



Your success. Our priority.

PROSPECTUS
21 January 2019

THREADNEEDLE MANAGED FUNDS

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

Prospectus for Threadneedle Managed Funds

Threadneedle Investment Services Limited, the authorised unit trust manager (the 'Manager'), is the person responsible for the information contained in this Prospectus. To the best of its knowledge and belief (having taken reasonable care to ensure that such is the case) the information contained herein does not contain any untrue or misleading statement or omit any matters required by the FCA Rules (as defined below) to be included in it. Threadneedle Investment Services Limited accepts responsibility accordingly.

This document constitutes the Prospectus for the following funds (each a 'Fund' and together the 'Funds'):

Name of Fund	Product Reference Number (PRN)
Threadneedle Managed Bond Fund (formerly Threadneedle Defensive Fund)	200133
Threadneedle Managed Bond Focused Fund (formerly Threadneedle Defensive Equity and Bond Fund)	200132
Threadneedle Managed Equity & Bond Fund (formerly Threadneedle Equity & Bond Fund)	184260
Threadneedle Managed Equity Focused Fund (formerly Threadneedle Global Equity & Bond Fund)	184263
Threadneedle Managed Equity Fund (formerly Threadneedle Global Equity Fund)	184262
Threadneedle Managed Equity Income Fund (formerly Threadneedle Managed Income Fund)	184261

The Prospectus has been prepared in accordance with the FCA Rules. The Funds are subject to trust law requirements.

The Prospectus is dated and is valid as at 21 January 2019 and replaces any previous Prospectus issued by the Manager.

Copies of this Prospectus have been sent to the FCA and the Trustee.

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

The distribution of this Prospectus and the offering of Units in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Funds and the Manager 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.

References to times in this Prospectus are to UK times unless otherwise stated.

Units in the Funds have not and will not be registered in the United States under any applicable legislation. Units are not available for offer or sale in any state in the United States of America or its territories or possessions, or to persons (including companies, partnerships, Funds or other entities) who are "US Persons", nor may Units be owned or otherwise held by such persons. Accordingly, this Prospectus may not be distributed in the United States or to a US Person. The Manager reserves the right to give notice to any Unitholder that is or that subsequently becomes incorporated in the United States or to a US Person to (i) transfer the Units to a person that is not a US Person or (ii) request a redemption or cancellation of the Units and the Manager may redeem or cancel the Units if the Unitholder fails to make such transfer or request within 30 days of that notice provided by the Manager.

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 Units.

The provisions of the Trust Deeds relating to each Fund are binding on each of its Unitholders (who are taken to have notice of them). A copy of each Trust Deed is available on request from the Manager.

This Prospectus has been approved for the purpose of section 21 of the Financial Services and Markets Act 2000 (the 'Act') by the Manager.

This Prospectus is based on information, law and practice at the date hereof. The Funds and the Manager cannot be bound by an out-of-date Prospectus when it has issued a new Prospectus or addendum and investors should check with the Manager that this is the most recently published Prospectus.

Copies of this Prospectus can be provided in large print or electronic format.

Definitions

'Accumulation Units' means Units (of whatever Class) in the Funds as may be in issue from time to time in respect of which income allocated thereto is credited periodically to capital pursuant to the FCA Rules.

'Approved Bank' means one of certain institutions as defined in the glossary to the FCA Handbook.

'Base Currency' means for all of the Funds Pound Sterling and is the currency in which the accounts of the Funds are to be prepared. Certain of the Funds may invest in assets which have a base currency which is not Sterling.

'Class' or 'Classes' means in relation to Units, according to the context, all of the Units related to a single Fund or a particular class or classes of Unit related to a single Fund.

'Class T' means Units that are available to certain investors in the Threadneedle Managed Bond Fund, Threadneedle Managed Equity & Bond Fund and Threadneedle Managed Equity Fund.

'COLL' means the appropriate chapter or rule in the FCA Rules.

'Commitment Approach' means a method for calculating leverage which takes into account the exposure of the Fund to derivative instruments with the exclusion of derivative instruments which are used for reducing risk (i.e. derivative instruments used for hedging and netting purposes).

'Dealing Day' means Monday to Friday excluding public and bank holidays in England and Wales and other days at the Manager's discretion.

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

'Eligible Institution' means one of certain credit institutions as defined in the glossary to the FCA Handbook.

'EPM' or 'Efficient Portfolio Management' means the use of techniques and instruments which relate to transferable securities and approved money-market instruments and which fulfil the following criteria:

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

'FCA' means the Financial Conduct Authority or any successor organisation.

'FCA Handbook' means the FCA Handbook of Rules and Guidance.

'FCA Rules' means the rules contained in the FCA Handbook which shall, for the avoidance of doubt, not include guidance or evidential requirements contained therein.

'Fraction' means a smaller denomination Unit (on the basis that ten-thousand smaller denomination Units make one larger denomination Unit).

'Fund' refers to any one or more of the unit trusts listed on page 2 under the heading "Prospectus for Managed Funds".

'Global Exposure' is a measure of leverage generated by a UCITS through the use of financial derivative instruments (including embedded derivatives) or the market risk of the UCITS portfolio as further set out in the section with the heading "Use of derivatives and forward transactions for investment purposes" on page 13.

'Group' means in relation to a company, that company, any subsidiary or holding company from time to time of that company, and any subsidiary from time to time of a holding company of that company where holding company and subsidiary have the meaning given them in section 1159 of the Companies Act 2006.

'HMRC' means HM Revenue and Customs.

'Income Units' means Units (of whatever Class) in the Funds as may be in issue from time to time in respect of which income allocated thereto is distributed periodically to the holders pursuant to the FCA Rules.

'Investment Manager' means Threadneedle Asset Management Limited, the investment manager to the Funds.

'Limited Issue Fund' means a Fund whose Units are Limited Issue Units.

'Limited Issue Units' means Units which, in accordance with the FCA Rules, may only be issued at limited times and in the circumstances as specified in the Prospectus.

'Manager' means Threadneedle Investment Services Limited, the authorised unit trust manager of the Funds.

'NAV' means net asset value.

'near cash' means money, deposits or investments which, in each case, fall within the definition of "Near Cash" and/or "Money-Market Instrument" set out in the FCA Handbook.

'OECD' means the Organisation for Economic Co-operation and Development.

'Offshore Income Gains' means gains arising on the disposal of holdings in overseas collective investment schemes which do not have distributing/reporting fund status.

'Scheme Property' means the property of the Funds required under the FCA Rules to be given for safe-keeping to the Trustee.

'Switch' means the exchange of Units of one Class or Fund for Units of another Class or Fund.

'Trust Deed' means the instrument establishing each Fund, as amended from time to time in accordance with the FCA Rules.

'Trustee' means Citibank Europe plc, UK Branch, the Trustee of the Funds.

'Unit' or 'Units' means a unit or units in the Funds (including larger denomination Units and Fractions).

'Unitholder' means a holder for the time being of Units.

'US Person' means, for the purposes of the Foreign Account Tax Compliance Act, a US citizen or Foreign resident individual, a partnership or corporation organised in the United States or under the laws of the United States or any State thereof, a trust if (i) a court within the United States would have authority under applicable law to render orders or judgments concerning substantially all issues regarding administration of the trust, and (ii) one or more US person has the authority to control all substantial decisions of the trust, or an estate of a decedent that is a citizen or resident of the United States. This definition shall be interpreted in accordance with sections 1471 to 1474 of the US Internal Revenue Code of 1986.

'Valuation Point' means the point, whether on a periodic basis or for a particular valuation, decided by the Manager, at which the Manager carries out a valuation of the property of any of the Funds for the purpose of determining the price at which Units of a Class may be issued, cancelled, sold or redeemed. The current Valuation Point is 12 noon UK time on each Dealing Day.

Details of the Funds

General

The Funds are authorised unit trusts that have been prepared in accordance with the rules contained in COLL. All the Funds are authorised unit trusts operating under Chapter 5 of the COLL Rules. The date on which each Fund was authorised by the FCA is set out in the section of this Prospectus with the heading "Investment objectives, policies and other details of the Funds".

The Funds have been certified by the FCA as eligible to enjoy the rights conferred by the Undertakings for Collective Investment in Transferable Securities Directive 2009/65/EC (the 'UCITS Directive').

Accordingly, the Funds are UCITS schemes for the purposes of the FCA Rules.

At the referendum held in June 2016, the United Kingdom voted to leave the European Union. The UK invoked Article 50 of the Lisbon Treaty to negotiate the exit from the European Union on 29 March 2017, however there is a significant degree of uncertainty about how negotiations relating to the UK's withdrawal will be conducted, as well as the potential consequences and precise timeframe for this. It is expected that the UK's exit from the European Union will take place on Friday, 29 March 2019, two years after the UK notified the European Council that it intends to withdraw from the EU.

The full scope of the changes and the consequences on the legal framework is currently not known. Depending on the outcome of the UK's negotiations with the European Union, and the existence or otherwise of any formal implementation period, it is possible that the Funds may no longer be eligible to enjoy the rights set out in the UCITS Directive. Ceasing to be so eligible may impact the ability of non-UK domiciled investors to make new investments in the Funds.

Unitholders of the Funds are not liable for the debts of the Funds.

Manager's Head office: Cannon Place, 78 Cannon Street, London EC4N 6AG.

Address for service: The head office is the address of the place in the United Kingdom for service on the Funds of notices or other documents required or authorised to be served on it.

Units in the Funds can be marketed in other EEA States if the Manager so decides and complies with applicable local laws and regulations.

The Structure of the Funds

Investment of the assets of each Fund must comply with the FCA Rules and the investment objective and policy of the relevant Fund.

Details of the Funds including their investment objective and policy, are set out in [Appendix I](#). A detailed statement of the general investment and borrowing powers in respect of the Funds is set out in [Appendix II](#).

The eligible securities and eligible derivatives markets on which the Fund may invest are set out in [Appendix III](#).

The Manager makes details of the target market for each of the Funds available on the website www.columbiathreadneedle.com. This will include the types of investor the Fund is targeted at, their knowledge and experience and risk tolerance. This information can also be obtained by contacting the Manager using the contact details set out in the Directory.

Characteristics of Units in the Funds

All the Trust Deeds provide for the issue of two types of Units, Income Units and Accumulation Units. The basic difference between the types of Units is that income Unitholders have their net income distributed to them on fixed dates while accumulation Unitholders have their income automatically rolled up in the Fund after basic rate tax deduction.

The Trust Deeds allow gross income and gross accumulation Units to be issued, as well as net income and net accumulation Units, but currently only gross income and gross accumulation Units are issued.

Net Units are Units in respect of which income allocated to them is distributed periodically to the relevant Unitholders (in the case of Income Units) or credited periodically to capital (in the case of accumulation Units), in either case in accordance with relevant tax law, net of any tax deducted or accounted for by the Fund. Gross Units are income or accumulation Units where, in accordance with relevant tax law, distribution or allocation of income is made without any tax being deducted or accounted for by the Fund.

Details of whether the Funds issue Income Units or Accumulation Units can be found in [Appendix I](#).

The Trust Deeds provide for additional Unit classes to be issued. The types of Units that are available for each of the Funds is set out in [Appendix I](#).

Where a Fund has different classes, each class may attract different charges and so monies may be deducted from the Scheme Property attributable to such classes in unequal proportions. In these circumstances, the proportionate interests of the classes will be adjusted accordingly.

Each Unitholder is entitled to participate in the property of the Fund in which Units are held in the proportion that the value of the units bears to the value of the property of that Fund. This applies irrespective of the type of Unit held.

Title to the units purchased is evidenced by an entry on the Register of Unitholders, which is maintained by the Registrar. Certificates will not be issued.

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

Limited Issue

The Manager may, at any time in the future, decide to limit the issue of Units in respect of a Fund or one or more particular Unit Classes of a Fund if the Manager is of the opinion that this is appropriate to do so. The Manager will notify Unitholders if it makes such a determination, setting out the reasons for so limiting the capacity of the relevant Fund or Unit Class. The reasons may include situations where, for example, the Manager considers that substantially all of the subscriptions relating to a Business Day, if accepted, could not be efficiently invested; could not be invested without compromising the investment objectives and policies of the Fund; or might materially prejudice the interests of existing Unitholders. Currently, none of the Funds are Limited Issue Funds.

ISA Compliance

The Funds will be managed so as to be eligible as an ISA investment for the purposes of the Individual Savings Account ("ISA") Regulations 1998 (as amended).

Investment objectives, policies and other details of the Funds

Details of the investment objective and policy for each of the Funds is set out in [Appendix I](#).

Investment of the Scheme Property must comply with the FCA Rules and the investment objective and policy of the relevant Fund. Details of these investment objectives and policies are set out below, together with the relevant investor profile and the specific risks which apply to each Fund. A detailed statement of the general investment and borrowing powers, including a full list of eligible and investment restrictions is set out in [Appendix IV](#) and [Appendix V](#). A detailed statement of all general and specific risk factors for the Funds is set out below.

Funds that are bond funds, and particularly high yield bond funds, are generally permitted to invest in a range of fixed interest securities, which includes non-traditional types of debt securities. These may include (without limitation), regulatory capital (such as Tier 1 and Tier 2 capital), subordinated debt and various forms of contingent capital securities including, but not limited to, contingent convertible bonds. These securities may possess features such as coupon deferral or cancellation, resettable coupon rates, loss of capital or conversion to equity. Such investments may be made by the Funds but will only be permitted in accordance with the Funds investment objectives and policies and within the existing risk profile of the relevant Fund.

The investment policy of a Fund may mean that at times it is appropriate not to be fully invested but to hold cash or near cash. Investors should refer to the section of this Prospectus with the heading '[Risk factors](#)' and to the circumstances when this may occur which are set out in [Appendix II](#).

Where the investment policy of a Fund contains words such as 'primarily', 'principally' or 'mainly' in the description of its investment policy, the

relevant Fund will invest at least two-thirds of the value of the property of that Fund in the specified kind of assets.

All of the Funds may use derivatives and forwards for the purpose of Efficient Portfolio Management. The aim of any derivative or forward is to assist the Manager in meeting the investment objectives of the Fund by reducing risk and/or reducing cost and/or generating additional income or capital with a level of risk which is consistent with the risk profile of the Fund and the risk diversification rules within which it operates. The use of derivatives or forwards for the purposes of Efficient Portfolio Management will not materially alter the risk profile of the Funds. As described above, the principal aim of the Funds is to invest in units in collective investment schemes and accordingly the Funds invest a substantial proportion of their assets in other collective investment schemes. The maximum level of management fees that may be charged to the Funds and to the collective investment schemes in which it invests will not exceed 5%.

Where the investment policy of the Fund permits it to invest in equity related securities these may include participatory notes (p-notes) and/or warrants (including low exercise price warrants).

Buying, selling and switching Units

The dealing office of the Manager is open from 8.00 am until at least 6.00 pm on each Dealing Day to receive requests for the issue, redemption and switching of Units. The Manager may vary these times at its discretion.

In addition, the Manager may from time to time make arrangements to allow Units to be bought or sold online or through other communication media but the manager has no current plans to do so.

The Manager is under no obligation to account to the Trustee or to the Unitholders for any profit it makes on the issue of Units or on the re-issue or cancellation of the Units which it has redeemed.

Deals will always be placed at the next price calculated after receipt of the instruction (i.e. forward priced).

Prices for the Funds are calculated every Dealing Day at 12 noon. Units in the Funds purchased or sold before 12 noon will obtain the price calculated on that Dealing Day. Units in the Fund purchased or sold after 12 noon will obtain the price calculated at 12 noon on the following Dealing Day.

Buying Units Procedure:

Units can be bought either by sending a completed application form to the Manager or by telephoning the Manager on the Client Services number detailed in the Directory. For non-UK residents, the initial purchase must be accompanied by a completed application form. Application forms may be obtained from the Manager. Subsequent investments can be made by telephone to Client Services on the number detailed in the Directory¹, but

¹ Please note that calls and electronic communications may be recorded.

still require written confirmation. The Manager will supply a Form of Renunciation on request. Unless dictated otherwise, all deals will be processed on receipt and payment immediately becoming due.

Settlement is the relevant Dealing Day plus four business days for the Funds.

As part of its credit control policy, the Manager reserves the right to cancel without notice any contract for which payment has not been received by the relevant settlement date and to recover any losses incurred. The Manager reserves the right to charge interest on late settlement. During an Initial Offer Period, the Manager may require cash settlement before arranging for the issue of Units.

The Manager has the right to reject, on reasonable grounds, any application for Units in whole or part, and in this event the Manager will return any money sent, or the balance of such monies, at the risk of the applicant.

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

A purchase of Units in writing or by telephone or any other communication media made available is a legally binding contract. Applications to purchase, once made, are (except in the case where cancellation rights are applied) irrevocable. However, subject to its obligations under the FCA Rules, the Manager has the right to reject, on reasonable grounds relating to the circumstances of the applicant, any application for Units in whole or part, and in this event the Manager will return any money sent, or the balance of such monies, at the risk of the applicant.

Applicants who have received advice may have the right to cancel their application to buy Units at any time during the 14 days after the date on which they receive a cancellation notice from the Manager. If an applicant decides to cancel the contract, and the value of the investment has fallen at the time the Manager 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. The Manager may extend cancellation rights to other investors but is under no obligation to do so.

Client money

The Manager does not treat monies received for the issuance of Units or monies payable to the investor upon redemption as client money as long as: (i) in relation to monies for the issuance of Units, the Manager has paid the subscription monies in exchange for Units to the Trustee by the close of business on the day following receipt of monies from the investor; or (ii) in relation to proceeds from a redemption, paid the redemption monies to the investor within four business days of receipt by the Trustee of the fully authorised form of renunciation (or other sufficient instruction) and in any event by the close of business on the day following receipt of the monies from the Trustee.

In the event that the above time limits are not met by the Manager, the Manager will treat the relevant sum received with respect to subscriptions

and redemptions as client money as defined under the FCA Rules.

This means that the money is held in an account separate from that the Manager uses to hold its own money. The Manager will not calculate or pay to the investor any interest that might arise on those monies.

Documents the purchaser will receive

A contract note giving details of the Units purchased and the price obtained will be issued by the end of the business day following the later of receipt of the application to purchase Units or the valuation point by reference to which the purchase price is determined, together with, where appropriate, a notice of the applicant's right to cancel.

Certificates will not be issued in respect of Units. Ownership of Units will be evidenced by an entry on the Funds register of Unitholders.

Statements in respect of periodic distributions will show the number of Units held or accumulated by the recipient. Individual statements of a Unitholder's (or, when Units are jointly held, the first-named holder's) Units will also be issued at any time on request by the registered holder.

Minimum subscriptions and holdings

The minimum subscriptions and holdings required for each Fund are set out in [Appendix I](#).

The Manager may at its discretion accept subscriptions lower than the minimum amount. If a holding is below the minimum holding the Manager has the discretion to require redemption of the entire holding.

Initial Offer Period

The Manager may arrange for there to be an Initial Offer Period in respect of any newly-established Fund, commencing on the date of launch of the relevant Fund. During that period, the price at which Units in that Fund can be bought will be as fixed by the Manager and notified to the Trustee at or before the start of that period.

Selling Units

Procedure:

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

Please note that the Manager may reject a request to buy sell or switch in Units if the investor is unable to demonstrate to the satisfaction of the Manager (acting reasonably) that the investor has complied with applicable law and regulation. By way of example only, such circumstances may include an inability to provide appropriate money laundering documentation or confirmation that the investor has received the most recently available Key Investor Information Document for the Fund they wish to invest in.

Requests to redeem Units may be made to the Manager by telephone to Client Services on the number detailed in the Directory*. Non-UK residents must provide written confirmation, by fax or in writing to the Manager.

*Please note that calls and electronic communications may be recorded.

Cheques or electronic transfer in satisfaction of the redemption monies will be issued or made within four business days.

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

Documents the seller will receive

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

Minimum redemption

Part of a Unitholder's holding may be redeemed but the Manager reserves the right to refuse a redemption request if the value of the Units of any Fund to be redeemed is less than £500.

Switching/Converting

Unitholders are, subject to minimum holding requirements, entitled to exchange all or part of their Units for Units within a different Fund, or for Units of another Class within the same Fund. There may be tax and other consequences of switching in this way.

Where more than one Fund exists, a holder of Units in a Fund may at any time Switch all or some of his Units of one Class or Fund ('Original Units') for Units of another Class or Fund ('New Units'). The number of New Units issued will be determined by reference to the respective prices of New Units and Original Units at the valuation point applicable at the time the Original Units are repurchased and the New Units are issued.

Switching may be effected either by telephone to Client Services on the number detailed in the Directory. Non-UK residents must provide written confirmation by fax or in writing to the Manager and the Unitholder(s) may be required to complete a switching form.

*Please note that calls and electronic communications may be recorded.

The Manager may at its discretion charge a fee on the switching of Units between Funds. These fees are set out in the section of this Prospectus with the heading 'Dealing charges' and in [Appendix I](#). There is no fee on a Switch between Classes of the same Fund.

If the Switch would result in the Unitholder holding a number of Original Units or New Units of a value which is less than the minimum holding in the Class or Fund concerned, the Manager may, if it thinks fit, convert the whole of the applicant's holding of Original Units to New Units or refuse to

effect any Switch of the Original Units. No Switch will be made during any period when the right of Unitholders to require the redemption of their Units is suspended. The general provisions on procedures relating to redemption will apply equally to a Switch. A duly completed switching form must be received by the Manager before the valuation point on a Dealing Day in the Fund or Funds concerned to be dealt with at the prices at those valuation points on that Dealing Day, or at such other date as may be approved by the Manager. Switching requests received after a valuation point will be held over until the next Dealing Day in the relevant Fund or Funds.

