schemes including Exchange Traded Funds. The capital property attributable to the Funds is therefore required to consist of such investments although investment in other asset classes is also permitted as set out in COLL as it applies to Non-UCITS Retail Schemes and as specified below. Therefore, the capital property of the Funds may at any time consist entirely of such assets or a mixture of such assets as well as investments of other asset classes described below.

Collective Investment Schemes

The property of the Funds may consist of units in collective investment schemes established in the United Kingdom, other jurisdictions in the European Union, the Channel Islands, Switzerland and the U.S.

Not more than 35% in value of the property of the Funds may consist of units or shares in any one collective investment scheme.

The Funds must not invest in units or shares of a collective investment scheme (the "Second Scheme") unless the Second Scheme satisfies the conditions referred to below.

The Second Scheme must fall within one of the following categories:

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

The Second Scheme must also operate on the principle of a prudent spread of risk, it should be prohibited from having more than 15% in value of the property of that scheme consisting of units in collective investment schemes and the participants in the second scheme must be entitled to have their units redeemed in accordance with the scheme at a price which relates to the net value of the property to which the units relate and which are determined in accordance with the scheme.

The scheme property attributable to a Fund may also include shares in another Fund (a "Second Fund"), provided that:

- (a) the Second Fund does not hold Shares in any other Fund of the Company; and

- (b) the investing or disposing Fund must not be a feeder UCITS to the Second Fund.

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

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

Securities

The Funds may invest in transferable securities (as defined in COLL) which are admitted to or dealt in on an eligible market (as set out in Appendix 1). Not more than 20% in value of the property of the Funds may consist of transferable securities which are not admitted to or dealt in on an eligible market or which are money market instruments which are liquid and have a value which can be determined accurately at any time.

Not more than 10% in value of the property of the Funds may consist of transferable securities or money market instruments issued by any single body (however, this rule does not apply in respect of government and public securities).

Eligibility of Transferable Securities and Money Market Instruments

Transferable securities held by the Funds must be admitted to or dealt in on an eligible market as listed in Appendix 1 and subject to the limit in Transferable Securities above. The Funds may also hold recently issued transferable securities which satisfy the requirements in COLL 5.2.8R3(e).

Transferable securities must also satisfy the criteria in COLL 5.2.7AR being that;

- the potential loss which may be incurred by holding each security must be limited to the amount paid for it,
- each security's liquidity does not compromise the ACD's ability to meet redemptions from the Funds,
- reliable valuation is available for the security,
- appropriate information is available for the security
- each security is negotiable; and
- each security's risks are adequately captured by the risk management process of the ACD

Closed end funds constituting transferable securities

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

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

Transferable Securities Linked to Other Assets

(1) The Funds may invest in any other investment which shall be taken to be a transferable security for the purposes of investment provided the investment:

- (a) fulfils the criteria for transferable securities set out in COLL and above; and
- (b) is backed by or linked to the performance of other assets, which may differ from those in which the Funds can invest.

(2) Where an investment in (1) contains an embedded derivative component the requirements of COLL with respect to derivatives and forwards will apply to that component.

Cash and Near Cash

The property of the Funds may consist of cash or near cash to enable:

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

The Manager does not anticipate the Funds consisting of more than 50% of cash or near cash being held by the relevant Fund at any one time. Liquidity may be at the upper end of, or even exceed this range under certain circumstances such as where there are large market movements and/or an exceptional number of redemptions are anticipated or the Fund is in receipt of large cash sums upon the creation of units or realisation of investments.

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

Government and Public Securities

The property of the Funds may consist of government and public securities provided no more than 35% in value of the scheme property attributable to the Funds 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.

Money Market Instruments

The property of the Funds may consist of money market instruments which are normally dealt in on a money market, are liquid and whose value can be accurately determined at any time, provided such money market instrument is:

- (a) issued or guaranteed by a central, regional or local authority or central bank of an EEA state, the European Bank, the European Union or the European Investment Bank, a non EEA state or, in the case of a federal state, by one of the members making up the federation, or by a public international body to which one or more EEA states belongs; or
- (b) an establishment subject to prudential supervision in accordance with criteria defined by community law or an establishment which is subject to and complies with prudential rules governed by the FCA to be at least as stringent as those laid down by community law; or
- (c) issued by a body, any securities of which are dealt in on an eligible market.

