
SHARES IN THE COMPANY MAY NOT BE SOLD OR OTHERWISE TRANSFERRED TO, OR BE HELD BY, US PERSONS (AS DEFINED HEREIN).

If you are in any doubt about the contents of this Prospectus, you should consult your financial adviser.

BARCLAYS MULTI-MANAGER FUND (UK)

(An open-ended investment company with variable capital structured as an umbrella fund incorporated with limited liability in England and Wales under registration number IC412)

PROSPECTUS

**The date of this Prospectus is
7 August 2019**

BARCLAYS MULTI-MANAGER FUND (UK)

IMPORTANT INFORMATION

Capitalised words and expressions are defined in the body of this Prospectus and/or under “Definitions” below

This document constitutes the Prospectus for Barclays Multi-Manager Fund (UK) (the “Company”) and is valid as at 7 August 2019. It has been prepared in accordance with the rules contained in the Collective Investment Schemes Sourcebook published by the FCA as part of their Handbook of Rules created under the Financial Services and Markets Act 2000. Copies of this Prospectus have been sent to the FCA and the Depositary. Shareholders in the Company are not liable for the debts of the Company.

Barclays Asset Management Limited, the ACD of the Company, is the entity responsible for the information contained in this Prospectus. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained herein does not contain any untrue or misleading statement or omit any matters required by the FCA Rules to be included in it. The Depositary is not a person responsible for the information contained in this Prospectus and does not accept any responsibility therefore under the FCA Rules or otherwise.

This Prospectus is based on information, law and practice as at the date of this Prospectus. The Company and the ACD cannot be bound by a prospectus where a new version has been issued. Investors and potential investors should check with the ACD that this is the latest version of the Prospectus and that there have been no revisions or updates.

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

The Prospectus is intended for distribution in the United Kingdom. The distribution of this Prospectus and/or the offering and placing of Shares in certain other jurisdictions may be restricted and, accordingly, persons into whose possession this Prospectus comes are required by the Company to inform themselves about and to observe such restrictions.

This Prospectus does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

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

The provisions of the Company’s Instrument of Incorporation are binding on each of its Shareholders (who are taken to have notice of them). A copy of the Instrument is available on request from the ACD.

This Prospectus has been approved for the purpose of section 21 of the Financial Services and Markets Act 2000 by the ACD.

The UK has enacted legislation enabling it to comply with its obligations in relation to the automatic exchange of information for international tax compliance (including European Directives, the OECD Common Reporting Standard and the United States provisions commonly known as FATCA). As a result, the ACD may need to disclose information including the name, address, taxpayer identification number and information about the investment and payments relating to certain investors in the Company to HM Revenue & Customs, who will in turn exchange this information with their overseas counterparts in relevant jurisdictions.

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

Investors should read and consider the “Risk Factors” section below before investing in a Fund.

This Prospectus, the Instrument of Incorporation and the applicable application form, form the contract between the Company and Shareholders. The latest version of the Prospectus and each KIID is available on the following website: www.barclaysinvestments.com.

INFORMATION FOR US PERSONS

The Shares have not been, and will not be, registered under the 1933 Act or the securities laws of any of the states of the United States. The Company is not and will not be registered as an investment company under the 1940 Act. Investment in Shares by or on behalf of US Persons is not permitted. Shares may not at any time be offered, sold, transferred or delivered within the United States or to, or for the account or benefit of, a US Person. Any issue, sale or transfer in violation of this restriction will not be binding upon the Company and may constitute a violation of US law.

Shares may not be issued or transferred other than to a person who, in writing to the Company, shall, among other things, (A) represent that they are not a US Person and are not purchasing such Share for the account or benefit of a US Person, (B) agree to notify the Company promptly if, at any time while they remain a holder of any Share, they should become a US Person or shall hold any Share for the account or benefit of a US Person, and (C) agree to indemnify the Company from and against any losses, damages, costs or expenses arising in connection with a breach of the representations and agreement set forth above.

If, at any time, a Shareholder shall become a US Person or shall hold any Shares on behalf of a US Person, that Shareholder shall notify the Company immediately.

Shares may not be acquired or owned by, or acquired with the assets of:

- (i) any retirement plan subject to Title 1 of the United States Employee Retirement Income Security Act 1974, as amended (“ERISA”); or
- (ii) any individual retirement account or plan subject to section 4975 of the United States Internal Revenue code of 1986, as amended

which are hereinafter collectively referred to as “ERISA plans”.

A prospective investor will be required at the time of acquiring Shares to represent that they are not acquiring the Shares with the assets of an ERISA plan (as defined above).

Where the Company becomes aware that any Shares are directly or beneficially owned by any person in breach of the above restrictions, the Company may, subject to the Instrument of

Incorporation, direct the Shareholder to transfer his Shares to a person qualified to own such Shares or to request the Company to redeem such Shares, in default of which, the Shareholder shall, on the expiration of 30 days from the giving of such notice, be deemed to have given a request in writing for the redemption of the Shares.

INFORMATION FOR DISTRIBUTORS

Distributors and other intermediaries that offer, recommend or sell shares in the Funds must comply with all laws, regulations and regulatory requirements that may be applicable to them. Such distributors and other intermediaries must also consider such information about the Funds and their share classes as is made available by the ACD or the Investment Manager for the purposes of the EU's Product Governance regime including, without limitation, target market information. Distributors and intermediaries may obtain such information by contacting the ACD.

In accordance with the UCITS regime, this Prospectus includes a description of the profile of the typical investor for whom each Fund has been designed. Please note however that this description is not the ACD's assessment of the target market for the Funds for the purposes of the EU's Product Governance regime, which may be obtained separately by distributors and other intermediaries as set out above.

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DEFINITIONS

“ACD”	Barclays Asset Management Limited, the authorised corporate director of the Company;
“Act”	the Financial Services and Markets Act 2000 (as amended, re-enacted, restated or replaced from time to time);
“Accumulation Share”	a Share (of whatever Class) issued from time to time in respect of a Fund and in respect of which income allocated thereto is credited periodically to capital;
“Administrator”	the entity appointed from time to time by the ACD as administrator and registrar of the Company;
“Base Currency”	in relation to any Fund, means the currency in which the Fund is denominated, as the same may be amended from time to time by the ACD and notified to the FCA and to the relevant Fund’s Shareholders;
“Business Day”	a full day (excluding Saturdays, Sundays and public and Bank holidays) on which banks in England are open for business, and such other day or days as the ACD may from time to time determine, noting that where the London Stock Exchange operates reduced opening hours the ACD may declare a non-Business Day with respect to a Fund;
“Class or Classes”	such class or classes of Shares as issued by the Company from time to time, the current classes of the Company being: Class A Shares, Class B Shares, Class I Shares, Class M Shares, and Class R Shares;
“Class A Shares”	Class A Accumulation Shares and/or Class A Distribution Shares (as the case may be);
“Class B Shares”	Class B Accumulation Shares and/or Class B Distribution Shares (as the case may be);
“Class I Shares”	Class I Accumulation Shares and/or Class I Distribution Shares (as the case may be);
“Class M Shares”	Class M Accumulation Shares and/or Class M Distribution Shares (as the case may be);