The Manager may adjust the number of New Units to be issued to reflect the imposition of any switching fee together with any other charges or levies in respect of the issue or sale of the New Units or repurchase or cancellation of the Original Units as may be permitted pursuant to the FCA Rules.

Please note that a Switch of Units in one Fund for Units in any other Fund is treated as a redemption and sale and therefore may have tax implications for Unitholders. For persons subject to UK taxation it will be a disposal for the purposes of capital gains taxation.

A Unitholder who Switches Units in one Fund for Units in any other Fund will not be given a right by law to withdraw from or cancel the transaction.

In order to assist Unitholders in complying with their legal and regulatory obligations including complying with the FCA's Retail Distribution Review a Unitholder may convert (as opposed to Switch) Units of one Class of any Fund for Units in another Class of the same Fund at the absolute discretion of the Manager.

Dealing charges

The price per Unit at which Units are bought, redeemed or switched is calculated in accordance with the FCA Rules.

Initial charge:

Details of the initial charge for each Fund are set out in [Appendix I](#).

The initial charge is payable by the Unitholder to the Manager and may be used to remunerate intermediaries. To the extent permitted by the FCA Rules, the Manager may agree to waive or reduce the initial charge at its discretion, in respect of a subscription by any person, including a holder of Units in any other collective investment scheme operated by the Manager, where such subscription is at or about the same time as the redemption of units or shares (or other interests) in that other collective investment scheme and thereby represents a 'Switch' to the Funds.

Reinvestment of Income

For those Funds which allow income to be reinvested, Unitholders may elect to use their dividend income to purchase new Units in the Fund. For Units purchased using the reinvestment of dividend income the initial charge will be waived.

Redemption charge

The Manager may make a charge on the redemption of Units. At present no redemption charge is levied by the Manager on the redemption of Units. Units issued while this Prospectus is in force will not be subject to any redemption charge in the future.

A redemption charge can only be introduced by the Manager in accordance with the requirements of the FCA Rules.

Switching fee

On the switching of Units of one Fund for Units of another Fund the Trust Deed authorises the Funds to impose a switching fee. The switching fee is payable to the Manager. There is currently no fee charged on a Switch from one Class in a Fund to another Class in the same Fund. The introduction by the Manager of a fee on a Switch from one Class in a Fund to another Class in the same Fund would need to comply with the requirements of the FCA Rules. Unless otherwise notified in writing by the Manager to the Unitholders not less than 60 days in advance, the switching fee will be an amount equal to the then prevailing initial charge for the Class into which the Units are being switched (as that initial charge is set out in the table above).

Dilution

In order to protect investors from the possible dilution effects of large individual and/or aggregate deals into or out of the Funds on a daily basis, the prices of the underlying funds in which the Manager invests may be adjusted. Alternatively, where this adjustment is not made at the underlying fund level the price of the Fund may be adjusted to recoup this where appropriate.

Where the Fund invests into underlying funds that do not have a 12 noon Valuation Point, the last available price will be used (but may be adjusted to reflect subsequent market movements) when pricing the Fund.

Restrictions and compulsory transfer and redemption

The Manager may from time to time impose such restrictions as it may think necessary for the purpose of ensuring that Units are not directly or indirectly acquired or held by any person in breach of any law or governmental rule or regulation (or any interpretation of a law or governmental rule or regulation by a competent authority or entity with equivalent status) of any country or territory, or which would (or would if other Units were acquired or held in like circumstances) result in the Funds incurring any liability to taxation which the Funds are not able to recoup themselves 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.

If Units ('affected Units') are directly or indirectly owned, acquired or controlled in any of the circumstances described above, or if the Manager believes this to be the case, the Manager may give notice to the holder(s) of the affected Units requiring (i) the transfer of such Units to a person who is qualified or entitled to own them without causing any of the adverse consequences outlined above or (ii) that a request in writing be given for the redemption or cancellation of such Units in accordance with

the FCA Rules. If the recipient of such a notice does not within 30 days after the date of receipt of such notice so transfer his affected Units to a person qualified to own them without causing any of the adverse consequences outlined above, or establish to the satisfaction of the Manager (whose judgement is final and binding) that he or the beneficial owner is qualified and entitled to own the affected Units without causing any of the adverse consequences outlined above, the Manager will compulsorily redeem the affected Units having relied on the failure to respond to the notice as a request in writing to redeem or cancel all of the affected Units pursuant to the FCA Rules and from that date, such person will no longer be the beneficial owner of the Units.

A person who becomes aware that he has directly or indirectly acquired or holds affected Units in a manner that may cause one of the adverse consequences outlined above, shall forthwith, unless he has received a notice from the Manager as aforesaid, either forthwith transfer all his affected Units to a person qualified to own them without causing any of the adverse consequences outlined above or give a request in writing for the redemption or cancellation of all his affected Units pursuant to the FCA Rules.

For the avoidance of doubt, and by way of example only, the rights afforded to the Manager as set out above apply in the event that a person that holds Units (beneficially or otherwise) is, or is reasonably believed by the Manager to be, a US Person at any time during the life of the investment. Accordingly, the Manager reserves the right to give notice to such Unitholders to request a transfer of the Units, or the redemption or cancellation of the Units. The Manager further reserves the right to compulsorily redeem such Units 30 days after giving notice to the Unitholder that he is required to transfer or redeem or cancel the Units.

In specie redemptions

If a Unitholder requests the redemption or cancellation of Units representing more than either 5% of the value of the relevant Fund or £2 million (whichever is the greater), the Manager may, at its discretion, arrange that in lieu of payment of the price of the Units in cash, the Funds shall cancel the Units and transfer to that Unitholder property of the Fund of the relevant value, or if required by the Unitholder, the net proceeds of the sale of the relevant property to him. The Manager must give written notice to the Unitholder concerned of its decision to exercise these powers before the cash payment would otherwise be due. The Funds property to be transferred (or sold) will be selected by the Manager in consultation with the Trustee and with a view to achieving no more advantage or disadvantage to the Unitholder requesting redemption of his Units than to continuing Unitholders. The Funds may retain out of the Funds property to be transferred (or the proceeds of the sale) property or cash of a value or amount equivalent to any stamp duty reserve tax to be paid in relation to the redemption or cancellation of Units.

Issue of Units in exchange for in specie assets

The Manager may arrange for the Funds to issue Units in exchange for assets other than cash, but will only do so where the Manager and the Trustee are satisfied that the acquisition of those assets in exchange for the Units concerned by the Fund is not likely to result in any material prejudice to the interests of the Unitholders or potential Unitholders.

The Manager will ensure that the beneficial interest in the assets is transferred to the Funds with effect from the issue of the Units.

The Manager will not issue Units in any Fund in exchange for assets the holding of which would be inconsistent with the investment objective of that Fund.

Suspension of dealing

The Manager may, with the prior agreement of the Trustee, and must without delay if the Trustee so requires, temporarily suspend the issue, cancellation, sale and redemption of Units in any or all of the Funds where due to exceptional circumstances it is in the interests of all the Unitholders in the relevant Fund or Funds.

The Manager and the Trustee must ensure that the suspension is only allowed to continue for as long as is justified having regard to the interests of Unitholders.

The Manager or the Trustee (as appropriate) will immediately inform the FCA of the suspension and the reasons for it and will follow this up as soon as practicable with written confirmation of the suspension and the reasons for it to the FCA.

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

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

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

Suspension will cease as soon as practicable after the exceptional circumstances leading to the suspension have ceased but the Manager and the Trustee will formally review the suspension at least every 28 days and will inform the FCA of the review and any change to the information given to Unitholders.

The Manager may, however, during the period in which issue, redemption and switch of Units is suspended, agree to issue, redeem or switch Units at prices calculated by reference to the first Valuation Point after resumption of issue and redemption.

Money laundering

Deals in Units and deals otherwise in connection with the Funds will be covered by United Kingdom legislation designed to prevent money laundering. In order to meet these requirements, the Manager may ask investors to provide proof of identity when buying or redeeming Units.

For this purpose, the Manager may use credit reference agencies (who will record that an enquiry has been made) and/or may check electronic databases.

Until satisfactory proof of identity is provided the Manager reserves the right to refuse to sell Units or to delay processing and/or withhold any payments due to investors in respect of their investment and to discontinue any deals it is conducting on behalf of these investors.

Market Timing and Late Trading

The repeated purchasing and selling of Units in response to short-term market fluctuations is known as "market timing". The processing of subscriptions after the dealing cut off time and/or valuation point is known as "late trading". Units in a Fund are not intended for market timing or late trading. The Manager has a policy in relation to market timing and late trading. As part of its policy, the Manager may refuse to accept an application for Units from persons that they reasonably believe are engaged in market timing or late trading and the Manager will actively monitor trading patterns to assist it in maintaining the stability and integrity of the prices of Units.

Valuation of Property

General

The property of each of the Funds is currently valued at 12 noon on any Dealing Day (the "Valuation Point") for the purpose of determining prices at which units in that Fund may be purchased from or redeemed by the Manager in accordance with the FCA Rules then currently in force.

Calculation of the Value

The Manager may at any time during a business day carry out an additional valuation of the property of a Fund if the Manager considers it desirable to do so. The Manager shall inform the Trustee of any decision to carry out any such additional valuation.

Valuations may be carried out for effecting a scheme of amalgamation or reconstruction which do not create a Valuation Point for the purposes of dealings.

For the purpose of the creation of units, the property of each Fund is normally valued on an offer (buying) basis; for the purpose of the liquidation of units the property of each Fund is valued on a bid (selling) basis. For the purpose of the Report and Accounts the property of each Fund is valued on a mid market basis i.e. an arithmetic average of the balanced offer price. For the purpose of calculating the investment limits the property of each Fund is valued on a bid basis.

Where the Manager has reasonable grounds to believe that the price obtained is unreliable or the most recent price available does not reflect the Manager's best estimate of the value of the relevant investment at the relevant Valuation Point or no price or no recent price exists, the Manager may use a price which, in the opinion of the Manager reflects a fair and reasonable price for that investment. Further explanation of this technique, known as fair value pricing, is set out at paragraph 5 of the section of this Prospectus with the heading "Risk Factors" below.

Pricing basis

The Manager deals on a forward pricing basis. A forward price is the price calculated at the next Valuation Point after the purchase or redemption is deemed to be accepted by the Manager.

Publication of prices

The cancellation price last notified to the Trustee is available from the Manager upon request. The Units in the Funds are not listed or dealt in on any investment exchange. Existing investors will be informed of the change in the method of publication of prices in accordance with the FCA Rules. In addition the prices of the Units will be published electronically on a daily basis on www.columbiathreadneedle.com. Alternatively, Unitholders can telephone Client Services on the number detailed in the Directory to obtain the Unit price.

Investors will be informed in accordance with the FCA Rules of changes in the method of publication of prices.

Risk factors

The key risks that have been identified with respect to each of the Funds have been set out in [Appendix I](#).

Potential investors should also consider the following risk factors before investing in the Funds. Please also note the specific risk factors which apply to each Fund, as set out in the 'Investment objectives, policies and other details of the Funds' section of this Prospectus.

1. General

The investments of the Funds are subject to normal market fluctuations and other risks inherent in investing in securities. There can be no assurance that any appreciation in value of investments will occur. The value of investments and the income derived from them may fall as well as rise and investors may not recoup the original amount invested in the Funds. Past performance is not indicative of future performance. There is no assurance that the investment objective of any Fund will actually be achieved.

Geopolitical events, such as the UK's decision to leave the European Union, can lead to greater volatility in local and or global markets.

2. Effect of initial charge

Where an initial charge is imposed, an investor who realises his Units after a short period may not (even in the absence of a fall in the value of the relevant investments) realise the amount originally invested. Therefore, the Units should be viewed as a mid to long-term investment.

3. Suspension of dealings in Units

Investors are reminded that in certain circumstances their right to request the Funds to redeem Units may be suspended (see 'Suspension of dealings in the Funds in the section 'Buying, selling and switching Units').

4. Valuation point

Although the value of the Fund is calculated at 12 noon UK time on each Dealing Day, details on the daily creation or liquidation of Units is not available to the Manager until later in the day.

The Manager has introduced controls to mitigate the impact of this delay on the Funds however there is a risk that during periods of high market volatility a Fund may be affected if the market prices of the assets dealt in the Fund are significantly different from the prices used to price the Fund. Price movements between the time of pricing and dealing may adversely or positively impact the effective value of Units in the Fund at the time of investment. In normal market conditions, it is expected that such price differentials would be minimal.

5. Fair Value Pricing

5.1 Where the Manager has reasonable grounds to believe that:

- (a) no reliable price for the property in question exists; or
- (b) such price, if it does exist, does not reflect the Manager's best estimate of the value of such property,

it may value the Scheme Property or any part of Scheme Property at a price which, in its opinion, reflects a fair and reasonable price for that property ("fair value pricing").

5.2 The Manager is permitted to use fair value pricing in specific circumstances and pursuant to processes and methodologies that it must have notified to the Trustee. Examples of the circumstances in which the Manager might consider using fair value pricing where the Funds Valuation Point is set during the time when markets in which its portfolio is invested are closed for trading include but are not limited to:

- (i) market movements above a pre-set trigger level in other correlated open markets;
- (ii) war, natural disaster, terrorism;
- (iii) government actions or political instability;
- (iv) currency realignment or devaluation;
- (v) changes in interest rates;
- (vi) corporate activity;
- (vii) credit default or distress; or
- (viii) litigation.

5.3 Even if the Funds Valuation Point is set during the time other markets are open for trading, other scenarios might include but are not limited to:

- (i) failure of a pricing provider;
- (ii) closure or failure of a market;
- (iii) volatile or "fast" markets;

- (iv) markets closed over national holidays;
- (v) stale or unreliable prices; and
- (vi) listings, suspensions or de-listings.

6. Currency exchange rates

When investing in the Funds, currency fluctuations may adversely affect the value of an investment and the level of income.

7. Liabilities of the Funds

Although each Fund (or Unit class) so far as possible will be treated as bearing the liabilities, expenses, costs and charges attributable to it, if its assets are not sufficient the Manager may re-allocate assets, liabilities, expenses, costs and charges between the Funds in a manner which is fair to the Unitholders of the Funds generally. The Manager would normally expect any such re-allocation to be effected on a pro rata basis having regard to the value of the relevant Funds. If there is any such re-allocation the Manager will advise Unitholders of it in the next succeeding annual or half-yearly report to Unitholders.

Unitholders are not, however, liable for the debts of the Funds. A Unitholder is not liable to make any further payment to the Funds after the purchase price of the Units has been paid.

8. Regulatory

The Funds are resident in the United Kingdom and non-United Kingdom investors should note that the regulatory protections provided by the regulatory authorities in their country of domicile may not apply. Investors should consult their financial advisers for further information in this area.

9. Investment objectives

Investors should be aware of the investment policies of the Funds as these may state that the Funds may invest on a limited basis into markets not naturally associated with the name of the Fund. These other markets may act with more or less volatility than the core investment area and performance will be in part dependent on these investments. Investors should ensure (prior to any investment being made) that they are satisfied with the risk profile of the overall objectives disclosed.

10. Warrants

When a Fund invests in warrants, the price per Unit of the Fund may fluctuate more than if the Fund was investing in the underlying securities because of the greater volatility of the warrant price.

11. Cash Concentration

Some Funds may at any one time hold a substantial proportion of its assets in cash, near cash or money market instruments, and in exceptional circumstances, up to 100% of the Scheme Property of the Fund may be invested in this way. It might not, under such circumstances, participate fully in a rise in market values of the asset classes the Fund would otherwise invest in. Investors should refer to paragraph 27 of [Appendix II](#).

12. Risk to capital growth

All or part of the Manager's fee, as well as all or part of other fees and expenses of the Fund, may be charged against capital instead of against income. The Fund will charge such fees and expenses to capital in order to manage the level of income paid and/or available to Unitholders. This may result in capital erosion or may constrain capital growth.

13. Taxation

Unitholders should be aware that gains made by the Funds on the disposal of investments in overseas collective investment schemes which are not approved by HMRC as reporting funds may be treated as Offshore Income Gains and as such included in the taxable income of the Funds. A Fund will be subject to UK tax, currently at the rate of 20%, on its taxable income in excess of relievable expenses.

Tax law and practice in certain countries into which some of the funds in which the Funds invest (in particular in the emerging markets) is not clearly established. It is possible therefore that the current interpretation of the law or understanding of practice might change, or that the law might be changed with retrospective effect. It is therefore possible that the Funds could become subject to additional taxation in such countries that is not anticipated either at the date of the Prospectus or when investments are made, valued or disposed of.

14. Investments in collective investment schemes

The Funds will invest all or part of their assets in collective investment schemes, subject to the FCA Rules and the Trust Deed, and as otherwise provided herein. Investors are therefore exposed to the risk of investing in the underlying assets of those collective investment schemes and should consider that exposure in the context of all of their investments.

14.1 Underlying fund expenses

Investors should be aware that – where the Funds invest in other funds that are managed by companies in the Manager's group of companies – the funds that the Funds invest in will be subject to arrangements whereby no underlying annual management charge will be made on those funds. They will remain subject to other costs in the underlying funds such as registrar fees, audit fees and the costs of investing in equities and bonds. In addition, investors should be aware that some of the underlying funds may be subject to performance fees, which are typically a proportion of any excess return over and above a specific performance target.

There will be no initial charge payable by the Funds when acquiring shares or units in underlying funds and no exit charge payable on the disposal of shares or units in underlying funds. Please refer to [Appendix II](#) for more information.

15. Investments in derivatives and forward transactions

The FCA Rules for "UCITS Schemes" permit the use of derivatives and forward transactions for EPM and also for investment purposes including short selling and leverage. Investors should consider potential exposure to derivatives in the context of all their investments.

The Funds do not invest in derivatives for investment purposes but do invest in other collective investment schemes which invest in derivatives for investment purposes. Investors should therefore be aware of the risk of investing in derivatives set out below.

The Investment Manager has a 'Risk Management Policy' in respect of the measurement and monitoring of risks attached to financial derivative instrument positions entered into by the Funds. This policy document has been sent to the Trustee and to the FCA and is available upon request. The Risk Management Policy and processes do not guarantee that the derivative strategies will work in every instance.

Derivative instruments, including but not limited to swaps, futures, and certain FX contracts, are subject to new regulations such as EMIR, MiFID II/MiFIR and similar regulatory regimes in the U.S., Asia, and other global jurisdictions. The implementation of such regulations, including new requirements requiring mandatory clearing and margining, may increase the overall costs to the Funds of entering into and maintaining such derivative instruments and may impact the returns of the relevant Fund or the ability of the Investment Manager to achieve their investment objectives. Global regulation of derivative instruments is a rapidly-changing area and, as such, the full effects of present or future legislation or regulations in this area are not known, but could be substantial and adverse. Each Fund is permitted by the FCA Rules to use derivatives and forward transactions for the purposes of EPM. Any Funds also permitted to use derivatives and forward transactions for investment purposes will provide details of this within its investment policy. **The risks relating to the different uses are explained below.**

15.1 Use of derivatives and forward transactions for EPM purposes

The use of derivatives and forward transactions for the purposes of EPM will not materially increase the risk profile of any Fund.

EPM is used by the Funds to reduce risk and/or costs in the Funds and to produce additional capital or income in the Funds. The Funds may use derivatives, borrowing, cash holding and stock lending for EPM. It is not intended that using derivatives for efficient portfolio management will increase the volatility of the Funds.

In adverse situations, however, a Funds use of derivatives may become ineffective EPM (which includes hedging) and a Fund may suffer significant loss as a result. A Funds ability to use EPM strategies may be limited by market conditions, regulatory limits and tax considerations.

When making use of EPM techniques, the Investment Manager may use one or more separate counterparties to undertake transactions on behalf of these Funds. The Fund may be required to pledge or transfer collateral paid from within the assets of the relevant Fund to secure such contracts entered into for efficient portfolio management including in relation to derivatives and stock lending. There may be a risk that a counterparty will wholly or partially fail to honour their contractual arrangements under the arrangement with regard to the return of collateral and any other payments due to the relevant Fund. The Manager measures the creditworthiness of counterparties as part of the risk management process. A counterparty may be an associate of the Manager or the

Investment Manager, which may give rise to a conflict of interest. For further details on the Manager's conflicts of interest policy please contact the Manager.

The Manager, the Investment Manager or the Fund will not be liable for their failure to implement an EPM strategy so long as they have acted reasonably and in accordance with the FCA rules.

The use of derivatives for EPM allows a Fund to manage various risks including the following: default risk, market risk, interest rate or duration risk, currency risk and curve risk. A brief description of the Manager's interpretation of each of these risks is set out below:

- Default risk: the risk that the issuer fails to pay.
- Market risk: the risk that general market conditions impact the price of the asset owned by the Fund.
- Interest rate/duration risk: the risk that the price of a bond is sensitive to a change in its yield.
- Currency risk: the risk that can arise when assets are denominated in a currency that is not the base currency of the Fund.
- Curve risk: the risk that the shape of both the credit yield curve and maturity yield curve can change significantly over time.