Not more than 10% of the property of the Funds may consist of money market instruments which do not fall within the above criteria.

Derivatives

Whilst the Company itself may invest in derivatives and forward transactions for investment purposes, the property of the Funds may consist of derivatives or it may enter into forward transactions for the purposes of hedging.

Derivatives transactions must either be in an approved derivative (being a derivative which is dealt in on an eligible derivatives market as set out in Appendix 1) or an over the counter derivative 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 (as published in the FCA register), or whose home state authorisation permits it to enter into such transactions as principle of exchange.

The underlying assets of a transaction in a derivative may only consist of any one or more of the following:

- (a) transferable security;
- (b) money market instruments;
- (c) deposits;
- (d) derivatives;
- (e) collective investment schemes;
- (f) financial indices;
- (g) interest rates;
- (h) foreign exchange rates; and

- (i) currencies.

A transaction in a derivative must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more transferable securities, money market instruments, units in collective investment schemes or derivatives.

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

Deposits

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

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

Immovable and moveable property

It is not intended that the Funds should have any interest in any immovable property or tangible moveable property.

Spread - General

In applying any of the restrictions referred to above:

- (a) not more than 20% in value of the Funds property may consist of deposits with any single body;
- (b) not more than 10% in value of the Funds property is to consist of transferable securities or money market instruments issued by any single body (subject to COLL 5.6.23R);
- (c) the exposure to any one counterparty in an over the counter derivative transaction must not exceed 10% in value of the Fund property; and
- (d) not more than 35% in value of the Funds is to consist of units in any one collective investment scheme.

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

Borrowing

Subject to the Company's Instrument of Incorporation and COLL (as it relates to Non-UCITS Retail Schemes), the Company may borrow money for the purposes of achieving the objectives of the Funds on terms that such borrowings are to be repaid out of the scheme property of the relevant Fund. The ACD does not anticipate significant use of this borrowing power. Such borrowing may only be made from an eligible institution or approved bank (as defined in COLL). The borrowing of a Fund must not, on any business day, exceed 10 per cent of the value of the property of the relevant Fund.

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

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

Leverage

The ACD will not employ Leverage in respect of its management of the Funds save where it undertakes certain derivatives and forward transactions for the limited purposes described in this section and subject at all times to the requirements and restrictions set out in the Regulations insofar as they relate to Non-UCITS Retail Schemes. Therefore the Company will not be regarded as a type of fund using Leverage on a substantial basis (as described in the AIFM Directive).

Types and sources of Leverage and circumstances in which Leverage may be used

The Funds may incur Leverage (whether through borrowing of cash or transferable securities, or embedded in derivative positions) in the circumstances, and subject to the provisions, which are set out in this Prospectus. **At present, the Funds will not employ leverage through derivative transactions.**

The Funds will not enter into any collateral and asset reuse arrangements.

Calculation of Leverage

The AIFM Directive prescribes two methodologies for calculating overall exposure of a Fund: the “commitment method” and the “gross method”. These are described briefly below.

The commitment method takes account of the hedging and netting arrangements employed by a Fund at any given time. This calculation includes exposure through the use of derivatives, reinvesting cash borrowings, through securities lending or securities borrowing arrangements, or by such other means as may be permitted pursuant to that Fund’s investment objectives and policies as set out in this Prospectus. This calculation also includes cash and cash equivalents in the Fund currency.

The gross method calculates exposure in a very similar way to the commitment method but by contrast, it does not take account of the netting or hedging arrangements employed by a Fund. It also excludes from the calculation, cash and cash equivalents in the Fund currency.

Maximum level of Leverage

The Funds are subject to a maximum level of incremental leverage of 10 per cent (or 1:10) under the commitment method and 10 per cent (or 1:10) under the gross method.