“Class R Shares”	Class R Accumulation Shares and/or Class R Distribution Shares (as the case may be);
“Client Money”	has the meaning given in the FCA Handbook, which is, broadly, money of any currency treated by a firm as client money in accordance with the Client Money Rules;
“Client Money Rules”	means the Client Money rules in the FCA Handbook, as further explained in the “Client Money” section below;
“COLL”	refers to the relevant chapter or rule in the FCA Rules;
“Company”	Barclays Multi-Manager Fund (UK);
“Convertible Debt Securities”	means debt securities that are convertible into equity securities of the issuer;
“Conversion”	means the conversion of Shares in one Class in a Fund to Shares of another class in the same Fund and “convert” shall be construed accordingly;
“Custodian”	means the entity from time to time appointed by the Depositary to act as the custodian of Scheme Property, being North Trust Company, London Branch at the date of this Prospectus;
“Dealing Day”	means in relation to each Fund, every Business Day;
“Debt and Debt-Related Securities”	includes but is not limited to convertible and non-convertible corporate debt securities, preferred securities, fixed and floating rate bonds, zero-coupon and discount bonds, debentures, certificates of deposit, bankers acceptances, bills of exchange, commercial paper and treasury bills;
“Depositary”	the entity appointed from time to time to act as depositary to the Company pursuant to the FCA Rules and the OEIC Regulations;
“Distribution Share”	a Share (of whatever Class) issued from time to time in respect of a Fund and in respect of which income allocated thereto is distributed periodically to the holders thereof;
“Duties and Charges”	in relation to any Fund, all stamp and other duties, taxes, governmental charges, brokerage fees, bank

	charges, interest, custodian or sub-custodian charges (relating to sales and purchases), transfer fees, registration fees and other duties, costs and charges whether in connection with the original acquisition, the increase or decrease of the assets of the relevant Fund, the creation, issue, sale, conversion or repurchase of Shares, or the sale or purchase of investments, but shall not include any commission payable to agents on sales and purchases of Shares or any commission, taxes, charges or costs which may have been taken into account in ascertaining the Net Asset Value of Shares in the relevant Fund;
“Equity and Equity-Related Securities”	includes but is not limited to equities, depository receipts, convertible securities, preferred shares, equity linked notes (debt securities linked to the performance of an equity), warrants and bonds convertible into common or preferred shares;
“FCA”	the Financial Conduct Authority and any succeeding or superseding authority or authorities;
“FCA Handbook”	the FCA Handbook of Rules and Guidance, as amended from time to time;
“FCA Rules”	the rules contained in the Collective Investment Schemes Sourcebook, published by the FCA as part of its Handbook of rules and guidance made under the Act and as amended from time to time;
“Fund” or “Funds”	a sub-fund or sub-funds of the Company (being a part of the Scheme Property which is pooled separately) and to which specific assets and liabilities of the Company may be allocated and which is invested in accordance with the investment objective applicable to such sub-fund;
“Fund Accountancy Function”	shall have the meaning given under the section headed “Management and Administration – The Administrator”;
“Instrument of Incorporation”	the instrument of incorporation constituting the Company, as amended from time to time;

“Intermediaries”	sales agents, distributors, servicing agents, nominees, brokers or dealers or other parties who, with the agreement of the ACD and the respective investors, act as nominee for investors; and in which capacity the Intermediary shall, in its name but as nominee for the investor, purchase or sell Shares for the investor;
“Investment Manager”	Barclays Investment Solutions Limited, being the investment manager to the ACD in respect of the Funds;
“Investment Grade”	securities rated BBB- or higher by Standard & Poor’s, those carrying a comparable rating issued by another recognised rating agency, or un-rated securities as determined by the Investment Manager to be of comparable quality;
“Key Investor Information Document”	the key investor information document;
“MiFID 2”	The EU’s re-cast Markets in Financial Instruments Directive (2014/65/EU) (the “MiFID 2 Directive”), delegated and implementing EU regulations made thereunder, laws and regulations introduced by Member States of the EU to implement the MiFID 2 Directive, and the EU’s Markets in Financial Instruments Regulation (600/2014);
“Money Market Instruments”	means those financial instruments normally dealt in on the money market, as further defined in the glossary to the FCA Rules;
“Net Asset Value” or “NAV”	the value of the Scheme Property of the Company (or of any Fund or Class as the context requires) less the liabilities of the Company (or of the Fund or Class concerned) as calculated in accordance with the Instrument of Incorporation;
“Net Redemption Position”	the position on any Dealing Day when total redemptions exceed total subscriptions;
“Net Subscription Position”	the position on any Dealing Day when total subscriptions exceed total redemptions;
“Non-Qualified Person”	any person to whom a transfer of Shares (legally or beneficially), or by whom a holding of Shares (legally

or beneficially) would, or, in the reasonable opinion of the ACD, might:

- (a) be in breach of any law, governmental regulation or rule (or any interpretation of a law, governmental regulation or rule by a competent authority) of any country or territory by virtue of which the person in question is not qualified to hold such Shares; or
- (b) require the Company, the ACD or the Investment Manager to be registered under any law or regulation whether as an investment fund or otherwise or cause the Company to be required to apply for registration or comply with any registration requirements in respect of any of its Shares whether in the United States or any other jurisdiction in which it is not currently registered; or
- (c) cause the Company, its Shareholders, the ACD or the Investment Manager, some legal, regulatory, taxation, pecuniary or material administrative disadvantage which it or they might not otherwise have incurred or suffered; or
- (d) result in the Company having more than 80 (or other applicable number) beneficial owners of its Shares (whether directly or by attribution pursuant to section 3(c)(1)(A) of the United States Investment Company Act of 1940) who are US Persons;

“OECD”

the Organisation for Economic Co-operation and Development;

“OECD Country”

means, for the purposes of this Prospectus, the following countries of the OECD:

Australia, Austria, Belgium, Canada, Chile, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel,

	Italy, Japan, Korea, Latvia, Luxembourg, Mexico, The Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom and the United States;
“OEIC Regulations”	the Open-Ended Investment Companies Regulations 2001 as amended from time to time;
“Price”	means the Net Asset Value per Share adjusted in the manner set out in the section headed “Single Swinging Price”;
“Regulated Markets”	means the stock exchanges and/or regulated markets listed in Appendix I;
“Registrar and Transfer Agency Function”	shall have the meaning given under the section headed “Management and Administration – The Administrator”;
“Scheme Property”	the property of the Company or of any Fund (as the context may require);
“Share”	a share in the Company (including larger denomination shares, and smaller denomination shares equivalent to one ten thousandth of a larger denomination share);
“Shareholder”	a holder of Shares;
“Switching”	the exchange of Shares of one Fund for Shares of another Fund and “Switch” shall be construed accordingly;
“UCITS Directive”	the European Parliament and Council Directive of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (“UCITS”) (No 2009/65/EC), as amended, including any delegated regulations made pursuant to and supplementing the UCITS Directive from time to time;
“United Kingdom” and “UK”	the United Kingdom of Great Britain and Northern Ireland;
“United States” and “US”	the United States of America, its territories, possessions, any State of the United States and the District of Columbia;
“US Dollars”, “US\$” and “USD”	the lawful currency of the United States;

“US Person”

means:

- (a) a citizen or resident (including a ‘green card’ holder) of the United States;
- (b) a partnership, corporation, limited liability company or similar entity, organised or incorporated under the laws of the United States or having its principal place of business in the United States, or an entity taxed as such or subject to filing a tax return as such under the United States federal income tax laws;
- (c) any estate or trust the executor, administrator or trustee of which is a US Person unless: (1) in the case of trusts of which any professional fiduciary acting as trustee is a US Person, a trustee who is not a US Person has sole or shared investment discretion with respect of trust assets and no beneficiary of the trust (and no settler if the trust is revocable) is a US Person; (2) in the case of estates of which any professional fiduciary acting as executor or administrator is a US Person, an executor or administrator of the estate who is not a US Person has sole or shared investment discretion with respect to the assets of the estate and the estate is governed by foreign law;
- (d) any estate the income of which arises from sources outside of the United States, is not effectively connected to a US trade or business and is includible in gross income for purposes of computing United States income tax payable by it;
- (e) any agency or branch of a foreign entity located in the United States;