15.2 Use of derivatives and forward transactions for investment purposes

The use of derivatives and forward transactions for investment purposes may increase the risk profile of the Funds

The exposure of Funds using derivatives for investment purpose involves synthetic short sales of investments and leverage, which may increase the risk profile of the Funds and may carry a higher degree of volatility than a Fund which does not gain short exposure. Leverage has the overall effect of increasing positive returns, but causes a faster decrease in the value of assets if prices fall.

16. Emerging Markets

Some of the funds in which the Funds invest may invest in emerging Markets. These investments may carry risks associated with failed or delayed settlement of market transactions and with the registration and custody of securities.

Investment in emerging markets may involve a higher than average risk. In addition, an investment in emerging market currencies and debt may involve higher risk than an investment in debt and currencies issued in more developed markets.

Companies in emerging markets may not be subject to:

- (a) accounting, auditing and financial reporting standards, practices and disclosure requirements comparable to those applicable to companies in major markets;

- (b) the same level of government supervision and regulation of stock exchanges as countries with more advanced securities markets.

Accordingly, certain emerging markets may not afford the same level of investor protection as would apply in more developed jurisdictions and, in particular:

- (i) Restrictions on foreign investment in emerging markets may preclude investment in certain securities by certain Funds and, as a result, limit investment opportunities for the Funds. Substantial government involvement in, and influence on, the economy may affect the value of securities in certain emerging markets.
- (ii) The reliability of trading and settlement systems in some emerging markets may not be equal to that available in more developed markets, which may result in delays in realising investments.
- (iii) Lack of liquidity and efficiency in certain of the stock markets or foreign exchange markets in certain emerging markets may mean that from time to time the Manager may experience more difficulty in purchasing or selling holdings of securities than it would in a more developed market. The proceeds for illiquid securities that form part of the redemption will in these circumstances be paid in cash once the proceeds become available. Please see section "in specie redemption".
- (iv) Economic and/or political instability could lead to legal, fiscal and regulatory changes or the reversal of legal/fiscal regulation/market reforms. Assets could be compulsorily acquired without adequate compensation.
- (v) Fund registration services, whilst appropriately licensed in Russia, may not be subject to such tight controls as those in more developed countries. This may mean that the Investment Manager may not secure good title to the Russian securities held.
- (vi) Higher volatility than in the more developed markets of the world. The paucity of accurate and meaningful information, and inefficiencies in distribution, can leave emerging markets prone to sudden and unpredictable changes in sentiment. The resultant investment flows can trigger significant volatility in these relatively small and illiquid markets. At the same time, this lack of liquidity together with low dealing volumes can restrict the Investment Manager's ability to execute deals.
- (vii) Some emerging markets countries may restrict investment into securities and/or currency and therefore the Manager may seek exposure to emerging markets through securities and derivatives that invest in underlying emerging markets currencies and securities. These securities and derivatives

may be less liquid than a direct investment in the underlying security or currency.

17. High Yield Bond

Where a Fund's investment policy is to invest to generate a higher yield through the use of higher risk fixed interest securities, many of the investments will be in 'below investment grade' securities (generally defined as below BBB- by leading rating agencies) and may also include non-traditional types of debt security. Investment in such securities brings an increased risk of default on repayment and therefore increases the risk that the income and capital of the Fund will be affected.

As a general rule, fixed interest securities with an above average yield tend to be less liquid than securities issued by issuers with a higher investment rating. Furthermore, the solvency of issuers of such fixed interest securities may not be guaranteed in respect of either the principal claim or regarding the interest payments and it cannot be excluded that such issuers may become insolvent. Investors should be fully aware of such risks.

18. No Guarantee of Capital

Investors should note that the Funds do not offer any form of guarantee with respect to investment performance and no form of capital protection will apply.

19. Fixed Income Funds

The interest rate on corporate bonds and most government bonds will not increase in line with inflation. Thus, over time, the real value of investor's income could fall.

20. Credit Risk

The value of a Fund may be adversely affected if any of the institutions with which the cash is invested or deposited suffers insolvency or other financial difficulties.

21. Securities Lending

Securities Lending Transactions may, in the event of default by the counterparty, result in the securities lent being recovered late or only in part. This may result in losses for investors. The counterparty will forfeit its collateral if it defaults on the transaction. However if the collateral is in the form of securities, there is a risk that when it is sold it will realize insufficient cash to settle the counterparty's liability to the Fund or enable the Fund to purchase replacements for the securities that were lent to the counterparty. This may result in losses for investors.

22. Unitholder Concentration Risk

A Fund with high Unitholder concentration may have compounded funding liquidity risks.

23. Liquidity Risk

In extreme market conditions it may be difficult for a Fund to realise an investment at short notice without suffering a discount to market value. In such circumstances the investor may suffer a delay in realising his investment or may incur higher dealing costs and/or other expenses.

Dealings in the Fund may be limited due to issues of capacity or deferred due to high redemption levels. Large subscriptions may not be invested quickly resulting in the Fund holding cash.

Management and administration

The Manager

The Funds are managed by Threadneedle Investment Services Limited (the "Manager") whose registered office and head office is at:

Cannon Place
78 Cannon Street
London
EC4N 6AG

The Manager is a limited company, incorporated in England and Wales on 26 January 1999, with an issued and paid up share capital of £17.02 million.

The directors of the Manager are Mr. Dominik Kremer, Ms. Michelle Scrimgeour, Mr. Peter Stone, Ms. Laura Weatherup, Ms. Kath Cates (non-executive director) and Ms. Ann Roughead (non-executive director). The directors act as directors of companies other than the Manager (including companies that are within the same group of companies as the Manager) but do not engage in business activities that are not connected with the Fund that would be 'significant' to the Funds business in terms of the FCA Rules.

The Manager is authorised and regulated by the FCA.

The Manager is the authorised corporate director of Threadneedle Investment Funds ICVC, Threadneedle Specialist Investment Funds ICVC, Threadneedle Focus Investment Funds ICVC², Threadneedle Opportunity Investment Funds ICVC and Threadneedle UK Property Authorised Investment Fund, and as the manager of the following authorised unit trusts:

- Threadneedle UK Property Authorised Trust

The Manager is responsible for managing and administering the Funds affairs in compliance with the FCA Rules. The Manager may delegate its management and administration functions, but not responsibility, to third parties, including associates subject to the rules in the FCA Rules.

Third party administrative functions, such as customer applications and record keeping, dealing with subscriptions, switching, withdrawals and terminations, and all communication centred activity in relation to the Fund, have been delegated by the Manager to DST Financial Services Europe Ltd ("DST").

The Manager also acts as Registrar. It delegates this function to DST.

The Manager will satisfy itself on an ongoing basis that DST is competent to carry out these functions and associated responsibilities.

The Trustee/Depositary

Under the terms of the Depositary Agreement, Citibank Europe plc, acting through its UK branch (the "Depositary") has been appointed as depositary of the assets of the Funds which have been entrusted to the Depositary for safekeeping.

The key duties of the Depositary consist of:

- (i) cash monitoring and verifying the cash flows of the Funds;
- (ii) safekeeping of the Scheme Property;
- (iii) ensuring that the sale, issue, re-purchase, redemption, cancellation and valuation of Units are carried out in accordance with the Trust Deeds, the Prospectus, and applicable law, rules and regulations;
- (iv) ensuring that in transactions involving Scheme Property any consideration is remitted to the Funds within the usual time limits;
- (v) ensuring that the income of the Funds is applied in accordance with the Trust Deeds, the Prospectus, applicable law, rules and regulations; and
- (vi) carrying out instructions from the Manager unless they conflict with the Trust Deeds, the Prospectus, or applicable law, rules and regulations.

The Depositary is a public limited company with registered number 132781 domiciled in Ireland whose registered office is at 1 North Wall Quay, Dublin 1. The Depositary conducts its business in Great Britain from its branch offices at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB. The branch was established on 15 September 2015. The Depositary is authorised by the Central Bank of Ireland and the Prudential Regulation Authority and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority. Details about the extent of the Depositary's authorisation and regulation by the Prudential Regulation Authority and regulation by the Financial Conduct Authority are available from the Depositary on request.

Liability of the Depositary

As a general rule the Depositary is liable for any losses suffered as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations except that it will not be liable for any loss where:

- (i) the event which has led to the loss is not the result of any act or omission of the Depositary or of such third party;
- (ii) the Depositary could not have reasonably prevented the occurrence of the event which led to the loss despite adopting all

² Threadneedle Focus Investment Funds ICVC is in the process of being terminated.

precautions incumbent on a diligent depositary as reflected in common industry practice; and

- (iii) despite rigorous and comprehensive due diligence, the Depositary could not have prevented the loss.

However, in the case of loss of a financial instrument by the Depositary, or by a third party, the Depositary is under an obligation to return a financial instrument of identical type or corresponding amount without undue delay unless it can prove that the loss arose as a result of an external event beyond the Depositary's reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

Delegation of safekeeping function

Under the terms of the Depositary Agreement the Depositary has the power to delegate its safekeeping functions.

As a general rule, whenever the Depositary delegates any of its custody functions to a delegate, the Depositary will remain liable for any losses suffered as a result of an act or omission of the delegate as if such loss had arisen as a result of an act or omission of the Depositary. The use of securities settlement systems does not constitute a delegation by the Depositary of its functions.

As at the date of this Prospectus, the Depositary has entered into written agreements delegating the performance of its safekeeping function in respect of certain of the assets of the Funds to the delegates and sub-delegates set out in [Appendix VI](#).

Reuse of Scheme Property by the Depositary

Under the Depositary Agreement, the Depositary has agreed that it, and any person to whom it delegates custody functions, may not reuse any of the assets of the Funds with which it has been entrusted.

Reuse will be permitted in respect of the assets of the Funds where:

- the reuse is carried out for the account of the Funds ;
- the Depositary acts on the instructions of the Manager on behalf of the Funds;
- the reuse of Scheme Property is for the benefit of the Funds and the Unitholders;
- the transaction is covered by high quality and liquid collateral received by the Funds under a title transfer arrangement, the market value of which shall, at all times, amount to at least the market value of the re-used assets plus a premium.

Terms of the Depositary Agreement

The appointment of the Depositary has been made under an agreement between the Funds the Manager and the Citibank International Limited effective from 5 April 2014, which was transferred to the Depositary effective from 1 January 2016, and amended and re-stated effective from 18 March 2016 (the "Depositary Agreement").

The Depositary Agreement may be terminated by not less than 180 days' written notice provided that no such notice shall take effect until the appointment of a successor to the Depositary.

To the extent permitted by the FCA Handbook, the Funds will indemnify the Depositary (or its associates) against costs, charges, losses and liabilities incurred by it (or its associates) in the proper execution, or in the purported proper execution, or exercise (reasonably and in good faith) of the Depositary's duties, powers, authorities and discretions to that Fund, except in the case of any liability for a failure to exercise due care and diligence in the discharge of its functions.

The Depositary is entitled to receive remuneration out of the Scheme Property for its services, as explained in the section entitled "Trustee's Charges".

Unitholders may request an up to date statement regarding any of the information set out above from the Manager.

The Investment Manager

The Manager has appointed Threadneedle Asset Management Limited to provide investment management services to the Manager.

The Investment Manager is a subsidiary of Threadneedle Asset Management Holdings Limited and is in the same group of companies as the Manager, and so it is an associate of the Manager.

The Investment Manager also acts as the investment manager of a number of other collective investment schemes and segregated accounts.

Threadneedle Asset Management Limited is in the same group of companies as the Manager. Its registered office is at Cannon Place, 78 Cannon Street, London EC4N 6AG. The principal activity of the Investment Manager is acting as an investment manager.

FCA authorised status:

Threadneedle Asset Management Limited is authorised and regulated by the FCA under the Financial Services and Markets Act 2000 to carry on regulated activities in the UK.

Terms of appointment:

The principal activity of the Investment Manager is the provision of discretionary and non-discretionary investment management services both to the Funds and to other collective investment schemes and individual clients. Under an agreement dated 26 August 1997, and amended and re-stated with effect from 21 July 2014, as amended from time to time between the Manager and the Investment Manager, the Manager appointed the Investment Manager to manage the Funds in relation to the investment of the property of the Funds and to execute transactions on behalf of the Manager in connection therewith. The Manager is entitled to give further instructions to the Investment Manager.

In accordance with its powers under the Investment Management Agreement the Investment Manager has delegated administrative

and ancillary services to DST and other members of its group. Where required, the Investment Manager will only engage with another member of its group of companies that is registered with or approved by the appropriate regulators in their home jurisdictions and overseas (for example, the SEC and the CFTC in the United States). The Investment Manager will remain liable for the services provided by other members of its group on behalf of the Investment Manager at all times.

The Investment Management Agreement may be terminated on 12 months' notice by the Investment Manager or the Manager. It may also be terminated by the Manager with immediate effect if this is in the best interest of the unitholders.

Subject to the overall policies, directions and control of the Manager, all relevant laws and regulations, the Trust Deed and all proper directions of the Trustee, the Investment Manager has the complete discretion to take all day to day investment decisions and to deal in investments in relation to the investment management of the Funds without prior reference to the Manager.

Under the Investment Management Agreement the Manager may provide indemnities, guarantees and undertakings to the Investment Manager in the ordinary course of investment business.

Auditor

The auditor of the Funds is PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT.

Legal advisers

The Funds are advised by Eversheds Sutherland (International) LLP.

Register of Unitholders

The Manager acts as registrar to the Funds and has delegated to DST the responsibility of maintaining the register of Unitholders at the address detailed in the Directory. The register may be inspected at that address during normal business hours by any Unitholder or any Unitholder's duly authorised agent.

Conflicts of interest

The Manager, the Investment Manager and other companies within the group of companies to which they belong may, from time to time, act as the investment manager to other collective investment schemes which follow similar investment objectives to the Funds. It is therefore possible that the Manager and/or the Investment Manager may in the course of their business have potential conflicts of interest with the Funds or a particular Fund of the Funds.

Each of the Manager and the Investment Manager will, however, have regard in such event to its obligations under the Investment Management Agreement respectively and, in particular, to its obligation to act in the best interests of the Funds so far as practicable, having regard to its obligations to other clients when undertaking any investment where potential conflicts of interest may arise. As more than one company within the same group of companies as the Manager will have access to the same information, and may be trading in the same investments through

different trading desks, policies and procedures are in place to manage this potential conflict.

The Manager and the Investment Manager are members of the Ameriprise Financial, Inc. group of companies, any member of which may have material interests which could affect interests of the Funds. For example, the Funds may invest in securities of associated companies of the Ameriprise Financial, Inc. group or use their services, subject to the FCA Rules on conflict of interest. Where applicable, these rules require best execution on exchange, independent valuations or arm's length transactions as appropriate. The Manager and Investment Manager will not necessarily be aware of such interests but will in any event disregard any such interests or conflicts of interest or duty so that any disadvantage to Unitholders is avoided.

- (i) The FCA Rules contain provisions on conflict of interest governing any transaction concerning the Funds which is carried out by or with any 'affected person', an expression which covers the Funds an associate of the Funds the Manager, an associate of the Manager, the Trustee, an associate of the Trustee, any investment manager and any associate of any investment manager.
- (ii) These provisions, among other things, enable an affected person to sell or deal in the sale of property to the Funds or Trustee for the account of the Funds vest property in the Funds or the Trustee against the issue of Units in the Funds purchase property from the Funds (or the Trustee acting for the account of the Funds); enter into a stock lending transaction in relation to the Funds or provide services for the Funds. Any such transactions with or for the Funds are subject to best execution on exchange, or independent valuation or arm's length requirements as set out in the FCA Rules. An affected person carrying out such transaction is not liable to account to the Trustee, the Manager, any other affected person, or to the holders of Units or any of them for any benefits or profits thereby made or derived.
- (iii) Investment of the property of the Funds may be made on arm's length terms through a member of an investment exchange (acting as principal) who is an affected person in relation to the Manager. Neither the Manager nor any such affected person will be liable to account for any profit out of such dealings.

The Trustee may act as the depositary or trustee of other companies.

From time to time conflicts may arise between the Trustee and the delegates or sub-delegates, for example where an appointed delegate or sub-delegate is an affiliated group company which receives remuneration for other custodial services it provides to the Trustee. In the event of any potential conflict of interest which may arise during the normal course of business, the Trustee will have regard to applicable laws.

Exercise of voting rights

The Manager has a strategy for determining when and how voting rights attached to ownership of Scheme Property are to be exercised for the benefit of each Fund. A summary of this strategy is available on the Manager's website at www.columbiathreadneedle.com. Details of the actions taken on the basis of this strategy in relation to each Fund are available by writing to the Manager's Client Services at the address detailed in the Directory.

Best Execution

The Manager's best execution policy sets out the basis upon which the Manager will effect transactions and place orders in relation to the Fund whilst complying with its obligations under the FCA Handbook to obtain the best possible result for the Fund. Details of the best execution policy are available on the Manager's website at www.columbiathreadneedle.com or by contacting the Manager via Client Services at the details provided in the Directory.

In addition, by 30 April each year, the Investment Manager will publish annually on its website a summary of the volumes executed for each instrument class, showing the Top 5 venues. This can be found under the 'Literature' section of the site.

Controversial Weapons

The UN Convention on Cluster Munitions came into force on 1 August 2010. This Convention prohibits all use, stockpiling, production and transfer of controversial weapons. The Manager and the Investment Manager acknowledge the importance of the Convention and the Investment Manager actively screens companies for evidence of their corporate involvement in controversial weapons that includes but is not limited to anti-personnel mines, cluster munitions, biochemical weapons and depleted uranium ammunition and armour. Where a company is verified to undertake such activities, the Investment Manager's policy is not to invest in the securities issued by that company however it reserves the right to take short positions on such securities.

Responsible Investment

In discharging its obligations, the Manager will have regard, as appropriate, to its policies on the Principles for Responsible Investment (PRI) and the UK Stewardship Code.

Fees and Expenses

All costs, charges, fees or expenses, other than the charges made in connection with the subscription and redemption of Units payable by a Unitholder or out of Scheme Property are set out in this section.

The Ongoing Charges Figure ('OCF')

The OCF is the European standard method of disclosing the charges of a Unit class of a Fund based on the last year's expenses and may vary from year to year. It includes charges such as the Funds annual management charge, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the Fund. The Key Investor Information Documents contain the current OCF.

Charges payable to the Manager

As remuneration for carrying out its duties and responsibilities for Class A, Class B, Class T and Class Z Units the Manager is entitled to an annual fee out of each Fund. All Units bear their pro rata share of Trustee fees as well as other charges and expenses. The fees of all Unit classes are calculated on a mid-market basis with reference to the previous day's NAV of the Fund plus or minus any sales or redemptions on that day. All or part of the annual management charge may be charged against capital instead of income. The treatment of the annual management charge may increase the amount of income (which may be taxable) available for distribution to Unitholders but may result in capital erosion or constrain capital growth. Please see Specific Risk Factors in the 'Investment objectives, Policies and other details of the Funds' section of the Prospectus.

For Class A, Class B, Class T and Class Z Units, the annual management charge accrues daily and is payable monthly. The details of the annual management charge payable for the Funds is set out in [Appendix I](#).

The Manager will give written notice to the Unitholders at least 60 days before any increase to the annual management charges and the Manager will make a new Prospectus available to reflect the increased charges.

Subject to current HMRC regulations, Value Added Tax at the prevailing rate may be payable in addition to the Trustee's remuneration, the Custodian's remuneration and the above expenses.

Redemption Charge

Under the terms of the Trust Deed of each of the Funds the Manager is entitled to make a charge on the redemption of units. At present, the Funds do not make such a charge.

The Manager cannot levy this charge in respect of any of the Funds unless written notice of the introduction of the charge and the date of its commencement has been given to the Trustee and to Unitholders and the Prospectus has been amended to reflect the change and the revised Prospectus has been made available in accordance with the FCA Rules.

Trustee's Charges

The Trustee's remuneration, which is payable out of the assets of each Fund, is a periodic charge of 0.01% being paid on the same basis as the Manager's periodic charge.

The Manager will notify the Unitholders in writing prior to any increase in charges coming into force for a time period in accordance with the FCA Rules for any material increase to the rates set out above.

The Trustee is also entitled to receive out of the property of each Fund's remuneration for performing or arranging for the performance of such functions as the Manager and the Trustee may from time to time agree, being functions conferred on the Trustee by the Trust Deed or COLL. The Trustee's remuneration under this paragraph shall accrue when the relevant transaction or other dealing is effected and shall be paid in arrears on the next following date on which payment of the Trustee's periodic charge is to be made or as soon as practicable thereafter.

Currently the Trustee does not receive any remuneration or service charges under this paragraph.

Trustee's Expenses

In addition to the remuneration referred to above, the Trustee will be entitled to receive reimbursement for expenses properly incurred by it in the discharge of its duties or exercising any of the powers conferred upon it in relation to each Fund, subject to approval by the Manager.

The Trustee has appointed Citibank N.A. as the Custodian of the property of each Fund and is entitled to receive reimbursement of the Custodian's fees as an expense of each Fund. Citibank N.A.'s remuneration for acting as Custodian is calculated at an ad valorem rate determined by the territory or country in which the assets of the Fund are held. Currently, the lowest rate is 0.002% and the highest rate is 0.44%. In addition, the Custodian makes a transaction charge determined by the territory or country in which the transaction is effected. Currently, these transaction charges range from £3 to £90 per transaction.