For clarification, under AIFMD this means the maximum level of leverage is 110 per cent (or 1.1:1) under the commitment approach and 110 per cent (or 1.1:1) under the gross method.

A leverage ratio of 1 or below indicates a fund is unleveraged whereas a leverage ratio of above 1 means the fund is leveraged.

Risk Management

The Company may enter into derivative and forward transactions for the purposes of hedging. The following requirements must be satisfied when entering into a transaction for hedging purposes, namely:

- the transaction must be economically appropriate,

- the exposure on the transaction must be fully covered, and,
- the transaction must be entered into for either of the following specific aims:
 - (i) the reduction of risk;
 - (ii) the reduction of costs; or
 - (ii) the generation of additional capital or income for a Fund with no, or acceptably low level of risk.

A transaction which is regarded as speculative will not be permitted. A list of the current eligible derivatives markets for each Fund is set out in Appendix I. Further derivatives markets may be added to the list following consultation with the Depositary in accordance with COLL.

A derivatives or forward transaction which would or could lead to delivery of property to the Depositary may be entered into only if such property can be held by the Fund and the ACD has taken reasonable care to determine that delivery of the property pursuant to the transaction will not lead to a breach of the relevant provisions in COLL.

Where a transaction is entered into for hedging purposes and relates to the actual or potential acquisition of transferable securities, the ACD must intend that the Funds should invest in such transferable securities within a reasonable time and the ACD must ensure that, unless the position has itself been closed out, that intention is realised within such time.

The ACD uses a risk management process which enables it to monitor and measure on a daily basis the risk of a Fund's derivatives and forwards position and their impact on the overall risk profile of the Funds. This process has been notified to the FCA in accordance with COLL. The ACD does not anticipate the intended use of derivatives and forwards transactions as set out above to have any detrimental effect on the overall risk profile of the Company or any of the Funds.

Stock lending

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

- i. 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;
- ii. the counterparty is an authorised person or a person authorised by a home state regulator; and
- iii. collateral is obtained to secure the obligation of the counterparty under the terms referred to in (a) above.

28 TRANSFER OF SHARES

A shareholder is entitled (subject to as mentioned below) to transfer shares by an instrument of transfer in any usual or common form or in any other form approved by the ACD. The ACD is not obliged to accept a transfer if it would result in the holder, or the transferee, holding less than the minimum holding of shares of the class in question. The instrument of transfer, duly stamped if it is required to be stamped, must be lodged with the ACD for registration. The transferor remains the holder until the name of the transferee has been entered in the register.

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

29 WINDING UP OF THE COMPANY AND TERMINATION OF FUNDS

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

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

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

The ACD may request that the Funds be terminated in certain situations such as if, at any time after the first anniversary of the issue of the first shares linked to the Fund the net value of the assets of the Company attributable to such Fund is less than £1 million.

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

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

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

30 OTHER INFORMATION

Delegation

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

Conflicts of Interest

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

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

Subject to compliance with COLL the ACD may be party to or interested in any contract, arrangement or transaction to which the Company is a party or in which it is interested.

The ACD and the Investment Adviser (and other companies within their respective groups) may, from time to time, act as managers to other funds or sub-funds which follow similar investment objectives to that of the Fund. It is therefore possible that the ACD and/or Investment Adviser may in the course of their business have potential conflicts of interest with the Company or the Fund. The Depositary may act as the depositary of other open-ended investment companies and as trustee or custodian of other collective investment schemes.

The Depositary, the ACD, or any investment adviser or any associate of any of them will not be liable to account to the Company or any other person, including the holders of shares or any of them, for any profit or benefit made or derived from or in connection with:

- (a) their acting as agent for the Company in the sale or purchase of property to or from the Funds; or
- (b) their part in any transaction or the supply of services permitted by the COLL; or
- (c) their dealing in property equivalent to any owned by (or dealt in for the account of) the Company.