- (f) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust, and one or more US Persons have the authority to control all substantial decisions of the trust;
- (g) any discretionary account or non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary located within or outside the United States for the benefit or account of a US Person;
- (h) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the United States, except that any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-US Person by a dealer or other professional fiduciary organised, incorporated (or if an individual) resident in the United States shall not be deemed a US Person;
- (i) any firm, corporation or other entity, regardless of citizenship, domicile, status or residence if, under the income tax laws of the United States from time to time in effect, any proportion of the income thereof would be taxable to a US Person even if not distributed, other than a passive foreign investment company;
- (j) any partnership, corporation or other entity if (A) organised or incorporated under the laws of any foreign jurisdiction; and (B) owned or formed by a US Person or Persons principally for the purpose of investing in securities not registered under the US Securities Act of 1933 (including but not limited to Shares of the Funds), unless it is

organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the 1933 Act) who are not natural persons, estates or trusts;

(k) any employee benefit plan unless such employee benefit plan is established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country;

(l) a pension plan unless such pension plan is for the employees, officers or principals of an entity organised and with its principal place of business outside the United States;

(m) any entity organised principally for passive investment such as a commodity pool, investment company or other similar entity (other than a pension plan for the employees, officers or principals of an entity organised and with its principal place of business outside the United States) (1) in which United States persons who are not qualified eligible persons (as defined in Regulation 4.7 under the US Commodity Exchange Act) hold units of participation representing in the aggregate 10% or more of the beneficial interest in the entity; or (2) which has as a principal purpose the facilitating of investment by a United States person in a commodity pool with respect to which the operator is exempt from certain requirements of Part 4 of the US Commodity Futures Trading Commission's regulations by virtue of its participants being non-United States persons; and

(n) any other person or entity whose ownership of shares or solicitation for ownership of shares the

Company, acting through their officers or directors, shall determine may violate any securities law of the United States or any state or other jurisdiction thereof.

"US Person"

shall not include any person or entity, notwithstanding the fact that such person or entity may come within any of the categories referred to above, as to whom the Company, acting through its officers or directors, shall determine that ownership of shares or solicitation for ownership of shares shall not violate any securities law of the United States or any state or other jurisdiction thereof;

"1933 Act"

the United States Securities Act of 1933, as amended;

"1940 Act"

the United States Investment Company Act of 1940, as amended.

DIRECTORY

Authorised Corporate Director	Head Office of the Company	Investment Manager
<p>Barclays Asset Management Limited</p> <p>Registered Office and Head Office: 1 Churchill Place London, E14 5HP</p>	<p>1 Churchill Place London, E14 5HP</p>	<p>Barclays Investment Solutions Limited</p> <p>Registered Office and Principal Business Address: 1 Churchill Place London, E14 5HP</p>
Depository	Administrator	Auditors
<p>Northern Trust Global Services SE (UK branch)</p> <p>Registered Office (Northern Trust Global Services SE): 6, Rue Lou Hemmer L - 1748 Senningerberg, Luxembourg</p> <p>Principal Business Address: 50 Bank Street Canary Wharf London, E14 5NT</p>	<p>Northern Trust Global Services SE (UK branch)</p> <p>Registered Office (Northern Trust Global Services SE): 6, Rue Lou Hemmer L - 1748 Senningerberg, Luxembourg</p> <p>Principal Business Address: 50 Bank Street Canary Wharf London, E14 5NT</p>	<p>PricewaterhouseCoopers LLP Chartered Accountants</p> <p>7 More London Riverside London SE1 2RT</p>

BARCLAYS MULTI-MANAGER FUND (UK)

INTRODUCTION

The Company is an open-ended investment company with variable capital, incorporated in England and Wales under registered number IC412, authorised by the FCA with effect from 18 October 2005. The Company's FCA product reference number is: 438294. The Company is a UCITS for the purposes of the FCA Rules and an umbrella company for the purposes of the OEIC Regulations.

The head office of the Company is at 1 Churchill Place, London E14 5HP which is also the address of the place in the United Kingdom for service on the Company of notices or other documents required or authorised to be served on it.

The maximum share capital of the Company is currently £10,000,000,000,000 and the minimum is £100. Shares in the Company have no par value and therefore the Share capital of the Company at all times equals the sum of the Net Asset Value of the Funds.

Shareholders in the Company are not liable for the debts of the Company.

The operation of the Company is governed by the FCA Rules, the OEIC Regulations, the Instrument of Incorporation and this Prospectus.

STRUCTURE OF THE COMPANY

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

As at the date of this Prospectus, the Funds of the Company are as follows:

Fund Name	Launch Date	Product Reference Number
Barclays UK Core Fund (formerly L&G (Barclays) MM UK Core Fund)	8 th December 2005	637021
Barclays UK Alpha Fund (formerly L&G (Barclays) MM UK Alpha Fund)	8 th December 2005	637022
Barclays UK Opportunities Fund (formerly L&G (Barclays) MM Opportunities Fund)	8 th December 2005	637025
Barclays UK Equity Income Fund (formerly L&G (Barclays) MM Equity Income Fund)	8 th December 2005	637026
Barclays Global Core Fund (formerly L&G (Barclays) MM Global Core Fund)	26 th May 2006	637029
Barclays Sterling Corporate Bond Fund (formerly L&G (Barclays) MM Sterling Corporate Bond Fund)	26 th May 2006	637031

The Scheme Property attributable to each Fund shall be managed in accordance with the rules applicable to UCITS as specified in the FCA Rules. Subject to the terms set out in this Prospectus, holders of Shares in the Funds are entitled to receive the net income derived from that Fund and to redeem their Shares at a Price linked to the value of the Scheme Property of the relevant Fund. Shareholders do not have any proprietary interest in the assets of the Company.

The assets of each Fund are treated as separate from those of every other Fund and will be invested in accordance with that Fund's own investment objective and policy.

Each Fund comprises a specific portfolio of assets and investments, and its own liabilities, and investors should view each Fund as a separate investment entity. Accordingly, each Fund is a segregated portfolio of assets, and the assets of each Fund belong exclusively to that Fund and shall not be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the Company, or any other Fund, and shall not be available for any such purpose. Investors should be aware that this concept of segregated liability between the Funds is relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known how those foreign courts will react to regulations 11A and 11B of the OEIC Regulations. It is therefore not free from doubt that the assets of a Fund will always be "ring-fenced" from the liabilities of the other Funds of the Company.

Each Fund has credited to it the proceeds of all Shares linked to it, together with the assets in which such proceeds are invested or reinvested and all income, earnings, profits or assets deriving from such investments. Each Fund will be charged with the liabilities, expenses, costs and charges of the Company attributable to that Fund and, within a Fund, charges will be allocated between Classes in accordance with the terms of issue of those Classes. Any assets, liabilities, expenses, costs or charges incurred by the Company on behalf of the Funds that are not attributable to a particular Fund may be allocated by the ACD in a manner which it considers to be fair to Shareholders, but they will normally be allocated to all Funds pro rata to the value of the net assets of the relevant Funds.

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

Shares in the Funds are available as "Distribution Shares" and/or as "Accumulation Shares" in respect of each Class. Details of the different Classes in respect of which Distribution and/or Accumulation Shares are available are as set out in the section headed "Description of Shares". Shares are available in the Base Currency of each Fund and may be available from time to time in denominations other than the Base Currency of each Fund.

Prospective investors can purchase Shares of the Funds through their Intermediaries. Please see the section headed "Applications for Shares" for further information.

Investment Objectives and Policies

General

Details of the investment objectives and policies of the Company's existing Funds are set out below. The Scheme Property of each Fund must be invested in accordance with the applicable FCA Rules, the Instrument of Incorporation, the terms of this Prospectus and the investment objective and policy of the relevant Fund.

A summary of the applicable investment and borrowing limitations are set out in Appendix II and Appendix III of this Prospectus. The eligible markets through which the Funds may invest or deal are set out in Appendix I.

The Company will seek to achieve the objectives on behalf of each Fund and the Investment Manager may appoint sub-investment manager(s) to provide investment management and advisory services in respect of part or all of the assets of a Fund. The Investment Manager will select such sub-investment manager(s) which are, in the opinion of the Investment Manager, of

the highest quality based on an assessment of their investment process and philosophy, performance, organisational robustness and the strength of the management team. Subject to any overriding directions of the ACD, the Investment Manager will be responsible for the selection and appointment of any sub-investment manager(s) to each Fund.