The Trustee is also entitled to be reimbursed out of the property of each Fund in respect of remuneration charged by the Custodian for such services as the Manager, Trustee and the Custodian may from time to time agree, being services delegated to the Custodian by the Trustee in performing or arranging for the performance of the functions conferred on the Trustee by the Trust Deed or COLL. Remuneration charged under this paragraph shall accrue when the relevant transaction or other dealing is effected and shall be paid in arrears. The Custodian does not currently receive any remuneration under this paragraph.

Further Expenses

The Manager may, so far as the FCA Rules allow, also pay out of the Scheme Property all relevant costs, charges, fees and expenses including the following:

- (a) Broker's commission, fiscal charges and other disbursements which are:
 - (i) necessary to be incurred in effecting transactions for a Fund; and
 - (ii) normally shown in contract notes, confirmation notes and difference accounts as appropriate;
- (b) Interest on borrowings permitted under COLL and charges incurred in effecting or terminating such borrowings or in negotiating or varying the terms of such borrowings;
- (c) Taxation and duties payable in respect of the property of a Fund, a Trust Deed or the issue of units and any stamp duty reserve tax charged;
- (d) Any costs incurred in modifying a Trust Deed including costs incurred in respect of meetings of holders convened for purposes which include the purpose of modifying a Trust Deed where the modification is:
 - (i) necessary to implement or necessary as a direct consequence of any change in the law (including changes in the FCA Rules);
 - (ii) expedient having regard to any change in the law made by or under any fiscal enactment and which the Manager and the Trustee agree is in the interest of holders; or
 - (iii) to remove from the Deed obsolete provisions;
- (e) Any costs incurred in respect of meetings of holders convened by the Trustee or on a requisition by holders not including the Manager or an associate of the Manager;
- (f) Liabilities on unitisation, amalgamation or reconstruction arising in certain circumstances as set out in Rule 6.7.15 of COLL;
- (g) The audit fee properly payable to the auditor and Value Added Tax thereon plus any proper expenses of the auditor;
- (h) The periodic fees of the FCA under the Financial Services and Markets Act 2000 or the corresponding periodic fees of any regulatory authority in a country or territory outside the United Kingdom in which units in the Funds are or may be marketed;
- (i) Costs of establishing and maintaining the register and/or plan sub-register; and
- (j) Subject to current HMRC regulations, Value Added Tax at the prevailing rate may be payable in connection with the Trustee's remuneration, the Custodian's remuneration and any of the expenses in (a) to (i) above.

The Manager may from time to time subsidise costs incurred by any of the Funds including but not limited to the Auditor's fee, to keep the costs of the Fund in line with the published estimated Ongoing Charges Figure or for any other reason. Details of the Ongoing Charges Figure for the previous reporting period can be found in the report and accounts of the Funds.

The Manager reserves the right to levy a charge to the Unitholders or their agents for the provision of duplicate copies of previously issued documentation.

Any increase in annual management charge, initial charge or Trustee's fee may be made if it is deemed by the Manager to be a significant rather than fundamental change as set out in COLL, only after giving written notice to Unitholders for the period prescribed in COLL (in the case of an increase in annual management charge or Trustee's fee), or to any investors who regularly invest (in the case of initial charge) and revising

the Prospectus to reflect the proposed increase. If the proposed increase is deemed fundamental, the approval of Unitholders is required. At any particular time the actual amount of ongoing general expenses listed in (a)-(j) above may be more or less than Manager collects from the Scheme Property (therefore the Manager may make a profit or a loss), however, the Manager is under no obligation to account to the Trustee or the Unitholders for any profit it makes in relation the payment it receives.

Underlying Fund Expenses

Investors should be aware that – where the Funds invest in other funds in the Manager's group of companies – funds that the Funds invest in will be subject to arrangements whereby no underlying annual management charge will be made on those funds. They will remain subject to other costs in the underlying funds such as registrar fees, the costs of investing in equities and bonds, etc. In addition investors should be aware that of the underlying funds may be subject to performance fees, which are typically a proportion of any excess return over and above a specific performance target.

There will be no initial charge payable by the Fund when acquiring shares or units in underlying funds and no exit charge payable on the disposal of shares or units in underlying funds. Please refer to paragraph 16 of [Appendix II](#) for further information.

Trust Deed

The Trust Deeds of the Funds (which are available for inspection at the Manager's offices at the Client Services address detailed in the Directory and Cannon Place, 78 Cannon Street, London EC4N 6AG) contains, among other things, provisions to the following effect:

1. Unit capital

- (a) The Trustee may from time to time at the request of the Manager issue Units of different Classes in respect of a Fund, and the Manager may by resolution from time to time create additional Classes in respect of a Fund (whether or not falling within one of the Classes in existence on incorporation).
- (b) The special rights attaching to a Class are not (unless otherwise expressly provided by the conditions of issue of such Units) deemed to be varied by:
 - (i) the creation, allotment or issue of further Units of any Class ranking *pari passu* with them;
 - (ii) the switch of Units of any Class into Units of another Class;
 - (iii) the creation, allotment, issue or redemption of Units of another Class within the same Fund, provided that the interests of that other Class in the Fund represent fairly the financial contributions and benefits of Unitholders of that Class;
 - (iv) any agreement by the Manager or the Investment Manager for the time being of any Fund to suffer a reduction in its fees, in respect of that Fund, for any period.

2. Income

The following provisions apply in respect of Units in issue in respect of the Funds available:

- (a) An allocation of income (whether annual or interim) to be made in respect of each Unit issued by the Funds or sold by the Manager during the accounting period in respect of which that income allocation is made shall in the case of net paying units be of the same amount as the allocation to be made in respect of the other Units of the same Class issued in respect of the same Fund but shall where appropriate include a capital sum ('income equalisation') representing the Manager's best estimate of the amount of income included in the price of that Unit, being either the actual amount of income included in the issue price of that Unit or an amount arrived at by taking the aggregate of the amounts of income included in the price in respect of Units of that Class issued or sold to Unitholders in the annual or interim accounting period in question and dividing that aggregate amount by the number of such Units and applying the resultant average to each of the Units in question.
- (b) Each allocation of income made in respect of any Fund at a time when more than one Class is in issue in respect of that Fund shall be done by reference to the relevant holders' proportionate interests in the Scheme Property of the Fund in question. These will be ascertained for each Class as follows:
 - (i) A notional account will be maintained for each Class. Each account will be referred to as a 'Proportion Account'.
 - (ii) The word 'proportion' in this context means the proportion, which the balance on a Proportion Account at the relevant time bears to the balance on all the Proportion Accounts of a Fund at that time. The proportionate interest of a Class of Unit in the assets and income of a Fund is its "proportion".
 - (iii) There will be credited to a Proportion Account:
 - the subscription money (excluding any initial charges) for the issue of Units of the relevant Class;
 - that Class's proportion of the amount by which the value of the assets of the Fund exceeds the total subscription money for all Units in the Fund;
 - that Class's proportion of the Fund's income received and receivable; and
 - any notional tax benefit under paragraph (v) below.
 - (iv) There will be debited to a Proportion Account:
 - the redemption payment for the cancellation of Units of the relevant Class;

- the Class's proportion of the amount by which the value of the assets of the Fund falls short of the total subscription money for all Units in the Fund;
 - all distributions of income (including equalisation) made to Unitholders of that Class;
 - all costs, charges and expenses incurred solely in respect of that Class;
 - that Class's Unit of the costs, charges and expenses incurred in respect of that Class and one or more other Classes in the Fund, but not in respect of the Fund as a whole;
 - that Class's proportion of the costs, charges and expenses incurred in respect of or attributable to the Fund as a whole; and
 - any notional tax liability under paragraph (v) below.
- (v) Tax liabilities and tax benefits are assessed by HMRC on each Fund as a whole. Any Fund tax liability or benefit will be allocated between Classes in order to achieve so far as is possible the same result so as not to materially prejudice any Class. The allocation will be carried out by the Manager in consultation with the auditors.
- (vi) Where a Class is denominated in a currency which is not the Base Currency, the balance on the Proportion Account shall be converted into the Base Currency in order to ascertain the proportions of all Classes. Conversions between currencies shall be at a rate of exchange decided by the Manager as being a rate that is not likely to result in any material prejudice to the interests of Unitholders or potential Unitholders.
- (vii) The Proportion Accounts are memorandum accounts maintained for the purpose of calculating proportions. They do not represent debts from the Funds to Unitholders or the other way round.
- (viii) Each credit and debit to a Proportion Account shall be allocated to that account on the basis of that Class's proportion immediately before the allocation. All such adjustments shall be made as are necessary, to ensure that on no occasion on which the proportions are ascertained is any amount counted more than once.
- (ix) When Units are issued thereafter each such Unit shall represent the same proportionate interest in the Scheme Property of the relevant Fund as each other Unit of the same category and Class then in issue in respect of that Fund.

- (x) The Funds shall allocate the amount available for income allocation (calculated in accordance with the FCA Rules) between the Units in issue relating to the relevant Fund according to the respective proportionate interests in the Scheme Property of the Fund represented by the Units in issue at the valuation point in question.

3. Corporations acting by representatives

Any corporation which is a Unitholder may by resolution of its directors or other governing body and in respect of any Unit or Units of which it is the holder authorise such individual as it thinks fit to act as its representative at any general meeting of the Unitholders or of any Class meeting or Fund meeting. The individual so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise in respect of such Unit or Units if it were an individual Unitholder.

Unitholder meetings and voting rights

Requisition of Meetings

The Trustee or Manager may, at any time, convene a meeting of Unitholders in a Fund or in a particular class of units in a Fund.

Unitholders may also requisition a general meeting of the Fund. Such requisition must state the objects of the meeting, be dated, be signed by Unitholders who, at the date of the requisition, are registered as holding not less than one tenth in value of all Units then in issue, and the requisition must be deposited at the office of the Trustee.

The Manager must convene a general meeting no later than eight weeks after receipt of such requisition.

Voting Rights

A meeting of the Unitholders, in a Fund or in a particular class of Units in a Fund, duly convened and held may require, authorise or approve any act, matter or document in respect of which any such resolution is required or expressly contemplated by COLL. Except where an extraordinary resolution is specifically required or permitted, any resolution of Unitholders is passed by simple majority. In the case of an equality of, or an absence of, votes cast, the chairman is entitled to the casting vote.

At a meeting of Unitholders a resolution put to the vote shall be decided on a show of hands unless a poll is demanded by the Chairman, by the Trustee or by at least two Unitholders. On a show of hands, every Unitholder who is present in person has one vote. On a poll the voting rights for each unit is the proportion of the voting rights attached to all of the units in issue that the value of the unit bears to the aggregate value of all the units in issue. On a poll votes may be given either personally or by proxy. In the case of joint Unitholders, the senior holder shall have the vote to the exclusion of the other holders. Seniority is determined by the order in which the names appear on the Register.

In the context of despatch of notice and voting, "Unitholders" means the persons who were entered on the Register of Unitholders seven days

before the notice of meeting was sent out but excluding persons who are known to the Manager not to be Unitholders at the time of the meeting.

The Manager and any Associate, may hold units in a Fund. They are entitled to receive notice of and attend any meeting. The Manager may not be counted in the quorum although an Associate may. Both the Manager and the Associate may only vote in respect of units they hold on behalf of a person who, if himself the registered holder would be entitled to vote, and from whom they have received voting instructions.

Variation of Class rights

The rights attached to a Class or Fund may not be varied without the sanction of a resolution passed at a meeting of Unitholders of that Class or Fund by a 75% majority of those votes validly cast for and against such resolution.

Taxation

General

The information given under this heading does not constitute legal or tax advice and prospective investors should consult their own professional advisers as to the implications of subscribing for, purchasing, holding, switching or disposing of Units under the laws of the jurisdiction in which they may be subject to tax. The following is based on law and practice as at the date of this Prospectus and may be subject to change.

The Funds

The Funds are Authorised Unit Trusts to which the Authorised Investment Funds (Tax) Regulations 2006 currently apply. Each Fund will be treated as a separate entity for UK tax purposes.

The Funds are exempt from UK tax on capital gains realised on the disposal of investments including interest paying securities and derivatives held within them.

Dividends received from UK and overseas companies are taxable when received by a Fund unless each dividend falls into one of five exemptions. The most relevant exemption will be that which exempts distributions in respect of portfolio holdings (holding of 10% or less). It is anticipated that the majority of dividends will be exempt in the hands of the Funds. However, where the availability of treaty relief on withholding tax on overseas dividends from certain countries is unavailable because of a "subject to tax" clause in the relevant double tax treaty, a Fund may elect for dividends from these countries to be treated as taxable income. These dividends and all other income received by a Fund (e.g. interest income and Offshore Income Gains) will be subject to tax, currently at 20% after relief for expenses.

To the extent that a Fund receives income from, or realises a gain on investments issued in, certain countries, and elects for these overseas dividends to be treated as taxable income, the foreign withholding or other foreign taxes suffered on the overseas dividends could be used to offset against the corporation tax liability of that Fund, if any.

In respect of any Fund which invests more than 60% of the market value of all investments held by that Fund in, broadly, interest bearing assets, such as debt securities, money placed at interest (other than cash awaiting investment), building society shares or holdings in unit trusts, ICVCs or offshore funds with similar holdings (for example, certain of the 'bond Funds'), such Fund may distribute or accumulate income as yearly interest. The amount of such income whether distributed or accumulated will be deducted from the income of the Fund in computing its liability to corporation tax.

The Funds will be managed so as to be eligible as ISA investments.

UK Unitholders

The following summary applies to holders of Units who are resident in the UK for tax purposes.

Unitholders' income

(i) Interest distributions

UK resident individuals will be taxable on the sum of gross interest distributions received and accumulations made during the relevant tax year. Such distributions are paid under deduction of income tax at a rate of 20%, and individuals paying tax at the basic rate on such income will not be subject to further taxation. Non-taxpayers will be entitled to claim a repayment of the full amount of the tax. Investors whose total taxable income including savings income falls within the starting rate band will be able to claim back part of the tax deducted. However higher rate and additional rate taxpayers will have further tax to pay on the gross distribution. The amount will depend on the tax rate applicable to their specific circumstances.

A new personal savings allowance was introduced from 6 April 2016. UK tax resident individuals whose income is within the basic rate band will be able to earn the first £1,000 of savings income tax-free. Higher rate tax payers will be able to earn the first £500 savings income with no tax payable. Basic rate and higher rate tax payers whose total savings income is within the annual personal savings allowance can reclaim the tax withheld from the HM Revenue & Customs.

From 6 April 2017, all interest distributions are made gross so no tax will be deducted from any interest distributions. As a result, where individuals' gross interest distributions exceed their personal savings allowances detailed above, then they will be liable to pay income tax at their marginal rates (i.e. 20% for basic rate taxpayers, 40% for higher rate and 45% for additional rate taxpayers) on the excess amount.

Prior to 5 April 2017, unless corporate Unitholders could satisfy the Manager that they were beneficially entitled to the income and are UK resident or acting through a UK branch subject to UK corporation tax on the income, interest distributions and accumulations will be paid net of income tax at 20%. Corporate Unitholders will be subject to corporation tax on the gross amount of the distribution or accumulation but, where tax has been deducted, will be entitled to a credit for the tax treated as paid. All interest distributions have been made gross since 6 April 2017.

Unitholders who are within the charge to UK corporation tax should be aware that where such an investor holds an interest in a Fund and that Fund fails, at any time in an accounting period in which the investor holds its interest, to satisfy the “qualifying investments test”, the investor is required to treat its interest for that accounting period as if it were rights under a creditor relationship for the purposes of the “loan relationships” regime (which governs the United Kingdom taxation of most forms of corporate debt) contained in the United Kingdom Corporation Tax Act 2009. A Fund fails to satisfy the qualifying investments test at any time when its investments consist as to more than 60 per cent by market value of, inter alia, government and corporate debt securities, money placed at interest, certain derivative contracts or holdings in collective investment schemes which do not themselves satisfy the qualifying investments test. Corporate Unitholders would in these circumstances be required to account for their interest in the Fund under the loan relationships regime, in which case all returns on their Units in the relevant accounting period (including gains and losses) would be taxed or relieved as income receipt or expense on a “fair value” basis. Such Unitholders might therefore, depending upon their particular circumstances, incur a charge to UK corporate tax on an unrealised increase in the value of their Units (or obtain relief against UK corporation tax for an unrealised diminution in the value of their Units).

(ii) Dividend distributions

A Fund that makes distributions or accumulations will be treated as dividends of a UK company and will comprise dividend income for UK tax purposes. An individual recipient of a dividend distribution or accumulation was entitled to a notional tax credit of 10% of the gross dividend up to April 2016. This tax credit is sufficient to cover the liability of taxpayers liable to pay tax at the basic rate of tax on savings income. Higher rate taxpayers are taxed at 32.5% and additional rate taxpayers are taxed at 37.5% on the gross dividend against which the 10% tax credit can be credited and will have further tax to pay. It is no longer possible for Unitholders who hold their units in ISAs to reclaim the 10% tax credit. Non-taxpayers were entitled to reclaim the tax credit.

The 10% dividend tax credit was abolished in April 2016. Instead a dividend tax allowance of £5,000 a year has been introduced. From 6 April 2018, the dividend allowance was reduced to £2,000. The rates of tax on dividend income received above the dividend tax allowance of £2,000 will be 7.5% for basic rate taxpayers, 32.5% for higher rate taxpayers and 38.1% for additional rate taxpayers. Unitholders who hold their shares in ISAs will be unaffected.

The income corporate Unitholders receive from a dividend distribution or accumulation is streamed into franked, unfranked and foreign income, according to the underlying gross income of the Fund. The proportion which is derived from UK and overseas dividends that fall into one of five tax exemptions is treated as franked investment income and is generally not subject to further tax unless taxed on the Unitholder as part of its trade. The income derived from all other sources (e.g. interest income, dividends which do not qualify for exemption or which a Fund has elected to tax or Offshore Income Gains on the disposal of offshore funds without reporting funds status) is treated as an annual payment paid under deduction of income tax at the rate of 20%. The Unitholder will be subject

to tax on the grossed up amount but will be entitled to a credit for tax treated as paid. Whilst this amount can be wholly offset against the corporation tax liability of the Unitholder, the maximum amount of tax which can be reclaimed by the corporate Unitholder is limited to their proportion of the Funds net liability to corporation tax in respect of gross income.

Capital Gains Tax

Unitholders who are resident in the UK for tax purposes may be liable to capital gains tax or, if companies, corporation tax on chargeable gains (‘CGT’). The redemption, sale, switching or transfer of Units, being chargeable assets, may constitute a disposal or part disposal for the purposes of UK CGT. For basic rate taxpayers the rate of 18% is applied to all chargeable gains in excess of the annual exempt amount. For higher rate and additional rate taxpayers a rate of 28% is applied to all chargeable gains in excess of the annual exempt amount.

For a corporate Unitholder with an interest in an ‘equity’ Fund, indexation relief will be allowed as a deduction from the gain calculated by reference to the period the asset was held and the initial cost given.

Unitholders subject to UK corporation tax may need to treat their unitholdings in a ‘bond’ Fund as a creditor relationship subject to a mark-to-market basis of accounting.

Unitholders who are resident in the UK for tax purposes may be liable to capital gains tax or, if companies, corporation tax on chargeable gains (‘CGT’). The redemption, sale, switching or transfer of units, being chargeable assets, may constitute a disposal or part disposal for the purposes of UK CGT. For individuals there is an annual exempt amount (for the 2019-2020 tax year of £12,000). From 6 April 2016 for basic rate tax payers the rate of 10% is applied to all chargeable gains in excess of the annual exempt amount. For higher rate and additional rate tax payers a rate of 20% is applied to all chargeable gains in excess of the annual exempt amount. For a corporate Unitholder indexation relief will be allowed as a deduction from the gain calculated by reference to the period the asset was held and its initial cost. The corporate Shareholder indexation relief was frozen from 1 January 2018.

An exchange of Units of one class for Units of another class within a Fund may constitute for UK taxation purposes a reorganisation of the Fund within section 127 of the Taxation of the Chargeable Gains Act 1992, in which case a UK resident Unitholder who exchanges one class of Unit for another class of Units would not be treated as making a disposal of Units giving rise to a chargeable gain or allowable loss, but instead would be treated as having acquired such new class of Units at the same time and for the same price at which the original class of Units were originally acquired.

Inheritance Tax (‘IHT’)

Investors are potentially subject to UK inheritance tax on their investment in the Funds

Income equalisation

Since each Fund operates equalisation, the first allocation made after the acquisition of units will include an amount of equalisation. This amount represents the Manager's best estimate of the income included in the price at which the units were acquired (subject to grouping where appropriate) and represents a capital repayment for UK tax purposes which should be deducted from the cost of units in arriving at any capital gain realised on their subsequent disposal.

Foreign Account Tax Compliance Act

Pursuant to U.S. withholding provisions commonly referred to as the Foreign Account Tax Compliance Act 2010 ("FATCA"), a Foreign Financial Institution ("FFI") is under an obligation to broadly collect and provide information regarding US account holders (which includes certain equity and debt holders as well as certain account holders that are non US entities with US owners). An FFI is a non-US entity that either (i) accepts deposits in the ordinary course of business or (ii) holds financial assets for the account of others as a substantial portion of its business or (iii) is engaged primarily in the business of investing or trading in securities or partnership interests or (iv) is an insurance company or a holding company that is a member of an expanded affiliated group where the insurance company or holding company is obligated to make payments with respect to a cash value insurance or annuity contract or (v) is an entity that is a holding company or treasury centre that is part of an expanded affiliated group that includes a depository institution, custodial institution, investment entity or is formed in connection with or availed by a collective investment vehicle or any similar investment vehicle established with an investment strategy of investing, reinvesting or trading in financial assets.