Liability and Indemnity

With the exception mentioned below:

- the ACD, the Depositary and the Auditors are each entitled under the Instrument of Incorporation of the Company to be indemnified against any loss, damage or liability incurred by them in or about the execution of their respective powers and duties in relation to the Company; and
- the ACD and the Depositary are, under the terms of their respective agreements with the Company, exempted from any liability for any loss or damage suffered by the Company.

The above provisions will not, however, apply in the case of:

- any liability which would otherwise attach to the ACD or the Auditors in respect of any negligence, default, breach of duty or breach of trust in relation to the Company;
- any liability on the part of the Depositary for any failure to exercise due care and diligence in the discharge of its functions.

Professional Liability Risk

As the Company is an 'Alternative Investment Fund' for the purposes of the AIFM Directive, the ACD is required to ensure that certain Professional Liability Risks are covered at all times, either through additional own funds and/or through appropriate coverage of professional indemnity insurance. The ACD satisfies its obligations to cover Professional Liability Risks in relation to the Funds by maintaining an amount of own funds to meet the capital requirements under the AIFM Directive and complying with the qualitative requirements in the AIFM Directive that address professional liability risks.

Rebate of Fees

The ACD may (to the extent permitted by the Regulations) at its sole discretion rebate its initial, or periodic charges in respect of any application for, or holding of, shares. Similarly the Company may rebate or waive its charges in relation to any exchange of shares.

31 GENERAL

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

All documents and remittances are sent at the risk of the shareholder.

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

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

The address for service on the Company of notices or other documents required or authorised to be served on it is Marlborough House, 59 Chorley New Road, Bolton, BL1 4QP.

Shares in the Funds are not listed or dealt in on any investment exchange.

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

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

Documents and information available

Copies of the following documents are available for all purchasers of shares on request, free of charge from the ACD at Marlborough House, 59 Chorley New Road, Bolton, BL1 4QP:

- Latest version of the Prospectus;
- Latest version of the Instrument of Incorporation;
- Latest annual and half-yearly long reports applying to the Funds; and
- Supplementary information relating to the quantitative limits which apply to the risk management of the Company and the Funds, the methods used for the purposes of such risk management and any recent developments which relate to the risk and yields of the main categories of investment which apply to the Company and the Funds.

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

This Prospectus

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

Governing Law

The Company, the Instrument, this prospectus and any matters arising out of or in connection with a shareholder's investment in the Company and the establishment, management and administration of the Company shall be governed by and construed in accordance with the laws of England and Wales. The rights of the shareholders and the construction and effect of the provisions of the Instrument and this Prospectus shall be subject to the exclusive jurisdiction of the courts of England and Wales.

Appendix 1

Eligible Markets

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

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

Country	Market
The United States	NYSE MKT NYSE NASDAQ Stock Exchange NASDAQ OMX BX Chicago Stock Exchange
The United Kingdom	London Stock Exchange The Alternative Investment Market of the London Stock Exchange (AIM)

Eligible Derivatives Markets

Set out below are the derivatives markets through which the Company may deal on account of the Fund (subject to the Instrument of Incorporation of the Company, this Prospectus and COLL as it applies to Non-UCITS Retail Schemes):

Country	Market
UK	ICE Futures Europe
The United States of America	Chicago Mercantile Exchange
Europe	Euronext Amsterdam

Appendix 2

Performance Information

The Marlborough ETF OEIC – A Class Shares

1st January 2014 – 31st December 2018, Bid to Bid, UK Basic Rate, Based in UK Sterling

Net Income Reinvested

Name	% Growth 01 Jan 14 to 31 Dec 14	% Growth 01 Jan 15 to 31 Dec 15	% Growth 01 Jan 16 to 31 Dec 16	% Growth 01 Jan 17 to 31 Dec 17	% Growth 01 Jan 18 to 31 Dec 18
Marlborough ETF Global Growth Fund	12.71	-2.15	11.04	11.46	-8.86
Marlborough ETF Commodity Fund	-16.65	-22.41	31.79	-2.67	-5.77

Source: Morningstar

The value of your units may go down as well as up. Past performance is not a guide to future performance.