Details of the sub-investment manager(s) appointed to each Fund will be available to Shareholders on request and will be disclosed in the Company's annual and half-yearly financial statements. The investment manager monitors the sub-investment manager(s) and can add or remove sub-investment manager(s) from the Fund on an ongoing basis. Shareholders will be notified of any change in the next annual/half-yearly financial statements or other periodic documentation sent to Shareholders.

The use of benchmark indices such as the "Reference Indexes"

The ACD is required to produce and maintain robust written plans setting out the actions the ACD will take in the event that a Reference Index (as detailed in the investment policy for each Fund) used by the ACD in relation to a Fund materially changes or ceases to exist. At the date of this Prospectus, this is relevant to all of the Funds.

THE FUNDS

Barclays UK Core Fund

Investment Objective

The Fund seeks long-term total return through capital growth and income primarily through investment in UK companies.

Investment Policy

The Fund invests primarily in common stock, preferred shares and securities convertible into common stock of companies across a range of industries, domiciled in the UK or having significant operations in the UK, and listed or traded on a Regulated Market in the UK or in an OECD Country. While the Fund is not subject to any capitalisation restrictions, the Fund will seek to invest primarily in large, established companies which meet the Investment Manager's and/or sub-investment manager/s' selection criteria.

The Fund will invest at least 70% of its assets in the common stocks and preferred shares of UK companies. The Fund may, with any remaining portion of the assets (and on an ancillary basis), invest in non-UK equity securities, Investment Grade government and corporate fixed income securities and Convertible Debt Securities (listed or traded on a Regulated Market).

The Fund may also invest in other transferable securities, money market instruments, cash and near cash, deposits and units in collective investment schemes (use may be made of stocklending, borrowing, cash holdings, hedging and other efficient portfolio management techniques permitted in the applicable FCA Rules).

The Fund is actively managed which means the appointed sub-investment manager(s) has day-to-day discretion to select the Fund's investments. However, the sub-investment manager(s) take(s) into consideration the FTSE All-Share Index (Total Return)* as its Reference Index when selecting investments. The sub-investment manager(s) maintain(s) a high degree of flexibility and has the ability to invest in significantly fewer securities than those which constitute the Reference Index and in sector and country weights that are different to the Reference Index.

The strategy of the sub-investment manager(s), and therefore the overall performance of the Fund, is permitted to diverge significantly from the Reference Index. The Investment Manager's expectation is that where there is use of multiple sub-investment managers, this will mean that

the overall outcome of the Fund is closer to the Reference Index than each of the individual strategies. The Investment Manager can also make changes to the proportion of the Fund's assets the sub-investment manager(s) manages.

The Reference Index is also used by the Investment Manager as one means of monitoring and comparing the performance of the sub-investment manager(s) as well as how the Fund in total has performed against the broader UK equity market.

[Additional information on the Reference Index:](#)

The Reference Index is provided by FTSE International Limited ("FTSE"). As at the date of this Prospectus, FTSE is included in the public register of administrators and benchmarks established and maintained by the European Securities and Markets Authority.

The Reference Index has been selected for the Fund as it is made up of a diverse variety of companies of different sizes, listed in the UK, many of which offer capital growth and/or income opportunities; it is therefore appropriate for the ACD to use this as the Fund's Reference Index when selecting investments. The ACD also uses the Reference Index to assess the performance of the Fund.

**The Barclays UK Core Fund (the "Fund") has been developed solely by Barclays Asset Management Limited. The Fund is not in any way connected to or sponsored, endorsed, sold or promoted by the London Stock Exchange Group plc and its group undertakings (collectively, the "LSE Group"). FTSE Russell is a trading name of certain of the LSE Group companies. All rights in the FTSE All-Share Index (the "Index") vest in the relevant LSE Group company which owns the Index. "FTSE®" is a trade mark of the relevant LSE Group company and is used by any other LSE Group company under license. The Index is calculated by or on behalf of FTSE International Limited or its affiliate, agent or partner. The LSE Group does not accept any liability whatsoever to any person arising out of (a) the use of, reliance on or any error in the Index or (b) investment in or operation of the Fund. The LSE Group makes no claim, prediction, warranty or representation either as to the results to be obtained from the Fund or the suitability of the Index for the purpose to which it is being put by Barclays Investment Solutions Limited.*

[Barclays UK Alpha Fund](#)

[Investment Objective](#)

The Fund seeks superior long-term capital growth primarily through investment in UK companies.

[Investment Policy](#)

The Fund invests primarily in common stock, preferred shares and securities convertible into common stock of companies across a range of industries, domiciled in the UK or having significant operations in the UK, and listed or traded on a Regulated Market in the UK or in an OECD Country. The Investment Manager and/or sub-investment manager(s) will use stock selection techniques which aim to generate superior long-term capital growth. The allocation to individual companies within the portfolio will be actively managed.

The Fund is not subject to any capitalisation restrictions.

The Fund will invest at least 70% of its assets in the common stocks and preferred shares of UK companies. The Fund may, with any remaining portion of the assets (and on an ancillary basis), invest in non-UK Equity securities, Investment Grade government and corporate fixed income securities and Convertible Debt Securities (listed or traded on a Regulated Market).

The Fund may also invest in other transferable securities, money market instruments, cash and near cash, deposits and units in collective investment schemes (use may be made of stocklending, borrowing, cash holdings, hedging and other efficient portfolio management techniques permitted in the applicable FCA Rules).

The Fund is actively managed which means the appointed sub-investment manager(s) has day-to-day discretion to select the Fund's investments. However, the sub-investment manager(s) take(s) into consideration the FTSE All-Share Index (Total Return)* as its Reference Index when selecting investments. The sub-investment manager(s) maintain(s) a high degree of flexibility and has the ability to invest in significantly fewer securities than those which constitute the Reference Index and in sector and country weights that are different to the Reference Index.

The strategy of the sub-investment manager, and therefore the overall performance of the Fund, is permitted to diverge significantly from the Reference Index. The Investment Manager's expectation is that where there is use of multiple sub-investment managers, this will mean that the overall outcome of the Fund is closer to the Reference Index than each of the individual strategies. The Investment Manager can also make changes to the proportion of the Fund's assets the sub-investment manager(s) manages.

The Reference Index is also used by the Investment Manager as one means of monitoring and comparing the performance of the sub-investment manager(s) as well as how the Fund in total has performed against the broader UK equity market.

[Additional information on the Reference Index:](#)

The Reference Index is provided by FTSE International Limited ("FTSE"). As at the date of this Prospectus, FTSE is included in the public register of administrators and benchmarks established and maintained by the European Securities and Markets Authority.

The Reference Index has been selected for the Fund as it is made up of a diverse variety of companies of different sizes, listed in the UK, many of which offer capital growth opportunities; it is therefore appropriate for the ACD to use this as the Fund's Reference Index when selecting investments. The ACD also uses the Reference Index to assess the performance of the Fund.

**The Barclays UK Alpha Fund (the "Fund") has been developed solely by Barclays Asset Management Limited. The Fund is not in any way connected to or sponsored, endorsed, sold or promoted by the London Stock Exchange Group plc and its group undertakings (collectively, the "LSE Group"). FTSE Russell is a trading name of certain of the LSE Group companies. All rights in the FTSE All-Share Index (the "Index") vest in the relevant LSE Group company which owns the Index. "FTSE®" is a trade mark of the relevant LSE Group company and is used by any other LSE Group company under license. The Index is calculated by or on behalf of FTSE International Limited or its affiliate, agent or partner. The LSE Group does not accept any liability whatsoever to any person arising out of (a) the use of, reliance on or any error in the Index or (b) investment in or operation of the Fund. The LSE Group makes no claim, prediction, warranty or representation either as to the results to be obtained from the Fund or the suitability of the Index for the purpose to which it is being put by Barclays Investment Solutions Limited.*

Barclays UK Opportunities Fund

Investment Objective

The Fund seeks to maximise long-term total return primarily through investment in UK companies, with strong prospects for growth.