The FATCA legislation imposes a withholding tax of 30% on withholdable payments and in the future on foreign passthru payments made to a non-US entity that are not an FFI unless such entity provides the withholding agent with certification identifying the substantial US owners of the entity, which includes any US Person who directly or indirectly owns a percentage (depending on jurisdiction) of the entity, or an exception applies. In order to avoid incurring withholding tax on withholdable payments, certain information regarding the direct and indirect investors in the Fund will need to be disclosed.

Please note that the Manager has determined that US Persons are not permitted to own Units in the Funds.

Automatic exchange of information

The Common Reporting Standard (CRS), which is coming into effect in stages, starting from 1 January 2016, was developed by the Organisation for Economic Co-operation and Development (OECD). The CRS has been adopted in the UK by The International Tax Compliance Regulations 2015, and may require the Funds to report account holder information to HMRC about Unitholders. HMRC will in turn pass this information on to the competent authorities with which it has an agreement.

Winding up of the Funds

The Funds will not be wound up except in accordance with the FCA Rules.

The Trustee shall proceed to wind up a Fund if:

- (1) the order declaring it to be an authorised unit trust is revoked;
- (2) if the FCA determines to revoke the order declaring the Fund to be an authorised unit trust at the request of the Manager or the Trustee; or
- (3) on the effective date of a duly approved scheme of arrangement which is to result in the relevant Fund being left with no property.

If any of the events set out above occurs, the FCA Rules concerning Dealing (COLL 6.2), Valuation and Pricing (COLL 6.3) and Investment and Borrowing Powers (COLL 5) will cease to apply. The Trustee shall cease to issue and cancel Units in the Fund and the Manager shall cease to redeem and sell Units in the Fund.

The procedure to be followed in a winding up of any of the Funds is that laid down by COLL which currently provide as follows:

- (1) Upon the passing of an extraordinary resolution by the Unitholders approving a scheme of arrangement, the Trustee shall wind up the Fund in accordance with the terms of the approved scheme of arrangement;
- (2) In any other case, the Trustee shall as soon as practicable after the Fund falls to be wound up, realise the property of the Fund and, after paying out of the proceeds all liabilities properly so payable and retaining provision for the costs of the winding up, distribute the proceeds of that realisation to the Unitholders and the Manager (upon production by them of evidence as to their entitlement thereto) proportionately to their respective interests in the Fund; and
- (3) Any unclaimed net proceeds or other cash (including unclaimed distribution payments) held by the Trustee after the expiration of twelve months from the date on which the same became payable shall be paid by the Trustee into court subject to the Trustee having a right to retain any expenses properly incurred by him in making that payment into court.

In winding up the Unitholders will have the right to receive their share of the net proceeds of the Scheme Property. This right is in addition to any rights of the Unitholders as beneficiaries under general trust law.

General Information

Dividends

Dividends will be allocated on a specific date during the year (the 'XD Date'). The XD Date is the date on which the income attributable to a Unit

Class is no longer contained within its price. This income is normally paid to eligible Unitholders on the 'Payment Date'. The eligible Unitholders will be those who still hold Units at the final Valuation Point prior to the XD Date, or who subscribe on this final Valuation Point prior to the XD Date. Payment of the income will normally be made on the Payment Date.

The XD Dates and Payment Dates for each of the Funds are set out in [Appendix I](#).

Accounting Periods

The annual accounting period for each Fund is set out in [Appendix I](#).

Income Distribution

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

Distributions of income are made in respect of the income available for allocation in each accounting period.

Distributions of income for each Fund are paid on or before respective annual income allocation date or, on or before the respective interim allocation date in each year. Any distribution may be paid by (i) crossed cheque, warrant or money order and may be remitted by post to the registered address of the persons entitled to such monies or to such person and to such address as those persons may direct in writing or (ii) any other usual or common banking method (including, without limitation, direct credit, bank transfer and electronic fund transfer) and to or through such person or such persons as the relevant person may direct in writing.

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

Annual report and financial statements

Annual long report and financial statements of the Funds will be prepared in the Base Currency and will be made available and published within four months of the close of each annual accounting period. Half-yearly long report and financial statements will be published within two months of the close of each interim accounting period.

Within the timeframes noted above, the Manager will make the short report which details performance and activities of a Fund over the accounting period available on the website www.columbiathreadneedle.com. The Manager will provide hard copies of the short reports upon request.

Risk management

Upon request, the Manager will provide further information relating to any quantitative limits applying in the risk management of any Fund and the methods used.

Documents of the Funds

The following documents may be inspected free of charge between 9.30 am and 4.30 pm (UK time) on every business day at the offices of the Manager at Cannon Place, 78 Cannon Street, London EC4N 6AG:

- (a) the most recent annual and half-yearly reports of the Funds;
- (b) the Trust Deed (and any deeds amending the Trust Deed);
- (c) the Prospectus; and
- (d) the Risk Management Policy.

Unitholders may obtain copies of the above documents from either address. The Manager may make a charge at its discretion for copies of documents (with the exception of the Prospectus, the Trust Deed and the most recent annual and half yearly reports which are available free of charge to anyone who requests).

Notice to Unitholders

In the event that the Manager is required to give notice to Unitholders for any reason, or otherwise chooses to do so, such notice will normally be given in writing. Alternatively, and to the extent permitted by the FCA Rules, notice to Unitholders may be made by way of publishing the information on www.columbiathreadneedle.com, or by including the information in a mailing to the Unitholders such as the bi-annual statements for the Funds. Any document served on Unitholders by the Manager will be served to the current address of the Unitholder with reference to the records of the Manager.

Any document or notice to be served by a Unitholder on the Manager or the Funds may be served at the head office of the Funds.

Telephone Recording

Please note that the Manager may record telephone calls and electronic communications for training and monitoring purposes and to confirm instructions from Unitholders.

Provision of Investment Advice

All information concerning the Funds is available from the Manager. The Manager is not authorised to give investment advice and persons requiring such advice should consult a professional financial services adviser. All applications for Units are made on the basis of the current Prospectus of the Funds and investors should ensure that they have the most up to date version.

Privacy statement

Your data controller

For the purposes of the UK Data Protection Act 1998 and/or any consequential data protection legislation, and/or any other applicable legislation or regulation, the data controller in respect of any personal information provided is Threadneedle Investment Services Limited. In this privacy statement, 'we', 'us' and 'our' means Threadneedle Investment Services Limited.

Uses made of your personal information

The personal information that you provide to us will be used for a number of different purposes including: to manage and administer your account; to offer you investment products and services (except where you have asked us not to do so) and to help us develop new ones; to contact you with details of changes to the products you have bought; for internal analysis and research; to comply with legal or regulatory requirements; and to identify you when you contact us. We may use external third parties to process your personal information on our behalf in accordance with these purposes.

Sharing of your personal information

This Privacy Statement covers information about you ("personal information") that you supply to us. This information will typically include information such as your name, address, date of birth, telephone number, email address, gender, financial information and other information you provide to us. Our legal basis to process your information includes doing so in order to comply with our legal obligations (e.g., for the purposes of debt collection and/or the prevention of fraud or any other crime), to perform a contract between us and you (e.g., manage and administer your account (including but not limited to contacting you with details of changes to the products you have bought, and offering you new investment products), establish and defend any legal claims, or because you have consented to our use of your information. We may also process your personal information because it is necessary for our legitimate business interests (e.g., for internal analysis and research), we may also process your data in order to comply with legal or regulatory requirements. Sharing of your personal information

We may use external third parties such as those described below to process your personal information on our behalf in accordance with the purposes set out in this privacy statement.

Where you have notified us of your adviser, the personal information provided may be shared with your adviser. You must notify us in writing if you no longer wish us to share your personal information with your adviser or of any change to your adviser. Your adviser should have its own arrangements with you about its use of your personal information. For the avoidance of doubt, if you do wish to exercise any of your individual rights as set out in our privacy notice via your nominated adviser then we will require written authorisation from you (or both of you, in the case of a joint account) before we can share any such personal information with your adviser.

The personal information provided may also be shared with other organisations (including but not limited to governmental and/or tax authorities in the UK and outside the UK) in order for us to comply with any legal or regulatory requirements (e.g., audit reporting and anti-money laundering checks) and, in addition (in respect of tax authorities, and where lawful to do so under data protection laws) where necessary for the purposes of ensuring that tax is paid correctly and that we receive refunds of tax already paid when this is due to us. We may also transfer your personal information to appointed third party administrators, such as transfer agents, in order to process customer applications, carry out record keeping, deal with subscriptions, switching, withdrawals and terminations, and certain communications. In addition, we may share your personal information with the companies within our group of companies for the purposes set out in this privacy statement and our privacy policy.

Business changes

If we or the Threadneedle group undergoes a group reorganisation or is sold to a third party, the personal information provided to us may be transferred to that reorganised entity or third party and used for the purposes highlighted above.

Overseas transfers

We may transfer your personal information to countries located outside of the European Economic Area (the EEA), including to the United States. This may happen when our servers, suppliers and/or, service providers are based outside of the EEA. We may transfer your information under certain circumstances (e.g., where it is necessary to perform our contract with you). The data protection laws and other laws of these countries may not be as comprehensive as those that apply within the EEA – in these instances we will take steps to ensure that your privacy and confidentiality rights are respected. We implement measures such as standard data protection contractual clauses to ensure that any transferred personal information remains protected and secure. A copy of these clauses can be obtained by contacting us at the address listed below in the "Contact Information" section. Details of the countries relevant to you will be provided upon request.

Your Rights

With limited exceptions, you are entitled, in accordance with applicable law, to object to or request restriction of processing of your personal information, and to request access to, rectification, erasure and portability of your personal information. This service is provided free of charge unless requests are manifestly unfounded or excessive. In these circumstances, we reserve the right to charge a reasonable fee or, refuse to act on the request. You can write to using the contact details provided in the Directory or by contacting us at the address listed below in the "Contact Information" section.

If any of the information that we hold about you is wrong, please tell us and we will put it right.

You may lodge a complaint with the applicable regulator if you consider our processing of your personal information may infringe applicable law.

Data Security and Retention

We maintain reasonable security measures to safeguard personal information from loss, interference, misuse, unauthorised access, disclosure, alteration or destruction. We also maintain reasonable procedures to help ensure that such data is reliable for its intended use and is accurate, complete and current.

Personal information will be retained only for so long as reasonably necessary for the purposes set out above, in accordance with applicable laws. For more information on our data retention periods, you can request a copy of our data retention policy by writing or emailing to the address listed below in the "Contact Information" section.

Contact Information

You can raise any issues regarding the processing of your personal information by contacting our Data Protection Officer at any time: DPO@columbiathreadneedle.com or Cannon Place, 78 Cannon Street, London EC4N 6AG.

Governing law

All deals in Units are governed by English law.

Remuneration

The Manager, as part of Columbia Threadneedle Investments EMEA Region, shall apply remuneration policies and practices for identified staff in compliance with the AIFM Directive and the UCITS Directive and regulatory requirements. Further details on the remuneration policy can be found at www.columbiathreadneedle.com. The up to date details of the remuneration policy shall include, but are not limited to, a description of how remuneration and benefits are calculated and the identities of persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee.

The remuneration policy is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or instruments of incorporation:

- the remuneration policy is in line with the business strategy, objectives, values and interests of the Manager and of the investors, and includes measures to avoid conflicts of interest. The Manager has full discretion as to whether any variable remuneration is awarded in compliance with the Remuneration Policy;
- where remuneration is performance-related, the total amount of remuneration is based on a combination of the assessment as to the performance of the individual and of the business unit and as to their risks and of the overall results of the Manager when assessing individual performance, taking into account financial and non-financial criteria. In particular, employees will not be eligible to receive an incentive award if at any point during the relevant performance year, and the period from the end of the performance year until the award payment date, the employee has been found, not to have met the Manager's standards of performance and conduct;
- the assessment of performance is set in a multi-year framework with stock awards set with deferral rates in accordance with applicable regulation.

Further details on the remuneration policy can be found at columbiathreadneedle.com. A paper copy of the remuneration policy is available free of charge upon request.

Complaints

Complaints may be referred to the Manager Client Services using the contact details provided in the Directory. A copy of the Manager's 'Complaint Handling Procedure' is available upon request. Complaints may also be referred to the Financial Ombudsman Service which is based at Exchange Tower, London E14 9SR.

Appendix I

Details of the Funds

NAME	Threadneedle Managed Bond Fund Until 28 February 2017, the name of this Fund was "Threadneedle Defensive Fund".
Base currency	Pounds sterling
Type of Scheme	UCITS
Date of authorisation	12 September 2002
INVESTMENT OBJECTIVE & POLICY Please also refer to the section of the prospectus with the heading " <u>Investment objectives, policies and other details of the Funds</u> " on page 6 for further information on the investment objective and policy of the Fund.	
Investment objective	To provide income with potential for capital growth.
Investment policy	<p>The Fund will invest at least two-thirds of its assets in funds managed or operated by companies in the Threadneedle group. These funds may invest worldwide.</p> <p>The Fund will invest at least two-thirds of its assets in funds that invest in fixed income securities, but will also have some exposure to company shares.</p> <p>The Fund may also hold cash, near cash and money market instruments.</p> <p>Up to 20% of the value of the Fund may be invested in funds that invest in derivatives for purposes other than Efficient Portfolio Management.</p>
Investor's profile	<p>The Fund may be suitable for investors with a medium-term investment horizon seeking a total return who are prepared to tolerate moderate price fluctuations.</p> <p>If investors are uncertain if the Fund is suitable for them, they are advised to contact a financial adviser.</p>
RISK FACTORS Investors should refer to the section of this Prospectus with the heading " <u>Risk factors</u> " for details of risks that may be applicable to investing in the Fund. The following risks are considered to be particularly relevant to the Fund.	<p>Investment risk The value of investments can fall as well as rise and investors might not get back the sum originally invested.</p> <p>Volatility risk The Fund may exhibit significant price volatility.</p> <p>Investment in funds The investment policy allows the fund to invest principally in units of other collective investment schemes. Investors should consider the investment policy and asset composition in the underlying funds when assessing their portfolio exposure.</p> <p>Issuer risk The Fund invests in securities whose value would be significantly affected if the issuer refused, was unable to or was perceived to be unable to pay.</p> <p>Interest rate risk Changes in interest rates are likely to affect the Fund's value. In general, as interest rates rise, the price of a fixed rate bond will fall, and vice versa.</p> <p>Currency risk Where investments are in assets that are denominated in multiple currencies, or currencies other than your own, changes in exchange rates may affect the value of the investments.</p>

	<p>Derivatives for EPM</p> <p>The investment policy of the Fund allows it to invest in derivatives for the purposes of reducing risk or minimising the cost of transactions.</p> <p>Effect of dual pricing</p> <p>The Fund is dual priced and there is a difference between the buying price and the selling price of units.</p> <p>Investors should refer to the information set out in the section of the Prospectus with the heading “<u>Risk factors</u>” and paragraph 18 of <u>Appendix II</u> in respect of exposure to derivatives and forward transactions.</p> <p>These risk factors must be understood before making an investment in the Fund.</p>										
DEALING INFORMATION											
Dealing cut-off point	12 noon, UK time										
Valuation point	12 noon, UK time										
UNIT CLASS AVAILABILITY											
Details of the Classes of unit that are currently available for the Fund are published on the website www.columbiathreadneedle.com											
Available Classes of unit (at the date of this Prospectus).	Class A Accumulation units Class B Accumulation units Class T Income units Class Z Accumulation units										
Approved Classes of unit (Unit Classes that have been approved by the Manager but have not been launched as at the date of this Prospectus).											
MINIMUM SUBSCRIPTIONS											
Initial investment (minimum)	<table border="1"> <thead> <tr> <th>Unit Class</th><th>Minimum investment</th></tr> </thead> <tbody> <tr> <td>Class A</td><td>£2,000</td></tr> <tr> <td>Class B</td><td>£5,000,000</td></tr> <tr> <td>Class T</td><td>£2,000</td></tr> <tr> <td>Class Z</td><td>£1,000,000</td></tr> </tbody> </table>	Unit Class	Minimum investment	Class A	£2,000	Class B	£5,000,000	Class T	£2,000	Class Z	£1,000,000
Unit Class	Minimum investment										
Class A	£2,000										
Class B	£5,000,000										
Class T	£2,000										
Class Z	£1,000,000										
Subsequent investment (minimum)	<table border="1"> <thead> <tr> <th>Unit Class</th><th>Subsequent investment</th></tr> </thead> <tbody> <tr> <td>Class A</td><td>£1,000</td></tr> <tr> <td>Class B</td><td>£10,000</td></tr> <tr> <td>Class T</td><td>n/a</td></tr> <tr> <td>Class Z</td><td>£50,000</td></tr> </tbody> </table>	Unit Class	Subsequent investment	Class A	£1,000	Class B	£10,000	Class T	n/a	Class Z	£50,000
Unit Class	Subsequent investment										
Class A	£1,000										
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Class T	n/a										
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Minimum Holding	<table> <tr> <th>Unit Class</th><th>Minimum Holding</th></tr> <tr> <td>Class A</td><td>£500</td></tr> <tr> <td>Class B</td><td>£500</td></tr> <tr> <td>Class T</td><td>£500</td></tr> <tr> <td>Class Z</td><td>£500,000</td></tr> </table>	Unit Class	Minimum Holding	Class A	£500	Class B	£500	Class T	£500	Class Z	£500,000
Unit Class	Minimum Holding										
Class A	£500										
Class B	£500										
Class T	£500										
Class Z	£500,000										
FEES AND EXPENSES In addition to the charges mentioned below, certain expenses may be paid out of the assets of the Fund. For further details, please refer to the section of the Prospectus with the heading " <u>Fees and Expenses</u> ".											
One-off charges											
Initial charge	<table> <tr> <th>Unit Class</th><th>Initial Charge</th></tr> <tr> <td>Class A</td><td>3.75%</td></tr> <tr> <td>Class B</td><td>0.00%</td></tr> <tr> <td>Class T</td><td>0.00%</td></tr> <tr> <td>Class Z</td><td>3.00%</td></tr> </table>	Unit Class	Initial Charge	Class A	3.75%	Class B	0.00%	Class T	0.00%	Class Z	3.00%
Unit Class	Initial Charge										
Class A	3.75%										
Class B	0.00%										
Class T	0.00%										
Class Z	3.00%										
Switching/conversion fee	Not currently charged										
Redemption fee	No redemption fee										
Ongoing charges											
Annual management fee Please refer to the section with the heading of the Prospectus with the heading " <u>Charges payable to the Manager</u> " for further information.	<table> <tr> <th>Unit Class</th><th>Annual management fee</th></tr> <tr> <td>Class A</td><td>1.15%</td></tr> <tr> <td>Class B</td><td>0.90%</td></tr> <tr> <td>Class T</td><td>0.95%</td></tr> <tr> <td>Class Z</td><td>0.55%</td></tr> </table>	Unit Class	Annual management fee	Class A	1.15%	Class B	0.90%	Class T	0.95%	Class Z	0.55%
Unit Class	Annual management fee										
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Class B	0.90%										
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Class Z	0.55%										
Trustee's fee	The Trustee's remuneration, which is payable out of the assets of each Fund, is a periodic charge at such annual percentage rate of the value of the property of each Fund as is set out in the sections of this Prospectus with the headings " <u>Trustee's Charges</u> " and " <u>Trustee's Expenses</u> ".										
DIVIDENDS & ACCOUNTING PERIOD											
XD Date(s)	For Class A Units, Class B Units and Class Z Units: 16 May For Class T Units: 16 May, 16 November										
Dividend payment date(s)	For Class A Units, Class B Units and Class Z Units: 15 July For Class T Units: 15 July, 15 January										
Accounting period	15 May										

NAME	Threadneedle Managed Bond Focused Fund Until 28 February 2017, the name of this Fund was "Threadneedle Defensive Equity and Bond Fund".
Base currency	Pounds sterling
Type of Scheme	UCITS
Date of authorisation	12 September 2002
INVESTMENT OBJECTIVE & POLICY Please also refer to the section of the prospectus with the heading " <u>Investment objectives, policies and other details of the Funds</u> " on page 6 for further information on the investment objective and policy of the Fund.	
Investment objective	To provide a total return by way of income and capital growth.
Investment policy	<p>The Fund will invest at least two-thirds of its assets in other funds managed or operated by companies in the Threadneedle group. These funds may invest worldwide.</p> <p>The Fund will invest with a focus on funds that invest in fixed income securities, but will also have exposure to company shares, particularly the shares of UK companies or companies with significant UK operations.</p> <p>The Fund may also hold cash, near cash and money market instruments.</p> <p>Up to 20% of the value of the Fund may be invested in funds that invest in derivatives for purposes other than Efficient Portfolio Management.</p>
Investor's profile	<p>The Fund may be suitable for investors with a long-term investment horizon seeking capital growth and income who are prepared to tolerate moderate price fluctuations.</p> <p>If investors are uncertain if the Fund is suitable for them, they are advised to contact a financial adviser.</p>
RISK FACTORS Investors should refer to the section of this Prospectus with the heading " <u>Risk factors</u> " for details of risks that may be applicable to investing in the Fund. The following risks are considered to be particularly relevant to the Fund.	<p>Investment risk The value of investments can fall as well as rise and investors might not get back the sum originally invested.</p> <p>Volatility risk The Fund may exhibit significant price volatility.</p> <p>Investment in funds The investment policy allows the fund to invest principally in units of other collective investment schemes. Investors should consider the investment policy and asset composition in the underlying funds when assessing their portfolio exposure.</p> <p>Issuer risk The Fund invests in securities whose value would be significantly affected if the issuer refused, was unable to or was perceived to be unable to pay.</p> <p>Interest rate risk Changes in interest rates are likely to affect the Fund's value. In general, as interest rates rise, the price of a fixed rate bond will fall, and vice versa.</p> <p>Currency risk Where investments are in assets that are denominated in multiple currencies, or currencies other than your own, changes in exchange rates may affect the value of the investments.</p>