Appendix 3

Further Information

Marlborough Fund Managers Limited acts as Authorised Corporate Director in relation to the following OEIC's:

Marlborough OEIC:

Marlborough Defensive Fund

Marlborough No2 OEIC:

Marlborough Far East Growth Fund

Marlborough Multi-Cap Income Fund

Marlborough Nano-Cap Growth Fund

Marlborough ETF OEIC:

Marlborough ETF Commodity Fund

Marlborough ETF Global Growth Fund

Junior Gold

MFM Techinvest Special Situations Fund

MFM Techinvest Technology Fund

MFM UK Primary Opportunities Fund

Marlborough Fund Managers Limited acts as Authorised Unit Trust Manager in relation to the following authorised unit trusts:

Junior Oils Trust

Marlborough Balanced Fund

Marlborough Bond Income Fund

Marlborough Cautious Fund

Marlborough Emerging Markets Trust

Marlborough European Multi-Cap Fund

Marlborough Extra Income Fund

Marlborough Global Fund

Marlborough Global Bond Fund

Marlborough High Yield Fixed Interest Fund

Marlborough Special Situations Fund

Marlborough UK Micro-Cap Growth Fund

Marlborough UK Multi-Cap Growth Fund

Marlborough US Multi-Cap Income Fund

MFM Bowland Fund

MFM Hathaway Fund

The directors of Marlborough Fund Managers Limited are:

Andrew Staley

In addition to his role as director of the Manager, Mr Staley also acts as managing director of Marlborough Investment Management Limited and is a director of Investment Fund Services Limited, Novia Global Limited, Marlborough Investment Management (UK) Limited, Marlborough Unit Trust Managers Limited, Marlborough Group Holdings Limited, MFM Unit Trust Managers Ltd, UK Travel Limited, Continuum DFM Limited and UFC Fund Management PLC.

Nicholas FJ Cooling

In addition to his role as director of the Manager, Mr Cooling also acts as the investment director of Marlborough Investment Management Limited and is a director of Investment Fund Services Limited, Marlborough Investment Management (UK) Limited, Marlborough Unit Trust Managers Limited, Marlborough Group Holdings Limited, MFM Unit Trust Managers Limited, UFC Fund Management PLC, My Continuum Financial Limited, Continuum DFM Limited, UK Travel Limited and Spinney Lodge Freehold Management Limited.

Allan Hamer

Also a director of Investment Fund Services Limited, Marlborough Group Holdings Limited, MFM Unit Trust Managers Limited, IFSL Professional Services Limited, IFSL Administration Limited and Marlborough International Fund PCC Limited.

Wayne D Green

Also a director of Investment Fund Services Limited, Marlborough Group Holdings Limited, IFSL Platform Services Limited, IFSL Platform Service Providers Limited, Techinvest Limited, IFSL International Limited, IFSL ICAV, Marlborough International Management Limited, MFM Unit Trust Managers Limited, IFSL Professional Services Limited and IFSL Administration Limited.

Geoffrey R Hitchin

Dominique Clarke

Also a director of Investment Fund Services Limited, IFSL Platform Services Limited, IFSL Platform Service Providers Limited, Techinvest Limited, IFSL International Limited, IFSL ICAV, UFC Fund Management International Holdings Limited, MIM DFM Limited, MIM Discretionary FM Limited, Marlborough Fund Managers Limited, MFM Unit Trust Managers Limited, IFSL Professional Services Limited, IFSL Administration Limited and Philotas Limited.

Helen Derbyshire

Also a director of Investment Fund Services Limited, Marlborough Group Holdings Limited and IFSL Administration Limited.

Richard Goodall

Also a director of Investment Fund Services Limited, Marlborough Group Holdings Limited and Novia Global Limited.

Guy Sears - Non-executive director

Also a non-executive director of Investment Fund Services Limited.

David Kiddie - Non-executive director

Also a non-executive director of Investment Fund Services Limited.