Investment Policy

The Fund invests primarily in common stocks, preferred shares and securities convertible into common stock of companies across a range of industries, domiciled in the UK or having

significant operations in the UK, and listed on a UK Regulated Market or Regulated Market of an OECD Country.

The Fund will seek to invest in UK companies which the Investment Manager and/or sub-investment manager(s) believe(s) to possess strong growth prospects and may be undervalued. As higher growth rates are often achieved by small to medium-sized companies, a portion of the Fund's assets may be invested in the securities of such companies.

The Fund will invest at least 70% of its assets in the common stocks and preferred shares of UK companies that are believed to offer better than average growth. The Fund may, with the remaining portion of the assets (and on an ancillary basis), invest in non-UK equity securities, Investment Grade government and corporate fixed income securities and Convertible Debt Securities (listed or traded on a Regulated Market).

The Fund may also invest in other transferable securities, money market instruments, cash and near cash, deposits and units in collective investment schemes (use may be made of stocklending, borrowing, cash holdings, hedging and other efficient portfolio management techniques permitted in the applicable FCA Rules).

The Fund is actively managed which means the appointed sub-investment manager(s) has day-to-day discretion to select the Fund's investments. However, the sub-investment manager(s) take(s) into consideration the FTSE All-Share Index (Total Return)* as its Reference Index when selecting investments. The sub-investment manager(s) maintain(s) a high degree of flexibility and has the ability to invest in significantly fewer securities than those which constitute the Reference Index and in sector and country weights that are different to the Reference Index.

The strategy of the sub-investment manager(s), and therefore the overall performance of the Fund, is permitted to diverge significantly from the Reference Index. The Investment Manager's expectation is that where there is use of multiple sub-investment managers, this will mean that the overall outcome of the Fund is closer to the Reference Index than each of the individual strategies. The Investment Manager can also make changes to the proportion of the Fund's assets the sub-investment manager(s) manages.

The Reference Index is also used by the Investment Manager as one means of monitoring and comparing the performance of the sub-investment manager(s) as well as how the Fund in total has performed against the broader UK equity market.

[Additional information on the Reference Index:](#)

The Reference Index is provided by FTSE International Limited ("FTSE"). As at the date of this Prospectus, FTSE is included in the public register of administrators and benchmarks established and maintained by the European Securities and Markets Authority.

The Reference Index has been selected for the Fund as it is made up of a diverse variety of companies of different sizes, listed in the UK, many offer long-term capital growth opportunities; it is therefore appropriate for the ACD to use this as the Fund's Reference Index when selecting investments. The ACD also uses the Reference Index to assess the performance of the Fund.

**The Barclays UK Opportunities Fund (the "Fund") has been developed solely by Barclays Asset Management Limited. The Fund is not in any way connected to or sponsored, endorsed, sold or promoted by the London Stock Exchange Group plc and its group undertakings (collectively, the "LSE Group"). FTSE Russell is a trading name of certain of the LSE Group companies. All rights in the FTSE All-Share Index (the "Index") vest in the relevant LSE Group company which owns the Index. "FTSE®" is a trade mark of the relevant LSE Group company and is used by any other LSE Group company under license. The Index is calculated by or on behalf of FTSE International Limited or its affiliate, agent or partner. The LSE Group*

does not accept any liability whatsoever to any person arising out of (a) the use of, reliance on or any error in the Index or (b) investment in or operation of the Fund. The LSE Group makes no claim, prediction, warranty or representation either as to the results to be obtained from the Fund or the suitability of the Index for the purpose to which it is being put by Barclays Investment Solutions Limited.

Barclays UK Equity Income Fund

Investment Objective

The Fund seeks to provide capital growth and income. It aims to achieve an income in line with, or in excess of, the income of the FTSE All-Share Index (Total Return)* over the long term (any 5 year period).

Investment Policy

The Fund invests primarily in common stock, preferred shares and securities convertible into common stock of established companies across a range of industries, domiciled in the UK or having significant operations in the UK, and listed on a Regulated Market in the UK or in an OECD Country. This Fund is not subject to any capitalisation restrictions.

The Fund will invest at least 70% of its assets in the common stocks and preferred shares of UK companies. The Fund may, with the remaining portion of the assets (and on an ancillary basis), invest in non-UK Equity securities, Investment Grade government and corporate fixed income securities and Convertible Debt Securities (listed or traded on a Regulated Market).

The Fund may also invest in other transferable securities, money market instruments, cash and near cash, deposits and units in collective investment schemes (use may be made of stocklending, borrowing, cash holdings, hedging and other efficient portfolio management techniques permitted in the applicable FCA Rules).

The Fund is actively managed which means the appointed sub-investment manager(s) has day-to-day discretion to select the Fund's investments. However, the sub-investment manager(s) take(s) into consideration the FTSE All-Share Index (Total Return) as its Reference Index when selecting investments and when seeking to achieve the Fund's income return. The sub-investment manager(s) maintain(s) a high degree of flexibility and has the ability to invest in significantly fewer securities than those which constitute the Reference Index and in sector and country weights that are different to the Reference Index.

The strategy of the sub-investment manager(s), and therefore the overall performance of the Fund, is permitted to diverge significantly from the Reference Index. The Investment Manager's expectation is that where there is use of multiple sub-investment managers, this will mean that the overall outcome of the Fund is closer to the Reference Index than each of the individual strategies. The Investment Manager can also make changes to the proportion of the Fund's assets the sub-investment manager(s) manages.

The Reference Index is also used by the Investment Manager as one means of monitoring and comparing the performance of the sub-investment manager(s) as well as how the Fund in total has performed against the broader UK equity market.

Additional information on the Reference Index:

The Reference Index is provided by FTSE International Limited ("FTSE"). As at the date of this Prospectus, FTSE is included in the public register of administrators and benchmarks established and maintained by the European Securities and Markets Authority.

The Fund aims to achieve an income in line with, or in excess of, the income of the Reference Index because the Reference Index reflects the type of investments which the sub-investment manager(s) intend(s) to make when managing the Fund and is therefore an appropriate

benchmark for an income return. The Reference Index is made up of a diverse variety of companies of different sizes, listed in the UK, many of which offer opportunities for capital growth and/or income; it is therefore appropriate for the ACD to use this as the Fund's Reference Index when selecting investments. The ACD also uses the Reference Index to assess the performance of the Fund.

**The Barclays UK Equity Income Fund (the "Fund") has been developed solely by Barclays Asset Management Limited. The Fund is not in any way connected to or sponsored, endorsed, sold or promoted by the London Stock Exchange Group plc and its group undertakings (collectively, the "LSE Group"). FTSE Russell is a trading name of certain of the LSE Group companies. All rights in the FTSE All-Share Index (the "Index") vest in the relevant LSE Group company which owns the Index. "FTSE®" is a trade mark of the relevant LSE Group company and is used by any other LSE Group company under license. The Index is calculated by or on behalf of FTSE International Limited or its affiliate, agent or partner. The LSE Group does not accept any liability whatsoever to any person arising out of (a) the use of, reliance on or any error in the Index or (b) investment in or operation of the Fund. The LSE Group makes no claim, prediction, warranty or representation either as to the results to be obtained from the Fund or the suitability of the Index for the purpose to which it is being put by Barclays Investment Solutions Limited.*

Barclays Global Core Fund

Investment Objective

The Fund seeks long-term capital growth primarily through investment in companies throughout the world.

Investment Policy

The Fund invests primarily in common stocks, preferred shares and securities convertible into common stock, of companies throughout the world and across a range of industries. The Fund will invest primarily in companies domiciled and listed or traded in developed markets such as the OECD Countries. While the Fund is not subjected to any capitalisation restrictions, the Fund will seek to invest primarily in large, established companies which meet the Investment Manager and/or sub-investment manager(s) selection criteria.