	<p>Derivatives for EPM</p> <p>The investment policy of the Fund allows it to invest in derivatives for the purposes of reducing risk or minimising the cost of transactions.</p> <p>Effect of dual pricing</p> <p>The Fund is dual priced and there is a difference between the buying price and the selling price of units.</p> <p>Investors should refer to the information set out in the section of the Prospectus with the heading “<u>Risk factors</u>” and paragraph 18 of <u>Appendix II</u> in respect of exposure to derivatives and forward transactions.</p> <p>These risk factors must be understood before making an investment in the Fund.</p>								
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XD Date(s)	16 May								
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NAME	Threadneedle Managed Equity and Bond Fund Until 28 February 2017, the name of this Fund was "Threadneedle Equity and Bond Fund".
Base currency	Pounds sterling
Type of Scheme	UCITS
Date of authorisation	4 August 1997
INVESTMENT OBJECTIVE & POLICY Please also refer to the section of the prospectus with the heading " <u>Investment objectives, policies and other details of the Funds</u> " on page 6 for further information on the investment objective and policy of the Fund.	
Investment objective	To provide a total return by way of capital growth and income.
Investment policy	<p>The Fund will invest at least two-thirds of its assets in funds managed or operated by companies in the Threadneedle group. These funds may invest worldwide.</p> <p>The Fund's investments will be a balance of funds that invest in fixed income securities and funds that hold company shares.</p> <p>The Fund may also hold cash, near cash and money market instruments.</p> <p>Up to 20% of the value of the Fund may be invested in funds that invest in derivatives for purposes other than Efficient Portfolio Management.</p>
Investor's profile	<p>The Fund may be suitable for investors with a long-term investment horizon seeking capital growth and income who are prepared to tolerate moderate price fluctuations.</p> <p>If investors are uncertain if the Fund is suitable for them, they are advised to contact a financial adviser.</p>
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NAME	Threadneedle Managed Equity Focused Fund Until 28 February 2017, the name of this Fund was "Threadneedle Global Equity and Bond Fund".
Base currency	Pounds sterling
Type of Scheme	UCITS
Date of authorisation	4 August 1997
INVESTMENT OBJECTIVE & POLICY Please also refer to the section of the prospectus with the heading " <u>Investment objectives, policies and other details of the Funds</u> " on page 6 for further information on the investment objective and policy of the Fund.	
Investment objective	To provide a total return by way of capital growth and income.
Investment policy	<p>The Fund will invest at least two-thirds of its assets in funds managed or operated by companies in the Threadneedle group. These funds may invest worldwide.</p> <p>The Fund will invest with a focus on funds that invest in company shares, but will also have exposure to fixed income securities.</p> <p>The Fund may also hold cash, near cash and money market instruments.</p> <p>Up to 20% of the value of the Fund may be invested in funds that invest in derivatives for purposes other than Efficient Portfolio Management.</p>
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NAME	Threadneedle Managed Equity Fund Until 28 February 2017, the name of this Fund was "Threadneedle Global Equity Fund".
Base currency	Pounds sterling
Type of Scheme	UCITS
Date of authorisation	4 August 1997
INVESTMENT OBJECTIVE & POLICY Please also refer to the section of the prospectus with the heading " <u>Investment objectives, policies and other details of the Funds</u> " on page 6 for further information on the investment objective and policy of the Fund.	
Investment objective	To provide a return by way of capital growth.
Investment policy	<p>The Fund will invest at least two-thirds of its assets in funds managed or operated by companies in the Threadneedle group. These funds may invest worldwide.</p> <p>The Fund will invest at least two-thirds of its assets in funds that invest in company shares, but also have some exposure to fixed income securities.</p> <p>The Fund may also hold cash, near cash and money market instruments.</p> <p>Up to 20% of the value of the Fund may be invested in funds that invest in derivatives for purposes other than Efficient Portfolio Management.</p>
Investor's profile	<p>The Fund may be suitable for investors with a long-term investment horizon seeking above average capital growth who are prepared to tolerate large price fluctuations.</p> <p>If investors are uncertain if the Fund is suitable for them, they are advised to contact a financial adviser.</p>
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NAME	Threadneedle Managed Equity Income Fund Until 28 February 2017, the name of this Fund was "Threadneedle Managed Income Fund".
Base currency	Pounds sterling
Type of Scheme	UCITS
Date of authorisation	12 September 2002
INVESTMENT OBJECTIVE & POLICY Please also refer to the section of the prospectus with the heading " <u>Investment objectives, policies and other details of the Funds</u> " on page 6 for further information on the investment objective and policy of the Fund.	
Investment objective	To provide a growing income with potential for capital growth.
Investment policy	<p>The Fund will invest at least two-thirds of its assets in funds managed or operated by companies in the Threadneedle group. These funds may invest worldwide.</p> <p>The Fund will invest at least two-thirds of its assets in funds that invest in company shares, but will also have some exposure to fixed income securities.</p> <p>The Fund may also hold cash, near cash and money market instruments.</p> <p>Up to 20% of the value of the Fund may be invested in funds that invest in derivatives for purposes other than Efficient Portfolio Management.</p>
Investor's profile	<p>The Fund may be suitable for investors with a long-term investment horizon seeking a growing income with capital growth, who are prepared to tolerate large price fluctuations.</p> <p>If investors are uncertain if the Fund is suitable for them, they are advised to contact a financial adviser.</p>
RISK FACTORS Investors should refer to the section of this Prospectus with the heading " <u>Risk factors</u> " for details of risks that may be applicable to investing in the Fund. The following risks are considered to be particularly relevant to the Fund.	<p>Investment risk The value of investments can fall as well as rise and investors might not get back the sum originally invested.</p> <p>Volatility risk The Fund may exhibit significant price volatility.</p> <p>Investment in funds The investment policy allows the fund to invest principally in units of other collective investment schemes. Investors should consider the investment policy and asset composition in the underlying funds when assessing their portfolio exposure.</p> <p>Issuer risk The Fund invests in securities whose value would be significantly affected if the issuer refused, was unable to or was perceived to be unable to pay.</p> <p>Interest rate risk Changes in interest rates are likely to affect the Fund's value. In general, as interest rates rise, the price of a fixed rate bond will fall, and vice versa.</p> <p>Currency risk Where investments are in assets that are denominated in multiple currencies, or currencies other than your own, changes in exchange rates may affect the value of the investments.</p>

	<p>Derivatives for EPM</p> <p>The investment policy of the Fund allows it to invest in derivatives for the purposes of reducing risk or minimising the cost of transactions.</p> <p>Effect of dual pricing</p> <p>The Fund is dual priced and there is a difference between the buying price and the selling price of units.</p> <p>Investors should refer to the information set out in the section of the Prospectus with the heading “<u>Risk factors</u>” and paragraph 18 of <u>Appendix II</u> in respect of exposure to derivatives and forward transactions.</p> <p>These risk factors must be understood before making an investment in the Fund.</p>								
DEALING INFORMATION									
Dealing cut-off point	12 noon, UK time								
Valuation point	12 noon, UK time								
UNIT CLASS AVAILABILITY									
Details of the Classes of unit that are currently available for the Fund are published on the website www.columbiathreadneedle.com									
Available Classes of unit (at the date of this Prospectus).	Class A Accumulation units Class B Accumulation units Class Z Accumulation units								
Approved Classes of unit (Unit Classes that have been approved by the Manager but have not been launched as at the date of this Prospectus).									
MINIMUM SUBSCRIPTIONS									
Initial investment (minimum)	<table border="1"> <thead> <tr> <th>Unit Class</th><th>Minimum investment</th></tr> </thead> <tbody> <tr> <td>Class A</td><td>£2,000</td></tr> <tr> <td>Class B</td><td>£5,000,000</td></tr> <tr> <td>Class Z</td><td>£1,000,000</td></tr> </tbody> </table>	Unit Class	Minimum investment	Class A	£2,000	Class B	£5,000,000	Class Z	£1,000,000
Unit Class	Minimum investment								
Class A	£2,000								
Class B	£5,000,000								
Class Z	£1,000,000								
Subsequent investment (minimum)	<table border="1"> <thead> <tr> <th>Unit Class</th><th>Subsequent investment</th></tr> </thead> <tbody> <tr> <td>Class A</td><td>£1,000</td></tr> <tr> <td>Class B</td><td>£10,000</td></tr> <tr> <td>Class Z</td><td>£50,000</td></tr> </tbody> </table>	Unit Class	Subsequent investment	Class A	£1,000	Class B	£10,000	Class Z	£50,000
Unit Class	Subsequent investment								
Class A	£1,000								
Class B	£10,000								
Class Z	£50,000								
Minimum Holding	<table border="1"> <thead> <tr> <th>Unit Class</th><th>Minimum Holding</th></tr> </thead> <tbody> <tr> <td>Class A</td><td>£500</td></tr> <tr> <td>Class B</td><td>£500</td></tr> <tr> <td>Class Z</td><td>£500,000</td></tr> </tbody> </table>	Unit Class	Minimum Holding	Class A	£500	Class B	£500	Class Z	£500,000
Unit Class	Minimum Holding								
Class A	£500								
Class B	£500								
Class Z	£500,000								
FEES AND EXPENSES									

In addition to the charges mentioned below, certain expenses may be paid out of the assets of the Fund. For further details, please refer to the section of the Prospectus with the heading “ <u>Fees and Expenses</u> ”.									
One-off charges									
Initial charge	<table> <tr> <th>Unit Class</th><th>Initial Charge</th></tr> <tr> <td>Class A</td><td>3.75%</td></tr> <tr> <td>Class B</td><td>0.00%</td></tr> <tr> <td>Class Z</td><td>3.00%</td></tr> </table>	Unit Class	Initial Charge	Class A	3.75%	Class B	0.00%	Class Z	3.00%
Unit Class	Initial Charge								
Class A	3.75%								
Class B	0.00%								
Class Z	3.00%								
Switching/conversion fee	Not currently charged								
Redemption fee	No redemption fee								
Ongoing charges									
Annual management fee Please refer to the section with the heading of the Prospectus with the heading “ <u>Charges payable to the Manager</u> ” for further information.	<table> <tr> <th>Unit Class</th><th>Annual management fee</th></tr> <tr> <td>Class A</td><td>1.50%</td></tr> <tr> <td>Class B</td><td>1.25%</td></tr> <tr> <td>Class Z</td><td>0.90%</td></tr> </table>	Unit Class	Annual management fee	Class A	1.50%	Class B	1.25%	Class Z	0.90%
Unit Class	Annual management fee								
Class A	1.50%								
Class B	1.25%								
Class Z	0.90%								
Trustee’s fee	The Trustee’s remuneration, which is payable out of the assets of each Fund, is a periodic charge at such annual percentage rate of the value of the property of each Fund as is set out in the sections of this Prospectus with the headings “ <u>Trustee’s Charges</u> ” and “ <u>Trustee’s Expenses</u> ”.								
DIVIDENDS & ACCOUNTING PERIOD									
XD Date(s)	26 th day of each month								
Dividend payment date(s)	21 st day of each month								
Accounting period	25 February								

Appendix II

Investment and Borrowing Powers

1. Investment restrictions

- 1.1 The Scheme Property of a Fund will be invested with the aim of achieving the investment objective of that Fund but subject to the limits on investment set out in Chapter 5 of the FCA Rules (COLL 5.2 to COLL 5.5). These limits apply to a Fund as summarised below.
- 1.2 The Manager shall ensure that taking into account the objectives of a Fund and its investment policy, the property of a Fund provides a prudent spread of risk. Particular requirements as to this spread of risk are set out below.

2. Cover

- 2.1 Where the FCA Rules allow a transaction to be entered into or an investment to be retained only if possible obligations arising out of the investment transactions or out of the retention would not cause any breach of any limits in Chapter 5 of the FCA Rules, it must be assumed that the maximum possible liability of a Fund under any other of those rules has also to be provided for.
- 2.2 Where a rule in the FCA Rules permits an investment transaction to be entered into or an investment to be retained only if that investment transaction, or the retention, or other similar transactions, are covered:
- 2.2.1 it must be assumed that in applying any of those rules, a Fund must also simultaneously satisfy any other obligation relating to cover; and
- 2.2.2 no element of cover must be used more than once.

3. UCITS schemes – general

- 3.1 The Scheme Property of a Fund must, subject to its investment objective and policy and except where otherwise provided in COLL 5, only consist of any or all of:
- 3.1.1 transferable securities;
- 3.1.2 approved money market instruments;
- 3.1.3 permitted derivatives and forward transactions;
- 3.1.4 permitted deposits;
- 3.1.5 permitted units in collective investment schemes; and
- 3.1.6 movable and immovable property that is necessary for the direct pursuit of the Funds business in accordance with COLL 5.

- 3.2 Transferable securities and money market instruments held within a Fund must (subject to paragraphs 3.3 and 3.4) be:

- 3.2.1 admitted to or dealt on an eligible market as described in paragraphs 9 and 10 below.

- 3.3 Not more than 10% in value of the Scheme Property of a Fund is to consist of transferable securities which are not approved securities.

- 3.4 Not more than 10% in value of the Scheme Property is to consist of money market instruments which do not fall within paragraph 8 (Investment in money market instruments).

- 3.5 The requirements on spread and investment in government and public securities do not apply until the expiry of a period of six months after the date of effect of the authorisation order in respect of a Fund (or on which the initial offer commenced if later) provided that the requirement to maintain prudent spread of risk is complied with.

- 3.6 It is not intended that Funds will have an interest in any immovable property or tangible movable property.

4. Transferable Securities

- 4.1 A transferable security is an investment which is any of the following:

- 4.1.1 a unit;
- 4.1.2 a debenture;
- 4.1.3 a government and public security;
- 4.1.4 a warrant; or
- 4.1.5 a certificate representing certain securities.

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

- 4.3 In applying paragraph 4.2 to an investment which is issued by a body corporate, and which is a Unit or a debenture the need for any consent on the part of the body corporate or any members or debenture holders of it may be ignored.

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

5. Investment in transferable securities

5.1 A Fund may invest in a transferable security only to the extent that the transferable security fulfils the following criteria:

5.1.1 the potential loss which the Fund may incur with respect to holding the transferable security is limited to the amount paid for it;

5.1.2 its liquidity does not compromise the ability of the Manager to comply with its obligation to redeem units at the request of any qualifying Unitholder under the FCA Rules;

5.1.3 reliable valuation is available for it as follows:

5.1.3.1 in the case of a transferable security admitted to or dealt in on an eligible market, where there are accurate, reliable and regular prices which are either market prices or prices made available by valuation systems independent from issuers;

5.1.3.2 in the case of a transferable security not admitted to or dealt in on an eligible market, where there is a valuation on a periodic basis which is derived from information from the issuer of the transferable security or from competent investment research;

5.1.4 appropriate information is available for it as follows:

5.1.4.1 in the case of a transferable security admitted to or dealt in on an eligible market, where there is regular, accurate and comprehensive information available to the market on the transferable security or, where relevant, on the portfolio of the transferable security;

5.1.4.2 in the case of a transferable security not admitted to or dealt in on an eligible market, where there is regular and accurate information available to the Manager on the transferable security or, where relevant, on the portfolio of the transferable security;

5.1.5 it is negotiable; and

5.1.6 its risks are adequately captured by the risk management process of the Manager.

5.2 Unless there is information available to the Manager that would lead to a different determination, a transferable security which is admitted to or dealt in on an eligible market shall be presumed:

5.2.1 not to compromise the ability of the Manager to comply with its obligation to redeem units at the request of any qualifying Unitholder; and

5.2.2 to be negotiable.

6. Closed end Funds constituting transferable securities

6.1 A unit in a closed end fund shall be taken to be a transferable security for the purposes of investment by a Fund, provided it fulfils the criteria for transferable securities set out in paragraph 5, and either:

6.1.1 where the closed end fund is constituted as an investment company or a unit trust:

6.1.1.1 it is subject to corporate governance mechanisms applied to companies; and

6.1.1.2 where another person carries out asset management activity on its behalf, that person is subject to national regulation for the purpose of investor protection; or

6.1.2 where the closed end fund is constituted under the law of contract:

6.1.2.1 it is subject to corporate governance mechanisms equivalent to those applied to companies; and

6.1.2.2 it is managed by a person who is subject to national regulation for the purpose of investor protection.

7. Transferable securities linked to other assets

7.1 A Fund may invest in any other investment which shall be taken to be a transferable security for the purposes of investment by a Fund provided the investment:

7.1.1 fulfils the criteria for transferable securities set out above; and

7.1.2 is backed by or linked to the performance of other assets, which may differ from those in which a Fund can invest.

7.2 Where an investment in 7.1 contains an embedded derivative component (see paragraph 18.6), the requirements of this section with respect to derivatives and forwards will apply to that component.

8. Approved Money Market Instruments

- 8.1 An approved money-market instrument is a money-market instrument which is normally dealt in on the money market, is liquid and has a value which can be accurately determined at any time.
- 8.2 A money-market instrument shall be regarded as normally dealt in on the money market if it:
- 8.2.1 has a maturity at issuance of up to and including 397 days;
 - 8.2.2 has a residual maturity of up to and including 397 days;
 - 8.2.3 undergoes regular yield adjustments in line with money market conditions at least every 397 days; or
 - 8.2.4 has a risk profile, including credit and interest rate risks, corresponding to that of an instrument which has a maturity as set out in 8.2.1 or 8.2.2 or is subject to yield adjustments as set out in 8.2.3.
- 8.3 A money-market instrument shall be regarded as liquid if it can be sold at limited cost in an adequately short time frame, taking into account the obligation of the Manager to redeem units at the request of any qualifying Unitholder.
- 8.4 A money-market instrument shall be regarded as having a value which can be accurately determined at any time if accurate and reliable valuations systems, which fulfil the following criteria, are available:
- 8.4.1 enabling the Manager to calculate a net asset value in accordance with the value at which the instrument held in the portfolio could be exchanged between knowledgeable willing parties in an arm's length transaction; and
 - 8.4.2 based either on market data or on valuation models including systems based on amortised costs. A money-market instrument that is normally dealt in on the money market and is admitted to or dealt in on an eligible market shall be presumed to be liquid and have a value which can be accurately determined at any time unless there is information available to the manager that would lead to a different determination.

9. Transferable securities and money market instruments generally to be admitted or dealt in on an Eligible Market

- 9.1 Transferable securities and approved money market instruments held within a Fund must be:
- 9.1.1 admitted to or dealt on an eligible market (as described in paragraphs 10.2 or 10.3);
 - 9.1.2 for an approved money market instrument not admitted to or dealt in on an eligible market within 11.1; or

- 9.1.3 recently issued transferable securities provided that:

- 9.1.3.1 the terms of issue include an undertaking that application will be made to be admitted to an eligible market; and
- 9.1.3.2 such admission is secured within a year of issue.

- 9.2 However, a Fund may invest no more than 10% of the Scheme Property in transferable securities and approved money-market instruments other than those referred to in 9.1.

10. Eligible markets

- 10.1 To protect investors the markets on which investments of a Fund are dealt in or traded on should be of an adequate quality ("eligible") at the time of acquisition of the investment and until it is sold. The criteria for eligibility are set out in the FCA Handbook.
- 10.2 The Fund may deal through the following eligible securities markets and eligible derivatives markets:
- 10.2.1 any securities and derivatives market established in a Member State of the EU or EEA through which the Company may invest or deal for the account of each Fund (subject to the Fund's respective investment objective and policy) when dealing in approved securities and/or derivatives; and
 - 10.2.2 the securities markets and derivative markets listed in Appendix 3.
- 10.3 In addition each Fund may deal through any other eligible securities market and derivatives market which the Manager, after consultation with and notification to the Trustee, considers to be appropriate for the investment of, or dealing in, the property of that Fund. Where a market ceases to be eligible, investments on that market cease to be approved securities. The 10% restriction on investing in non-approved securities applies and exceeding this limit because a market ceases to be eligible will generally be regarded as an inadvertent breach.

11. Money-market instruments with a regulated issuer

- 11.1 In addition to instruments admitted to or dealt in on an eligible market, a Fund may invest in an approved money-market instrument provided it fulfils the following requirements:
- 11.1.1 the issue or the issuer is regulated for the purpose of protecting investors and savings; and
 - 11.1.2 the instrument is issued or guaranteed in accordance with paragraph 13 below.

- 11.2 The issue or the issuer of a money-market instrument, other than one dealt in on an eligible market, shall be regarded as regulated for the purpose of protecting investors and savings if:
- 11.2.1 the instrument is an approved money-market instrument;
 - 11.2.2 appropriate information is available for the instrument (including information which allows an appropriate assessment of the credit risks related to investment in it), in accordance with paragraph 3 below; and
 - 11.2.3 the instrument is freely transferable.
- 12. Issuers and guarantors of money-market instruments**
- 12.1 A Fund may invest in an approved money-market instrument if it is:
- 12.1.1 issued or guaranteed by any one of the following:
 - 12.1.1.1 a central authority of an EEA State or, if the EEA State is a federal state, one of the members making up the federation;
 - 12.1.1.2 a regional or local authority of an EEA State;
 - 12.1.1.3 the European Central Bank or a central bank of an EEA State;
 - 12.1.1.4 the European Union or the European Investment Bank;
 - 12.1.1.5 a non-EEA State or, in the case of a federal state, one of the members making up the federation;
 - 12.1.1.6 a public international body to which one or more EEA States belong; or
 - 12.2 issued by a body, any securities of which are dealt in on an eligible market; or
 - 12.3 issued or guaranteed by an establishment which is:
 - 12.3.1 subject to prudential supervision in accordance with criteria defined by European Community law; or
 - 12.3.2 subject to and complies with prudential rules considered by the FCA to be at least as stringent as those laid down by European Community law.
 - 12.4 An establishment shall be considered to satisfy the requirement in 12.3.1.2 if it is subject to and complies with prudential rules, and fulfils one or more of the following criteria:
 - 12.4.1 it is located in the European Economic Area;
 - 12.4.2 it is located in an OECD country belonging to the Group of Ten;
 - 12.4.3 it has at least investment grade rating;
 - 12.4.4 on the basis of an in-depth analysis of the issuer, it can be demonstrated that the prudential rules applicable to that issuer are at least as stringent as those laid down by European Community law.
- 13. Appropriate information for money-market instruments**
- 13.1 In the case of an approved money-market instrument within 12.2 or which is issued by an authority within 12.1.1.2 or a public international body within 12.1.1.7 but is not guaranteed by a central authority within 12.1.1.1, the following information must be available:
- 13.1.1 information on both the issue or the issuance programme, and the legal and financial situation of the issuer prior to the issue of the instrument, verified by appropriately qualified third parties not subject to instructions from the issuer;
 - 13.1.2 updates of that information on a regular basis and whenever a significant event occurs; and
 - 13.1.3 available and reliable statistics on the issue or the issuance programme.
- 13.2 In the case of an approved money-market instrument issued or guaranteed by an establishment within 12.3, the following information must be available:
- 13.2.1 information on the issue or the issuance programme or on the legal and financial situation of the issuer prior to the issue of the instrument;
 - 13.2.2 updates of that information on a regular basis and whenever a significant event occurs; and
 - 13.2.3 available and reliable statistics on the issue or the issuance programme, or other data enabling an appropriate assessment of the credit risks related to investment in those instruments.
- 13.3 In the case of an approved money-market instrument:
- 13.3.1 within 12.1.1.1, 12.1.1.4 or 12.1.1.5; or
 - 13.3.2 which is issued by an authority within 12.1.1.2 or a public international body within 12.1.1.6 and is guaranteed by a central authority within 12.1.1.1,
- information must be available on the issue or the issuance programme, or on the legal and financial situation of the issuer prior to the issue of the instrument.

14. Spread: general

14.1 This paragraph does not apply in respect of a transferable security or an approved money-market instrument to which paragraph 15 applies.

14.2 For the purposes of this requirement companies included in the same group for the purposes of consolidated accounts as defined in accordance with Directive 83/349/EEC or in the same group in accordance with international accounting standards are regarded as a single body.

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

14.4 Not more than 5% in value of the Scheme Property is to consist of transferable securities or approved money market instruments issued by any single body.

14.5 The limit of 5% in paragraph 14.4 is raised to 10% in respect of up to 40% in value of the Scheme Property. Covered bonds need not be taken into account for the purpose of applying the limit of 40%.

14.6 The limit of 5% in 14.4 is raised to 25% in value of the Scheme Property in respect of covered bonds, provided that when a Fund invests more than 5% in covered bonds issued by a single body, the total value of covered bonds held must not exceed 80% in value of the Scheme Property.

14.7 In applying paragraphs 14.4 and 14.5 certificates representing certain securities are treated as equivalent to the underlying security.

14.8 The exposure to any one counterparty in an OTC derivative transaction must not exceed 5% in value of the Scheme Property. This limit is raised to 10% where the counterparty is an Approved Bank.

14.9 Not more than 20% in value of a Fund is to consist of transferable securities or approved money market instruments issued by the same group (as referred to in paragraph 14.2).

14.10 Not more than 20% in value of the Fund is to consist of the units of any one collective investment scheme. (Please also see the limits on investment in other collective investment schemes set out in paragraph 16 below).

14.11 In applying the limits in paragraphs 14.3 to 14.8, not more than 20% in value of the Scheme Property is to consist of any combination of two or more of the following:

14.11.1 transferable securities (including covered bonds) or approved money market instruments issued by; or

14.11.2 deposits made with; or

14.11.3 exposures from OTC derivatives transactions made with a single body.

14.12 For the purpose of calculating the limits in 14.8 and 14.11, the exposure in respect of an OTC derivative may be reduced to the extent that collateral is held in respect of it if the collateral meets each of the following conditions set out below:

14.12.1 it is marked-to-market on a daily basis and exceeds the value of the amount at risk;

14.12.2 it is exposed only to negligible risks (e.g. government bonds of first credit rating or cash) and is liquid;

14.12.3 it is held by a third party custodian not related to the provider or is legally secured from the consequences of a failure of a related party; and

14.12.4 can be fully enforced by the UCITS scheme at any time.

14.13 For the purpose of calculating the limits in 14.8 and 14.11, OTC derivative positions with the same counterparty may be netted provided that the netting procedures:

14.13.1 comply with the conditions set out in Section 3 (Contractual netting (Contracts for novation and other netting agreements)) of Annex III to the Banking Consolidation Directive;

14.13.2 are based on legally binding agreements; In applying this rule, all derivatives transactions are deemed to be free of counterparty risk if they are performed on an exchange where the clearing house meets each of the following conditions;

14.13.3 it is backed by an appropriate performance guarantee; and

14.13.4 it is characterised by a daily mark-to-market valuation of the derivative positions and at least daily margining.

15. Spread: Government and public securities

15.1 The above restrictions do not apply in respect of a transferable security or money-market instrument that is issued by:

15.1.1 an EEA State;

15.1.2 a local authority of an EEA State;

15.1.3 a non-EEA State; or

15.1.4 a public international body to which one or more EEA States belong.

- 15.2 Where no more than 35% in value of the Scheme Property 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.
- 15.3 The FCA Rules allow that a Fund may invest more than 35% in value of the Scheme Property in such securities issued by any one body provided that:
- 15.3.1 the Manager has before any such investment is made consulted with the Trustee and as a result considers that the issuer of such securities is one which is appropriate in accordance with the investment objectives of the Fund;
- 15.3.2 no more than 30% in value of the Scheme Property consists of such securities of any one issue; and
- 15.3.2.1 the Scheme Property includes such securities issued by that or another issuer, of at least six different issues; and
- 15.3.2.2 the disclosures required by the FCA Rules have been made.
- 15.4 Subject to this restriction and any restrictions in the investment objective and policy of a Fund there are no limits on the amount of Scheme Property which may be invested in government and public securities or such securities issued by any one issuer or of any issue.
- 15.5 In relation to such securities:
- 15.5.1 issue, issued and issuer include guarantee, guaranteed and guarantor; and
- 15.5.2 an issue differs from another if there is a difference as to repayment date, rate of interest, guarantor or other material terms of the issue.
- 15.6 The Investment Policies of all of the Funds allow for no more than 33.3% of the value of the Funds may be invested in such securities.
- 16. Investment in collective investment schemes**
- 16.1 A Fund may invest in units in a collective investment scheme provided that no more than 30% of the value of that Fund is in collective investment schemes which are not UCITS schemes and only if the second scheme complies with the following requirements:
- 16.1.1 it is a scheme which complies with the conditions necessary for it to enjoy the rights conferred by the UCITS Directive; or
- 16.1.2 is recognised under the provisions of section 272 of the Financial Services and Markets Act 2000 (Individually recognised overseas schemes) that is authorised by the supervisory authorities of Guernsey, Jersey or the Isle of Man (provided the requirements of article 50(1)(e) of the UCITS Directive are met); or
- 16.1.3 is authorised as a non-UCITS retail scheme (provided the requirements of article 50(1)(e) of the UCITS Directive are met); or
- 16.1.4 is authorised in another EEA State (provided the requirements of article 50(1)(e) of the UCITS Directive are met);
- 16.1.5 is authorised in by the competent authority of an OECD member country (other than another EEA State) which has:
- (a) signed the IOSCO Multilateral Memorandum of Understanding; and
- (b) approved the management company, rules and depositary/custody arrangements,
- provided the requirements of article 50(1)(e) of the UCITS Directive are met;
- 16.2 Subject to the limitation set out in 16.1, under the COLL rules a Fund may only invest in a second scheme if:
- 16.2.1 it is a scheme which complies where relevant with paragraph 16.5;
- 16.2.2 it is a scheme that has terms which prohibit more than 10% in value of the scheme property consisting of units in other collective investment schemes,
- for the purposes of paragraphs 16.3.1 and 16.3.2 and paragraph 14 (Spread: General) each sub-fund of an umbrella scheme is to be treated as if it were a separate scheme.
- 16.3 Each of the Funds will include units in collective investment schemes managed or operated by (or, if it is an open-ended investment company has as its authorised corporate director), the Manager or an associate of the Manager, subject to the following conditions:
- 16.3.1 there is no charge in respect of the investment in or the disposal of units in the second scheme; or
- 16.3.2 where there is a charge the Manager is under a duty to pay to a Fund by the close of business on the fourth business day next after the agreement to buy or to sell the amount referred to in paragraphs 16.4.2.1 and 16.4.2.2;
- 16.3.2.1 where an investment is made, either:
- (a) any amount by which the consideration paid by the Fund for

	the units in the second scheme exceeds the price that would have been paid for the benefit of the second scheme had the units been newly issued or sold by it; or	18.3	A transaction in derivatives or a forward transaction must not be effected for a Fund unless:
	(b) if such price cannot be ascertained by the Manager, the maximum amount of any charge permitted to be made by the seller of units in the second scheme;	18.3.1	the transaction is of a kind specified in paragraph 19 (Permitted transactions (derivatives and forwards)); and
	when a disposal is made the amount referred to in paragraph 16.4.2 is any charge made for the account of the Manager the second scheme or an associate of any of them in respect of the disposal;	18.3.2	the transaction is covered, as required by paragraph 37 (Cover for transactions in derivatives and forward transactions).
16.4	In this paragraph 16:	18.4	Where a Fund invests in derivatives, the exposure to the underlying assets must not exceed the limits in paragraph 14 (Spread: General) and paragraph 15 (Spread: government and public securities), save as provided below.
16.4.1	any addition to or deduction from the consideration paid on the acquisition or disposal of units in the second scheme, which is applied for the benefit of the second scheme and is, or is like, a dilution levy provision, is to be treated as part of the price of the units and not as part of any charge; and	18.5	Where a transferable security or money market instrument embeds a derivative, this must be taken into account for the purposes of complying with this section.
16.4.2	any switching charge made in respect of an exchange of units in one Fund or separate part of the second scheme for units in another Fund or separate part of that scheme is to be included as part of the consideration paid for the units.	18.6	A transferable security or an approved money-market instrument will embed a derivative if it contains a component which fulfils the following criteria:
16.5	No more than 20% in value of a Fund may be invested in units of collective investment schemes which use derivatives for purposes other than efficient portfolio management.	18.6.1	by virtue of that component some or all of the cash flows that otherwise would be required by the transferable security or approved money-market instrument which functions as host contract can be modified according to a specified interest rate, financial instrument price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, and therefore vary in a way similar to a stand-alone derivative;
17. Investment in nil and partly paid securities		18.6.2	its economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract; and
17.1	A transferable security or an approved money market instrument on which any sum is unpaid falls within a power of investment only if it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by the relevant Fund at the time when payment is required, without contravening the rules in Chapter 5 of the FCA Rules.	18.6.3	it has a significant impact on the risk profile and pricing of the transferable security or approved money-market instrument.
18. Use of derivatives and forward transactions – general		18.7	A transferable security or an approved money-market instrument does not embed a derivative where it contains a component which is contractually transferable independently of the transferable security or the approved money-market instrument. That component shall be deemed to be a separate instrument.
18.1	The Funds may, in accordance with COLL, use derivatives for the purposes of EPM (including hedging). The use of derivatives and forward transactions for the purposes of EPM will not materially alter the risk profile of any Fund.	18.8	Where a Fund invests in an index based derivative, provided the relevant index falls within paragraph 20 (Financial indices underlying derivatives) below the underlying constituents of the index do not have to be taken into account for the purposes of paragraphs 14 (Spread: general) and 15 (Spread: Government and public securities).
18.2	Under COLL derivatives are permitted for Funds for investment purposes and derivative transactions may be used for the purposes of hedging or meeting the investment objectives or both.	18.9	The relaxation in the paragraph above is subject to the Manager taking account of the requirements on prudent spread of risk.

19. Permitted transactions (derivatives and forwards)

19.1 A transaction in a derivative must be in an approved derivative; or be one which complies with paragraph 35 (OTC transactions in derivatives).

19.2 A transaction in a derivative must have the underlying consisting of any or all of the following to which a Fund is dedicated:

19.2.1 transferable securities;

19.2.2 approved money market instruments permitted under paragraph 8 (Approved money market instruments);

19.2.3 deposits permitted under paragraph 21 (Investment in deposits);

19.2.4 derivatives permitted under this Section;

19.2.5 collective investment scheme units permitted under paragraph 16;

19.2.6 financial indices in accordance with paragraph 20 (Financial indices underlying derivatives);

19.2.7 interest rates;

19.2.8 foreign exchange rates; and

19.2.9 currencies.

19.3 A transaction in an approved derivative must be effected on or under the rules of an eligible derivatives market.

19.4 A transaction in a derivative must not cause the Fund to diverge from its investment objectives as stated in the Instrument constituting the scheme and the most recently published version of this Prospectus.

19.5 A transaction in a derivative must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more, transferable securities, approved money market instruments, units in collective investment schemes, or derivatives provided that the sale is not to be considered as uncovered if the conditions in the section on requirements to cover sales are satisfied.

19.6 Any forward transaction must be with an eligible institution or an Approved Bank.

20. Financial indices underlying derivatives

20.1 The financial indices referred to in paragraph 19.2.6 are those which satisfy the following criteria:

20.1.1 the index is sufficiently diversified;

20.1.2 the index represents an adequate benchmark for the market to which it refers; and

20.1.3 the index is published in an appropriate manner.

20.2 A financial index is sufficiently diversified if:

20.2.1 it is composed in such a way that price movements or trading activities regarding one component do not unduly influence the performance of the whole index;

20.2.2 where it is composed of assets in which a Fund is permitted to invest, its composition is at least diversified in accordance with the requirements with respect to spread and concentration set out in this section; and

20.2.3 where it is composed of assets in which a Fund cannot invest, it is diversified in a way which is equivalent to the diversification achieved by the requirements with respect to spread and concentration set out in this section.

20.3 A financial index represents an adequate benchmark for the market to which it refers if:

20.3.1 it measures the performance of a representative group of underlyings in a relevant and appropriate way;

20.3.2 it is revised or rebalanced periodically to ensure that it continues to reflect the markets to which it refers, following criteria which are publicly available; and

20.3.3 the underlyings are sufficiently liquid, allowing users to replicate it if necessary.

20.4 A financial index is published in an appropriate manner if:

20.4.1 its publication process relies on sound procedures to collect prices, and calculate and subsequently publish the index value, including pricing procedures for components where a market price is not available; and

20.4.2 material information on matters such as index calculation, rebalancing methodologies, index changes or any operational difficulties in providing timely or accurate information is provided on a wide and timely basis.

20.5 Where the composition of underlyings of a transaction in a derivative does not satisfy the requirements for a financial index, the underlyings for that transaction shall where they satisfy the requirements with respect to other underlyings pursuant to 19.2, be regarded as a combination of those underlyings.

21. Investment in deposits

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

22. Significant influence

22.1 Each Fund must not acquire transferable securities issued by a body corporate and carrying rights to vote (whether or not on substantially all matters) at a general meeting of that body corporate if:

22.1.1 immediately before the acquisition, the aggregate of any such securities held by the Fund gives the Fund power significantly to influence the conduct of business of that body corporate; or

22.1.2 the acquisition gives the Fund that power.

22.2 For the purpose of paragraph 22.1, the Funds is to be taken to have power significantly to influence the conduct of business of a body corporate if it can, because of the transferable securities held by it, exercise or control the exercise of 20% or more of the voting rights in that body corporate (disregarding for this purpose any temporary suspension of voting rights in respect of the transferable securities of that body corporate).

23. Concentration

Each Fund:

23.1 must not acquire transferable securities (other than debt securities) which:

23.1.1 do not carry a right to vote on any matter at a general meeting of the body corporate that issued them; and

23.1.2 represent more than 10% of those securities issued by that body corporate;

23.2 must not acquire more than 10% of the debt securities issued by any single body;

23.3 must not acquire more than 25% of the units in a collective investment scheme;

23.4 must not acquire more than 10% of the money market instruments issued by any single body; and

23.5 need not comply with the limits in paragraphs 23.1 to 23.3 if, at the time of acquisition, the net amount in issue of the relevant investment cannot be calculated.

24. Schemes replicating an index

24.1 Notwithstanding paragraph 14 (Spread: general), a Fund may invest up to 20% in value of the Scheme Property in Units and debentures which are issued by the same body where the investment policy of that scheme as stated in the most recently published prospectus is to replicate the composition of a relevant index which satisfies the criteria specified in paragraph 20 (Financial indices underlying derivatives).

24.2 Replication of the composition of a relevant index shall be understood to be a reference to replication of the composition of the underlying assets of that index, including the use of techniques and instruments permitted for the purpose of Efficient Portfolio Management.

24.3 The limit in paragraph 24.1 can be raised for a particular UCITS scheme up to 35% in value of the Scheme Property, but only in respect of one body and where justified by exceptional market conditions.

25. [Left intentionally blank.]

26. Cash and near cash

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

26.1.1 the pursuit of a Fund's investment objectives; or

26.1.2 redemption of units; or

26.1.3 efficient management of a Fund in accordance with its investment objectives; or

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

27. General power to borrow

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

27.2 The Fund may borrow under paragraph 7.1 only from an Eligible Institution or an Approved Bank.

27.3 The Manager must ensure that any borrowing is on a temporary basis and that borrowings are not persistent, and for this purpose the Manager must have regard in particular to:

27.3.1 the duration of any period of borrowing; and

27.3.2 the number of occasions on which resort is had to borrowing in any period.

27.4 The Manager must ensure that no period of borrowing exceeds three months, whether in respect of any specific sum or at all, without the prior consent of the Trustee.

27.5 With respect to 27.4 the Trustee may only give its consent on such conditions as appear to the Trustee appropriate to ensure that the borrowing does not cease to be on a temporary basis only.

- 27.6 A Fund must not issue any debenture unless it acknowledges or creates a borrowing that complies with paragraph 27.1 to 27.6.
- 27.7 These borrowing restrictions and those in paragraph 28 (Borrowing Limits) do not apply to "back to back" borrowing for currency hedging purposes.
- 28. Borrowing limits**
- 28.1 The Manager must ensure that a Funds borrowing does not, on any business day, exceed 10% of the value of the Scheme Property of the Fund.
- 28.2 In this paragraph 289 "borrowing" includes, as well as borrowing in a conventional manner, any other arrangement (including a combination of derivatives) designed to achieve a temporary injection of money into the Scheme Property in the expectation that the sum will be repaid.
- 28.3 The Manager should ensure when calculating the Fund's borrowing for paragraph 29.1 that:
- 28.3.1 the figure calculated is the total of all borrowing in all currencies by the Fund; and
- 28.3.2 long and short positions in different currencies are not netted off against each other.
- 29. Restrictions on lending of money**
- 29.1 None of the money in the Scheme Property of a Fund may be lent and, for the purposes of this prohibition, money is lent by a Fund if it is paid to a person ("the payee") on the basis that it should be repaid, whether or not by the payee.
- 29.2 Acquiring a debenture is not lending for the purposes of paragraph 29.1; nor is the placing of money on deposit or in a current account.
- 29.3 Paragraph 29.1 does not prevent a Fund from providing an officer of the Fund with funds to meet expenditure to be incurred by him for the purposes of the Fund (or for the purposes of enabling him properly to perform his duties as an officer of the Fund) or from doing anything to enable an officer to avoid incurring such expenditure.
- 30. Restrictions on lending of property other than money**
- 30.1 The Scheme Property of a Fund other than money must not be lent by way of deposit or otherwise.
- 30.2 Transactions permitted by paragraph 38 (Stock Lending) are not lending for the purposes of paragraph 30.1.
- 30.3 The Scheme Property of a Fund must not be mortgaged.
- 31. General power to accept or underwrite placings**
- 31.1 Any power in Chapter 5 COLL to invest in transferable securities may be used for the purpose of entering into transactions to which this section applies, subject to compliance with any restriction in the Trust Deed.
- 31.2 This section applies, subject to paragraph 31.3, to any agreement or understanding:
- 31.2.1 which is an underwriting or sub-underwriting agreement; or
- 31.2.2 which contemplates that securities will or may be issued or subscribed for or acquired for the account of a Fund.
- 31.3 Paragraph 31.2 does not apply to:
- 31.3.1 an option; or
- 31.3.2 a purchase of a transferable security which confers a right:
- 31.3.2.1 to subscribe for or acquire a transferable security; or
- 31.3.2.2 to convert one transferable security into another.
- 31.4 The exposure of a Fund to agreements and understandings within paragraph 31.2 must, on any day:
- 31.4.1 be covered in accordance with the requirements for cover for transactions in derivatives and forward transactions in Chapter 5 COLL; and
- 31.4.2 be such that, if all possible obligations arising under them had immediately to be met in full, there would be no breach of any limit in Chapter 5 COLL.
- 32. Guarantees and indemnities**
- 32.1 A Company or the Trustee for the account of a Fund must not provide any guarantee or indemnity in respect of the obligation of any person.
- 32.2 None of the Scheme Property of a Fund may be used to discharge any obligation arising under a guarantee or indemnity with respect to the obligation of any person.
- 32.3 Paragraphs 32.1 and 32.2 do not apply in respect of the Funds to:
- 32.3.1 any indemnity or guarantee for margin required where derivatives or forward transactions are used in accordance with the rules in this Appendix and/or COLL; and
- 32.3.2 an indemnity given to a person winding up a body corporate or other scheme if the indemnity is given for the purposes of arrangements by which the whole or part of the property of that scheme becomes the first property of the Fund and the holders of units in that scheme become the first Unitholders in the Fund.