The Fund will invest at least 70% of its assets in the common stocks and preferred shares of companies throughout the world. The Fund may, with the remaining portion of the assets (and on an ancillary basis) invest in Investment Grade government and corporate fixed income securities and Convertible Debt Securities (listed or traded on a Regulated Market). Investment in Russian equity securities will not exceed 10% of the Fund's Net Asset Value. Any such investment in Russian equity securities will not be the principal focus of the Fund and will only constitute a sector in the overall Fund.

The Fund may also invest in other transferable securities, money market instruments, cash and near cash, deposits and units in collective investment schemes (use may be made of stocklending, borrowing, cash holdings, hedging and other efficient portfolio management techniques permitted in the applicable FCA Rules).

The Fund is actively managed which means the appointed sub-investment manager(s) has day-to-day discretion to select the Fund's investments. However, the sub-investment manager(s) take(s) into consideration the MSCI World Index (Net Return)* as its Reference Index when selecting investments. The sub-investment manager(s) maintain(s) a high degree of flexibility and has the ability to invest in significantly fewer securities than those which constitute the Reference Index and in sector and country weights that are different to the Reference Index.

The strategy of the sub-investment manager(s), and therefore the overall performance of the Fund, is permitted to diverge significantly from the Reference Index. The Investment Manager's expectation is that where there is use of multiple sub-investment managers, this will mean that

the overall outcome of the Fund is closer to the Reference Index than each of the individual strategies. The Investment Manager can also make changes to the proportion of the Fund's assets the sub-investment manager(s) manages.

The Reference Index is also used by the Investment Manager as one means of monitoring and comparing the performance of the sub-investment manager(s) as well as how the Fund in total has performed against the broader world equity market.

[Additional information on the Reference Index:](#)

The Reference Index is provided by MSCI Limited ("MSCI"). As at the date of this Prospectus, MSCI is included in the public register of administrators and benchmarks established and maintained by the European Securities and Markets Authority.

The Reference Index has been selected for the Fund as it is made up of a diverse variety of companies of different sizes, listed in countries around the world, many of which offer capital growth opportunities; it is therefore appropriate for the ACD to use this as the Fund's Reference Index when selecting investments. The ACD also uses the Reference Index to assess the performance of the Fund.

**THIS FINANCIAL PRODUCT IS NOT SPONSORED, ENDORSED, SOLD OR PROMOTED BY MSCI INC. ("MSCI"), ANY AFFILIATE OF MSCI OR ANY OTHER PARTY INVOLVED IN, OR RELATED TO, MAKING OR COMPILING ANY MSCI INDEX. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES ARE SERVICE MARK(S) OF MSCI OR ITS AFFILIATES AND HAVE BEEN LICENSED FOR USE FOR CERTAIN PURPOSES BY BARCLAYS ASSET MANAGEMENT LIMITED. NEITHER MSCI, ANY OF ITS AFFILIATES NOR ANY OTHER PARTY INVOLVED IN, OR RELATED TO, MAKING OR COMPILING ANY MSCI INDEX MAKES ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, TO THE OWNERS OF THIS FINANCIAL PRODUCT OR ANY MEMBER OF THE PUBLIC REGARDING THE ADVISABILITY OF INVESTING IN FINANCIAL SECURITIES GENERALLY OR IN THIS FINANCIAL PRODUCT PARTICULARLY OR THE ABILITY OF ANY MSCI INDEX TO TRACK CORRESPONDING STOCK MARKET PERFORMANCE. MSCI OR ITS AFFILIATES ARE THE LICENSORS OF CERTAIN TRADEMARKS, SERVICE MARKS AND TRADE NAMES AND OF THE MSCI INDEXES WHICH ARE DETERMINED, COMPOSED AND CALCULATED BY MSCI WITHOUT REGARD TO THIS FINANCIAL PRODUCT OR THE ISSUER OR OWNER OF THIS FINANCIAL PRODUCT. NEITHER MSCI, ANY OF ITS AFFILIATES NOR ANY OTHER PARTY INVOLVED IN, OR RELATED TO, MAKING OR COMPILING ANY MSCI INDEX HAS ANY OBLIGATION TO TAKE THE NEEDS OF THE ISSUERS OR OWNERS OF THIS FINANCIAL PRODUCT INTO CONSIDERATION IN DETERMINING, COMPOSING OR CALCULATING THE MSCI INDEXES. NEITHER MSCI, ITS AFFILIATES NOR ANY OTHER PARTY INVOLVED IN, OR RELATED TO, MAKING OR COMPILING ANY MSCI INDEX IS RESPONSIBLE FOR OR HAS PARTICIPATED IN THE DETERMINATION OF THE TIMING OF, PRICES AT, OR QUANTITIES OF THIS FINANCIAL PRODUCT TO BE ISSUED OR IN THE DETERMINATION OR CALCULATION OF THE EQUATION BY WHICH THIS FINANCIAL PRODUCT IS REDEEMABLE FOR CASH. NEITHER MSCI, ANY OF ITS AFFILIATES NOR ANY OTHER PARTY INVOLVED IN, OR RELATED TO, THE MAKING OR COMPILING ANY MSCI INDEX HAS ANY OBLIGATION OR LIABILITY TO THE OWNERS OF THIS FINANCIAL PRODUCT IN CONNECTION WITH THE ADMINISTRATION, MARKETING OR OFFERING OF THIS FINANCIAL PRODUCT.*

ALTHOUGH MSCI SHALL OBTAIN INFORMATION FOR INCLUSION IN OR FOR USE IN THE CALCULATION OF THE MSCI INDEXES FROM SOURCES WHICH MSCI CONSIDERS RELIABLE, NEITHER MSCI, ANY OF ITS AFFILIATES NOR ANY OTHER PARTY INVOLVED IN, OR RELATED TO MAKING OR COMPILING ANY MSCI INDEX WARRANTS OR GUARANTEES THE ORIGINALITY, ACCURACY AND/OR THE COMPLETENESS OF ANY MSCI INDEX OR ANY DATA INCLUDED THEREIN. NEITHER MSCI, ANY OF ITS AFFILIATES NOR ANY OTHER PARTY INVOLVED IN, OR RELATED TO, MAKING OR COMPILING ANY MSCI INDEX MAKES ANY WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY LICENSEE, LICENSEE'S CUSTOMERS OR COUNTERPARTIES, ISSUERS OF THE FINANCIAL SECURITIES, OWNERS OF THE FINANCIAL SECURITIES, OR ANY OTHER PERSON OR ENTITY, FROM THE USE OF ANY MSCI INDEX OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE RIGHTS LICENSED HEREUNDER OR FOR ANY OTHER USE. NEITHER MSCI, ANY OF ITS AFFILIATES NOR ANY OTHER PARTY INVOLVED IN, OR RELATED TO, MAKING OR COMPILING ANY MSCI INDEX SHALL HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS OR INTERRUPTIONS OF OR IN CONNECTION WITH ANY MSCI INDEX OR ANY DATA INCLUDED THEREIN. FURTHER, NEITHER MSCI, ANY OF ITS AFFILIATES NOR ANY OTHER PARTY INVOLVED IN, OR RELATED

TO, MAKING OR COMPILING ANY MSCI INDEX MAKES ANY EXPRESS OR IMPLIED WARRANTIES OF ANY KIND, AND MSCI, ANY OF ITS AFFILIATES AND ANY OTHER PARTY INVOLVED IN, OR RELATED TO MAKING OR COMPILING ANY MSCI INDEX HEREBY EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO ANY MSCI INDEX AND ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL MSCI, ANY OF ITS AFFILIATES OR ANY OTHER PARTY INVOLVED IN, OR RELATED TO, MAKING OR COMPILING ANY MSCI INDEX HAVE ANY LIABILITY FOR ANY DIRECT, INDIRECT, SPECIAL, PUNITIVE, CONSEQUENTIAL OR ANY OTHER DAMAGES (INCLUDING LOST PROFITS) EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

Barclays Sterling Corporate Bond Fund

Investment Objective

The Fund seeks to achieve total return primarily through investment in Sterling denominated corporate debt securities.

Investment Policy

The Fund invests primarily in Sterling denominated fixed income securities issued by corporations and non-government related issuers with an Investment Grade credit rating from Standard & Poor's and/or Moody's listed or traded on a Regulated Market in the UK or in an OECD Country. While the Fund will seek to invest primarily in such securities, it may also make allocations to other Investment Grade securities and, on an ancillary basis (i.e. not to exceed 10%), to below Investment Grade securities. The Fund may hold securities of varying maturities.

Whilst the Fund will invest predominantly in Sterling denominated corporate debt securities, it may also, on an ancillary basis, invest in non-Sterling denominated corporate debt securities and other fixed income securities. In such instances, the Investment Manager and/or sub-investment manager(s) may seek to hedge the currency exposure of the non-Sterling denominated holdings to Sterling, although it is not required to do so.

The Fund will invest at least 70% of its assets in corporate debt securities denominated in Sterling.

The Fund may also invest in other transferable securities, money market instruments, cash and near cash, deposits and units in collective investment schemes (use may be made of stocklending, borrowing, cash holdings, hedging and other efficient portfolio management techniques permitted in the applicable FCA Rules).

The Fund is actively managed which means the appointed sub-investment manager(s) has day-to-day discretion to select the Fund's investments. However, the sub-investment manager(s) take(s) into consideration the Markit iBoxx Sterling non-Gilts Index (Total Return)* as its Reference Index when selecting investments. The sub-investment manager(s) maintain(s) a high degree of flexibility and has the ability to invest in significantly fewer securities than those which constitute the Reference Index and in sector and country weights that are different to the Reference Index.

The strategy of the sub-investment manager(s), and therefore the overall performance of the Fund, is permitted to diverge significantly from the Reference Index. The Investment Manager's expectation is that where there is use of multiple sub-investment managers, this will mean that the overall outcome of the Fund is closer to the Reference Index than each of the individual strategies. The Investment Manager can also make changes to the proportion of the Fund's assets the sub-investment manager(s) manages.

The Reference Index is also used by the Investment Manager as one means of monitoring and

comparing the performance of the sub-investment manager(s) as well as how the Fund in total has performed against the broader UK bond market.

Additional information on the Reference Index:

The Reference Index is provided by IHS Markit Benchmark Administration Limited. As at the date of this Prospectus, IHS Markit Benchmark Administration Limited is included in the public register of administrators and benchmarks established and maintained by the European Securities and Markets Authority.

The Reference Index has been selected for the Fund as it is made up a diverse variety of Investment Grade company bonds which are priced in Sterling; it is therefore appropriate for the ACD to use this as the Fund's Reference Index when selecting investments. The ACD also uses the Reference Index to assess the performance of the Fund.

**The Markit iBoxx Sterling non-Gilts Index (the "Index") referenced herein is the property of Markit North America, Inc. ("Index Sponsor") and has been licensed for use in connection with Barclays Sterling Corporate Bond Fund. Each Shareholder acknowledges and agrees that the Barclays Sterling Corporate Bond Fund is not sponsored, endorsed or promoted by the Index Sponsor. The Index Sponsor makes no representation whatsoever, whether express or implied, and hereby expressly disclaims all warranties (including, without limitation, those of merchantability or fitness for a particular purpose or use), with respect to the Index or any data included therein or relating thereto, and in particular disclaims any warranty either as to the quality, accuracy and/or completeness of the Index or any data included therein, the results obtained from the use of the Index and/or the composition of the Index at any particular time on any particular date or otherwise and/or the creditworthiness of any entity, or the likelihood of the occurrence of a credit event or similar event (however defined) with respect to an obligation, in the Index at any particular time on any particular date or otherwise. The Index Sponsor shall not be liable (whether in negligence or otherwise) to the parties or any other person for any error in the Index, and the Index Sponsor is under no obligation to advise the parties or any person of any error therein.*

The Index Sponsor makes no representation whatsoever, whether express or implied, as to the advisability of purchasing or selling shares in the Barclays Sterling Corporate Bond Fund, the ability of the Index to track relevant markets' performances, or otherwise relating to the Index or any transaction or product with respect thereto, or of assuming any risks in connection therewith. The Index Sponsor has no obligation to take the needs of any party into consideration in determining, composing or calculating the Index. No party purchasing or selling shares in the Barclays Sterling Corporate Bond Fund, nor the Index Sponsor, shall have any liability to any party for any act or failure to act by the Index Sponsor in connection with the determination, adjustment, calculation or maintenance of the Index.

Base Currency

The Base Currency of the Company and all of the Funds is Pounds Sterling. Each of the Share Classes is denominated in Pounds Sterling.

RISK FACTORS

Investors should keep in mind that all investment carries risk and the level of risk may vary between Funds. In particular, investors should consider the following risk factors before investing in the Company.

This Prospectus does not contain an exhaustive list of the risks involved in investing in the Company. Prospective investors should read the entire Prospectus and fully evaluate all other information that they deem to be necessary to determine whether or not to invest in the Company. Prospective investors should ensure that they fully understand the content of this Prospectus and should consult their financial adviser for advice.

General

It is important to note that:

- An investment in one or more of the Funds will involve exposure to those risks normally associated with investment in stocks and shares. As such, the price of shares and the income from them can go down as well as up and an investor may not get back the amount invested.
- There is no guarantee that:
 - (i) the investment objectives of any Fund will actually be achieved; or
 - (ii) any appreciation in the value of an investment will occur.
- Past performance is not necessarily a guide to future returns or growth.
- Shares in all the Funds should generally be regarded as long term investments. Investors will need to decide whether or not an investment vehicle of this nature is appropriate for their requirements.

Currency Fluctuations

Currency fluctuations may adversely affect the value of a Fund's investments and, depending on an investor's currency of reference, currency fluctuations may adversely affect the value of his investment in Shares. Currency exchange rate fluctuations will impact the value of a Fund which holds currencies or assets denominated in currencies that differ from the Base Currency of the Fund.

Interest Rates

Each Fund may have exposure to fixed interest securities. The value of such securities is sensitive to interest rate trends. The value of Shares is likely to fall if interest rates rise in the medium to long term, and vice versa.

Effect of Initial Charge

Where charged, the ACD's initial charge is added to the cost of investment at the outset. Therefore, the investor, having paid the initial charge, who redeems his Shares in the short term may not (even in the absence of a fall in the value of the relevant investments) realise the original amount invested.

Treatment of Charges

Where the investment objective of a Fund is to treat the generation of income as a higher priority than capital growth, or the generation of income and capital growth have equal priority, all or part of the ACD's annual management charge may be charged against capital instead of against income. This will constrain capital growth and may cause the erosion of capital. The table below provides details of whether the annual management charge for a particular Fund is taken from capital or income.

Name of Fund	Annual Management Charge to Capital or Income
Barclays UK Core Fund	Income
Barclays UK Alpha Fund	Income
Barclays UK Opportunities Fund	Income
Barclays UK Equity Income Fund	Capital
Barclays Global Core Fund	Income
Barclays Sterling Corporate Bond Fund	Capital

Where the annual management charge is taken from the capital of a Fund (as indicated above) all of the other charges and expenses for that Fund will be treated as a capital expense in accordance with the FCA Rules which may have the effect of constraining capital growth. Where the annual management charge is taken out of the income of a Fund all of the other charges and expenses of that Fund will be treated as an income expense (with the exception of any payment as a result of effecting a transaction) to the extent that there is sufficient income. However, if there is an income deficit then any remaining sums will be charged to capital.

Emerging Markets

Investment in emerging markets may involve a higher risk than that inherent in established markets. Where Funds invest in some overseas markets, these investments may carry a risk associated with failed or delayed settlement of market transactions and with the registration and custody of securities.