33. Transactions for the purchase of property:

33.1 A derivative or forward transaction which will or could lead to the delivery of property for the account of the Funds may be entered into only if:

33.1.1 that property can be held for the account of the Funds and

33.1.2 the Manager having taken reasonable care determines that delivery of the property under the transaction will not occur or will not lead to a breach of the rules in Chapter 5 COLL.

34. Requirement to cover sales

34.1 No agreement by or on behalf of the Funds to dispose of property or rights may be made unless:

34.1.1 the obligation to make the disposal and any other similar obligation could immediately be honoured by the Funds by delivery of property or the assignment (or, in Scotland, assignation) of rights; and

34.1.2 the property and rights above are owned by the Funds at the time of the agreement.

34.2 This paragraph does not apply to a deposit.

34.3 The above paragraph does not apply where:

34.3.1 the risks of the underlying financial instrument of a derivative can be appropriately represented by another financial instrument and the underlying financial instrument is highly liquid; or

34.3.2 the Manager or the Trustee has the right to settle the derivative in cash and cover exists within the Scheme Property which falls within one of the following asset classes:

- (a) cash;
- (b) liquid debt instruments (e.g. government bonds of first credit rating) with appropriate safeguards (in particular, haircuts); or
- (c) other highly liquid assets having regard to their correlation with the underlying of the financial derivative instruments, subject to appropriate safeguards (e.g. haircuts where relevant).

34.4 In the asset classes referred to in 34.2, an asset may be considered as liquid where the instrument can be converted into cash in no more than seven business days at a price closely corresponding to the current valuation of the financial instrument on its own market.

35. OTC transactions in derivatives

35.1 Any transaction in an OTC derivative under paragraph 19 (Permitted transactions (derivatives and forwards) must be:

35.1.1 with an approved counterparty; a counterparty to a transaction in derivatives is approved only if the counterparty is:

35.1.1.1 an Eligible Institution or an Approved Bank; or

35.1.1.2 The person whose permission (including any requirements or limitations), as published in the FCA Register or whose Home State authorisation, permits it to enter into the transaction as principal off-exchange;

35.1.2 on approved terms; the terms of the transaction in derivatives are approved only if, before the transaction is entered into, the Trustee is satisfied that the counterparty has agreed with the Manager:

35.1.2.1 to provide at least daily and at any other time at the request of the Fund, a reliable and verifiable valuation in respect of that transaction corresponding to its fair value (being the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction) and which does not rely on market quotations by the counterparty; and

35.1.2.2 that it will, at the request of the Manager, enter into a further transaction to close out that transaction at any time, at a fair value arrived at under the reliable market value basis or pricing model agreed under paragraph 35.1.3 below; and

35.1.3 capable of reliable valuation; a transaction in derivatives is capable of reliable valuation only if the Manager having taken reasonable care determines that, throughout the life of the derivative (if the transaction is entered into), it will be able to value the investment concerned with reasonable accuracy:

35.1.3.1 on the basis of an up to date market value which the Manager and Trustee have agreed is reliable, the pricing model which has been agreed between the Manager and the Trustee; or

35.1.3.2 if such value is not available, on the basis of a pricing model which the Manager and the Depositary have agreed uses an adequate recognised methodology.

- 35.2 Subject to verifiable valuation; a transaction in derivatives is subject to verifiable valuation only if, throughout the life of the derivative (if the transaction is entered into) verification of the valuation is carried out by: an appropriate third party which is independent from the counterparty of the derivative, at an adequate frequency and in such a way that the authorised Fund manager is able to check it; or
- (a) a department within the authorised Fund manager which is independent from the department in charge of managing the Scheme Property and which is adequately equipped for such a purpose.
- 36. Risk Management**
The Manager uses a Risk Management Policy which is reviewed by the Trustee. The processes detailed within it are designed to monitor and measure as frequently as appropriate the risk of a Funds positions and their contribution to the overall risk profile of a Fund.
- 37. Cover for transactions in derivatives and forward transactions**
- 37.1 A transaction in derivatives or forward transaction is to be entered into only if the maximum exposure, in terms of the principal or notional principal created by the transaction to which the scheme is or may be committed by another person is covered globally under the following paragraphs.
- 37.2 Exposure is covered globally if adequate cover from within the Scheme Property is available to meet the scheme's global exposure, taking into account the value of the underlying assets, any reasonably foreseeable market movement, counterparty risk, and the time available to liquidate any positions.
- 37.3 Cash not yet received into the Scheme Property but due to be received within one month is available as cover for the purposes of the paragraph above.
- 37.4 Property the subject of a transaction under the Section on stock lending is only available for cover if the Manager has taken reasonable care to determine that it is obtainable (by return or re-acquisition) in time to meet the obligation for which cover is required.
- 37.5 The global exposure relating to derivatives held in the Fund may not exceed the net value of the Scheme Property.
- 38. Stock lending**
- 38.1 The Funds or the Trustee at the request of the Manager, may enter into certain stock lending arrangements or repo contracts in respect of the Funds if it reasonably appears to the Manager to be appropriate to do so with a view to generating additional income for the Fund with an acceptable degree of risk.
- 38.2 There is no limit on the value of the Scheme Property which may be the subject of repo contracts or stock lending transactions.
- 38.3 Any stock lending arrangements or repo entered into must be of the kind described in section 263B of the Taxation of Chargeable Gains Act 1992 (without extension by section 263C), but only if:
- 38.3.1 all the terms of the agreement under which securities are to be reacquired by the Trustee for the account of the Funds are in a form which is acceptable to the Trustee and are in accordance with good market practice;
- 38.3.2 the counterparty is:
- 38.3.2.1 an authorised person; or
- 38.3.2.2 a person authorised by a Home State regulator; or
- 38.3.2.3 a person registered as a broker-dealer with the Securities and Exchange Commission of the United States of America; or
- 38.3.2.4 a bank, or a branch of a bank, supervised and authorised to deal in investments as principal, with respect to OTC derivatives by at least one of the following federal banking supervisory authorities of the United States of America: the Office of the Controller of the Currency; the Federal Deposit Insurance Corporation; and the Board of Governors of the Federal Reserve System; and
- 38.3.3 collateral is obtained to secure the obligation of the counterparty under the terms referred to in 38.3.1 and the collateral is:
- 38.3.3.1 acceptable to the Trustee;
- 38.3.3.2 adequate; and
- 38.3.3.3 sufficiently immediate.
- 38.4 The counterparty for the purpose of paragraph 38.1 is the person who is obliged under the agreement referred to in paragraph 38.3.1 to transfer to the Trustee the securities transferred by the Trustee under the stock lending arrangement or securities of the same kind.
- 38.5 Paragraph 38.3.3 does not apply to a stock lending transaction made through Euroclear Bank SA/NV's Securities Lending and Borrowing Programme.

39. Treatment of collateral

39.1 Collateral is adequate for the purposes of this section only if it is:

- 39.1.1 transferred to the Trustee or its agent;
- 39.1.2 at least equal in value, at the time of the transfer to the Trustee, to the value of the securities transferred by the Trustee; and
- 39.1.3 in the form of one or more of:
 - 39.1.3.1 cash; or
 - 39.1.3.2 a certificate of deposit; or
 - 39.1.3.3 a letter of credit; or
 - 39.1.3.4 a readily realisable security; or
 - 39.1.3.5 commercial paper with no embedded derivative content; or
 - 39.1.3.6 a qualifying money market Fund.

39.2 Where the collateral is invested in units in a qualifying money market Fund managed or operated by (or, for an ICVC, whose authorised corporate director is) the Manager or an associate of the Manager, the conditions in paragraph 16.5 (Investment in other group schemes) must be complied with.

39.3 Collateral is sufficiently immediate for the purposes of this section if:

- 39.3.1 it is transferred before or at the time of the transfer of the securities by the Trustee; or
- 39.3.2 the Trustee takes reasonable care to determine at the time referred to in paragraph 39.3.1 that it will be transferred at the latest by the close of business on the day of the transfer.

39.4 The Trustee must ensure that the value of the collateral at all times is at least equal to the value of the securities transferred by the Trustee.

39.5 The duty in paragraph 39.4 may be regarded as satisfied in respect of collateral the validity of which is about to expire or has expired where the Trustee takes reasonable care to determine that sufficient collateral will again be transferred at the latest by the close of business on the day of expiry.

39.6 Any agreement for transfer at a future date of securities or of collateral (or of the equivalent of either) under this section may be regarded, for the purposes of valuation and pricing of the Funds or this Appendix, as an unconditional agreement for the sale or transfer

of property, whether or not the property is part of the property of the Fund.

39.7 Collateral transferred to the Trustee is part of the Scheme Property for the purposes of the rules in this sourcebook, except in the following respects:

- 39.7.1 it does not fall to be included in any calculation of NAV or this Appendix, because it is offset under paragraph 39.6 by an obligation to transfer; and
- 39.7.2 it does not count as Scheme Property for any purpose of this Appendix other than this section.

39.8 Paragraph 39.6 and 39.7.1 not apply to any valuation of collateral itself for the purposes of this section.

Appendix III

Eligible Securities Markets and Eligible Derivatives Markets

Set out below are the securities and derivatives markets, in addition to those established in a Member State of the EU or EEA, through which the Company may invest or deal for the account of each Fund (subject to the Fund's respective investment objective and policy) when dealing in approved securities and/or derivatives.

North America	
Canada:	Toronto Stock Exchange Montreal Exchange TSX Venture Exchange ICE Futures Canada
United States of America:	New York Stock Exchange NYSE American Chicago Board Options Exchange Chicago Stock Exchange, Inc. CME Chicago Board of Trade CME Group – CME Market ICE Futures US NASDAQ Stock Market NASDAQ BX, Inc. NASDAQ Futures, Inc. NASDAQ PHLX, Inc. NASDAQ Options Market NYSE National NYSE American (Options) NYSE Arca Inc OTC Bulletin Board TRACE OneChicago BATS Exchange
Asia Pacific	
Australia:	Australian Securities Exchange ASX Derivatives
China:	Shanghai Stock Exchange Shanghai Futures Exchange Shenzhen Stock Exchange China Interbank Bond Market
Hong Kong:	Hong Kong Stock Exchange Hong Kong GEM Hong Kong Futures Exchange Shanghai-HK Stock Connect (Northbound Trading) Shenzhen-HK Stock Connect (Northbound Trading)
India:	BSE Ltd National Stock Exchange of India
Indonesia:	Indonesia Stock Exchange
Japan:	Tokyo Stock Exchange Osaka Exchange (Derivatives) Tokyo Futures-Financial Exchange
Korea:	Korea Exchange (Stock Market) KOSDAQ Korea Exchange (Derivatives)
Malaysia:	Bursa Malaysia Bursa Malaysia (Derivatives)
New Zealand:	New Zealand Exchange NZX Futures Exchange
Philippines:	Philippines Stock Exchange
Singapore:	SGX Singapore Exchange SGX Derivatives
Taiwan:	Taiwan Stock Exchange Taiwan Futures Exchange (TAIFEX) Taipei Exchange
Thailand:	Stock Exchange of Thailand

Latin America	
Brazil:	B3
Chile:	Bolsa de Comercio de Santiago
Colombia:	Bolsa de Valores de Colombia
Mexico:	Bolsa Mexicana de Valores Mexican Derivatives Exchange
Middle East & Africa	
Israel:	Tel Aviv Stock Exchange
Qatar:	Qatar Exchange
Saudi Arabia:	Saudi Stock Exchange
South Africa:	Johannesburg Stock Exchange JSX Derivatives
United Arab Emirates:	Dubai Financial Market
Europe (non-EEA)	
Russia:	Moscow Exchange
Switzerland:	SIX Swiss Exchange SIX Structured Products The market organised by the International Capital Markets Association
Turkey:	Borsa Istanbul

Appendix IV

Past Performance of the Funds

Performance* quoted in sterling (based on bid to bid prices, with net income reinvested, net of fees) for the stated Unit Class of the Funds since the launch of the Funds to [date] is set out in the following table (source: Morningstar):

Fund name	Launch date			2009 (%)	2010 (%)	2011 (%)	2012 (%)	2013 (%)	2014 (%)	2015 (%)	2016 (%)	2017 (%)	2018 (%)	Annualised performance since launch
Threadneedle Managed Bond Fund (Class A Accumulation) (formerly Threadneedle Defensive Fund)	October 2002			7.40	5.79	3.30	6.14	3.73	4.94	0.11	11.81	3.62	1.69	4.22
Threadneedle Managed Bond Focused Fund (Class A Accumulation) (formerly Threadneedle Defensive Equity and Bond Fund)	October 2002			10.01	8.14	2.16	8.20	7.57	2.88	0.32	11.65	4.14	0.18	5.19
Threadneedle Managed Equity & Bond Fund (Class A Accumulation) (formerly Threadneedle Equity & Bond Fund)	September 1997			10.86	11.23	-2.50	9.22	9.60	4.97	3.37	11.65	5.70	-1.45	5.47
Threadneedle Managed Equity Focused Fund (Class A Accumulation) (formerly Threadneedle Global Equity & Bond Fund)	September 1997			20.24	15.85	-6.68	10.55	16.19	4.96	5.42	11.43	9.61	-3.91	5.86
Threadneedle Managed Equity Fund (Class A Accumulation) (formerly Threadneedle Global Equity Fund Fund)	September 1997			24.61	18.21	-7.66	11.06	18.20	4.72	5.55	13.99	12.45	-4.05	6.57
Threadneedle Managed Income Fund (Class A Distribution) (formerly Threadneedle Managed Income Fund)	September 1997			17.53	13.73	-0.11	14.81	20.55	4.05	3.56	11.86	5.66	-3.73	5.82

*Please be aware that past performance is not a guide for future performance.

Appendix V

Unit class availability

Funds	Distribution Units in				Accumulation Units in		
	Class A	Class B	Class T	Class Z	Class A	Class B	Class Z
Threadneedle Managed Equity Fund			√	√	√	√	√
Threadneedle Managed Equity Focused Fund					√	√	√
Threadneedle Managed Equity & Bond Fund			√	√	√	√	√
Threadneedle Managed Bond Focused Fund					√	√	√
Threadneedle Managed Bond Fund			√	√	√	√	√
Threadneedle Managed Equity Income Fund	√	√		√			

Appendix VI

Delegates of the Depositary

The following list sets out the entities to which the Depositary may delegate its safekeeping functions, subject to the terms of the Depositary Agreement.

Country	Entity
Argentina	The branch of Citibank N.A. in the Republic of Argentina
Australia	Citigroup Pty. Limited
Austria	Citibank Europe plc, Dublin
Bahrain	Citibank N.A., Bahrain
Bangladesh	Citibank N.A., Bangladesh
Belgium	Citibank Europe plc, UK Branch
Bermuda	The Hong Kong & Shanghai Banking Corporation Limited acting through its agent, HSBC Bank Bermuda Limited
Bosnia-Herzegovina (Sarajevo)	UniCredit Bank d.d.
Bosnia-Herzegovina: Srpska (Banja Luka)	UniCredit Bank d.d.
Botswana	Standard Chartered Bank of Botswana Limited
Brazil	Citibank, N.A., Brazilian Branch
Bulgaria	Citibank Europe plc, Bulgaria Branch
Canada	Citibank Canada
Chile	Banco de Chile
China B Shanghai	Citibank, N.A., Hong Kong Branch (For China B shares)
China A Shares	Citibank China Co Ltd (For China A Shares)
China Hong Kong Stock Connect	Citibank, N.A., Hong Kong Branch
Clearstream ICSD	Clearstream ICSD
Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria
Costa Rica	Banco Nacional de Costa Rica
Croatia	Privredna banka Zagreb d.d.
Cyprus	Citibank Europe plc, Greece branch
Czech Republic	Citibank Europe plc, organizacni slozka
Denmark	Citibank Europe plc
Egypt	Citibank, N.A., Cairo Branch
Estonia	Swedbank AS
Euroclear	Euroclear
Finland	Nordea Bank AB (publ), Finnish Branch
France	Citibank Europe plc UK branch

Country	Entity
Georgia	JSC Bank of Georgia
Germany	Citibank Europe plc
Ghana	Standard Chartered Bank of Ghana Limited
Greece	Citibank Europe plc, Greece Branch
Hong Kong	Citibank N.A., Hong Kong
Hungary	Citibank Europe plc Hungarian Branch Office
Iceland	Citibank is a direct member of Clearstream Banking, which is an ICSD.
India	Citibank N.A., Mumbai Branch
Indonesia	Citibank, N.A., Jakarta Branch
Ireland	Citibank N.A., London Branch
Israel	Citibank N.A., Israel Branch
Italy	Citibank N.A., Milan Branch
Jamaica	Scotia Investments Jamaica Limited
Japan	Citibank N.A., Tokyo Branch
Jordan	Standard Chartered Bank Jordan Branch
Kenya	Standard Chartered Bank Kenya Limited
Korea (South)	Citibank Korea Inc.
Kuwait	Citibank N.A., Kuwait Branch
Latvia	Swedbank AS, based in Estonia and acting through its Latvian branch, Swedbank AS
Lebanon	Blominvest Bank S.A.L.
Lithuania	Swedbank AS, based in Estonia and acting through its Lithuanian branch "Swedbank" AB
Macedonia	Raiffeisen Bank International AG
Malaysia	Citibank Berhad
Malta	Citibank is a direct member of Clearstream Banking, which is an ICSD.
Mauritius	The Hong Kong & Shanghai Banking Corporation Limited
Mexico	Citibanamex
Morocco	Citibank Maghreb
Namibia	Standard Bank of South Africa Limited acting through its agent, Standard Bank Namibia Limited

Country	Entity
Netherlands	Citibank Europe plc, UK Branch
New Zealand	Citibank, N.A., New Zealand Branch
Nigeria	Citibank Nigeria Limited
Norway	DNB Bank ASA
Oman	The Hong Kong & Shanghai Banking Corporation Limited acting through its agent, HSBC Bank Oman S.A.O.G
Pakistan	Citibank, N.A., Karachi
Panama	Citibank N.A., Panama Branch
Peru	Citibank del Peru S.A.
Philippines	Citibank, N.A., Manila Branch
Poland	Bank Handlowy w Warszawie SA
Portugal	Citibank Europe plc, sucursal em Portugal
Qatar	The Hong Kong & Shanghai Banking Corporation Limited acting through its agent, HSBC Bank Middle East Limited
Romania	Citibank Europe plc, Dublin – Romania Branch
Russia	AO Citibank
Serbia	UniCredit Bank Srbija a.d.
Singapore	Citibank, N.A., Singapore Branch
Slovak Republic	Citibank Europe plc pobočka zahraničnej banky
Slovenia	UniCredit Banka Slovenia d.d. Ljubljana
South Africa	Citibank NA South Africa branch
Spain	Citibank Europe plc, Sucursal en Espana
Sri Lanka	Citibank N.A., Colombo Branch
Sweden	Citibank Europe plc, Sweden Branch
Switzerland	Citibank N.A., London branch
Taiwan	Citibank Taiwan Limited
Tanzania	Standard Bank of South Africa acting through its affiliate Stanbic Bank Tanzania Ltd
Thailand	Citibank, N.A., Bangkok Branch
Tunisia	Union Internationale de Banques
Turkey	Citibank, A.S.
Uganda	Standard Chartered Bank of Uganda Limited
United Arab Emirates ADX & DFM	Citibank N.A., UAE
United Arab Emirates NASDAQ Dubai	Citibank N.A., UAE
United Kingdom	Citibank N.A., London branch
United States	Citibank N.A., New York offices

Country	Entity
Uruguay	Banco Itau Uruguay S.A.
Vietnam	Citibank N.A., Hanoi Branch
Zambia	Standard Chartered Bank Zambia Plc

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