The Net Asset Value, the marketability and the returns derived from the particular Fund's investments may be affected by uncertainties such as political or diplomatic developments, social and religious instability, changes in government policies, taxation and interest rates, currency conversion and repatriation and other political and economic developments in law or regulations in emerging markets and in particular, the risks of expropriation, nationalisation and confiscation of assets and changes in legislation relating to the level of foreign ownership. All of these facts may adversely affect the overall investment climate and, in particular investment opportunities for a Fund.

Companies in emerging markets may not be subject to the accounting, auditing and financial reporting standards, practices and disclosure requirements comparable to companies in major markets. They may also not be subject to 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 to more developed jurisdictions.

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.

Lack of liquidity and efficiency in certain stock markets or foreign exchange markets in certain emerging markets may mean that from time to time, the ACD may experience more difficulty in purchasing or selling holdings of securities than it would in a more developed market. Investors should consider whether or not investment in such Funds is either suitable for or should constitute a substantial part of an investor's portfolio.

There may be no obligation on the part of registration and tax authorities to make official copies of records available to third parties. In addition, there may be no reliable commercial firms who at present could undertake a comprehensive credit analysis or who could search the records of notary publics to determine whether the assets of an enterprise have been pledged or are otherwise subject to a pledge or other security interest. Accordingly, the extent of due diligence of prospective companies in which a Fund may invest must in some cases be significantly limited as compared with the standards for due diligence in more developed markets.

The emerging markets in which a Fund may invest are considerably less regulated than many of the world's leading stock markets. In addition, market practices in relation to settlement of securities transactions and custody of assets in such markets can provide a material risk to a Fund. Furthermore, due to the local postal and banking systems, no guarantee can be given that all entitlements attaching to securities acquired by a Fund (including in relation to dividends), can be realised. None of the Company, the ACD, the Depositary, the Investment Manager, the Administrator, or any of their agents makes any representation or warranty about, or any guarantee of the operation, performance or settlement, clearing and registration of transactions dealing in emerging markets.

Prospective investors should be aware that safe custody of securities in emerging markets involves risk and considerations which do not normally apply when settling transactions and providing safe custody services in more developed countries. In circumstances such as the insolvency of a sub-custodian or registrar, or retroactive application of legislation, a Fund may not be able to establish title to investments made and may suffer losses as a result. A Fund may find it impossible to enforce its rights against third parties.

Russia

The laws relating to securities investment and regulation have been created on an ad-hoc basis and do not tend to keep pace with market developments leading to ambiguities in interpretation and inconsistent and arbitrary application. Monitoring and enforcement of applicable regulations is rudimentary.

Equity securities in Russia are dematerialised and the only legal evidence of ownership is entry of the shareholder's name on the share register of the issuer. The concept of fiduciary duty is not well established and so shareholders may suffer dilution or loss of investment due to the actions of management without satisfactory legal remedy.

Rules regulating corporate governance either do not exist or are undeveloped and offer little protection to minority shareholders.

Smaller Companies

Some Funds may present risks normally associated with investment in smaller companies. The markets in such securities tend to be less liquid (in other words, such securities may not be easy to buy or sell) and more volatile than for larger companies. This may affect the value of the

Fund and may be particularly relevant where assets need to be turned into cash to meet redemption requests or other Fund requirements.

Money Market Instruments

A Fund which invests a significant amount of its Net Asset Value in Money Market Instruments should not be considered by investors as an alternative to investing in a regular deposit account. Investors should note that a holding in such a Fund is subject to the risks associated with investing in a collective investment undertaking, in particular the fact that the principal sum invested is capable of fluctuation as the Net Asset Value of the Fund fluctuates.

Use of Financial Derivative Instruments

Financial Derivative Instruments

In accordance with its investment policy, each Fund may use financial derivative instruments (“FDIs”) including, but not limited to futures, options and contracts for differences, subject to the limits and conditions imposed by the FCA Rules, the Instrument of Incorporation and this Prospectus. FDIs will only be used in the Fund for efficient portfolio management purposes (including hedging). While such FDIs may have a tendency to exhibit greater volatility than the securities to which they relate (and therefore bear a corresponding greater degree of risk), it is not intended that using derivatives for efficient portfolio management will increase the volatility of the Funds and, indeed efficient portfolio management is intended to reduce volatility.

In adverse situations, however, a Fund’s use of efficient portfolio management techniques may be ineffective and the relevant Fund may suffer significant loss as a result. A Fund’s ability to use efficient portfolio management strategies may be limited by market conditions, regulatory limits and tax considerations. Please refer to Appendix II for further details on the use of FDIs.

Over-the-Counter (OTC) Markets Risk

Some Funds may hold derivatives in OTC markets where there may be uncertainty as to the fair value of such derivatives due to their tendency to have limited liquidity and possibly higher price volatility. In addition, the Fund will be exposed to credit risk on counterparties with whom the transactions are made and will bear the risk of settlement default with those counterparties. However, there are specific FCA Rules with respect to OTC transactions in derivatives which may reduce the risk and magnitude of any potential loss to the Fund.

Credit Risk

A Fund may have a credit risk on the issuer of debt securities in which it invests which will vary depending on the issuer’s ability to make principal and interest payments on the obligation. Not all of the securities in which a Fund may invest that are issued by sovereign governments or political sub-divisions, agencies or instrumentalities thereof, will have the explicit full faith and credit support of any such political sub-divisions, agencies or instrumentalities, as a result of which default will have adverse consequences for a Fund and will adversely affect the Net Asset Value per Share in a Fund.

A Fund may also have a credit risk on the parties with which it trades including for example, counterparties to repurchase agreements or securities lending contracts. In the event of the insolvency, bankruptcy or default of the seller under a repurchase agreement, a Fund may experience both delays in liquidating the underlying securities and losses, including possible decline in the value of securities, during the period while it seeks to enforce its rights thereto, possible sub-normal levels of income, lack of access to income during the period and expenses

in enforcing its rights. The risks associated with lending portfolio securities include the possible loss of rights against the collateral for the securities should the borrower fail financially.

A Fund's foreign exchange, futures and other transactions also involve counterparty credit risk and will expose the Fund to unanticipated losses to the extent that counterparties are unable or unwilling to fulfil their contractual obligations. With respect to futures contracts and options on futures, the risk is more complex in that it involves the potential default of the clearing house or the clearing broker.

In the event of the counterparty to a derivative being in financial difficulties, it may be difficult to obtain a price for valuations or for the Investment Manager to dispose of the asset. This may mean a higher risk of capital loss.

A Fund will have contractual remedies upon any default pursuant to the agreements related to the transactions. Such remedies could be inadequate, however, to the extent that collateral or other assets available are insufficient.

Standard & Poor's and Moody's ratings and ratings of other recognised rating agencies are relative and subjective and are not absolute standards of quality. Although these ratings will be initial criteria for selection of investments in debt securities, the Investment Manager will make its own evaluation of these securities. Among the factors that are considered are the long-term ability of the issuers to pay principal and interest and general economic trends.

High Yield Securities

High yield securities are medium or lower rated securities and unrated securities of comparable quality, sometimes referred to as "junk bonds".

Generally, medium or lower rated securities and unrated securities of comparable quality offer a higher current yield than is offered by higher rated securities but also will be likely to have some quality and protective characteristics that, in the judgment of the rating organisations, are outweighed by large uncertainties or major risk exposures to adverse conditions and are predominantly speculative with respect to the issuer's capacity to pay interest and repay principal in accordance with the terms of the obligation.

The market values of certain of these securities also tend to be more sensitive to individual corporate developments and changes in economic conditions than higher quality bonds. In addition, medium and lower rated securities and comparable unrated securities generally present a higher degree of credit risk. The risk of loss due to default by these issuers is significantly greater because medium and lower rated securities and unrated securities of comparable quality generally are unsecured and frequently are subordinated to the prior payment of senior indebtedness. In light of these risks, the Investment Manager and/or sub-investment manager(s), in evaluating the creditworthiness of an issue, whether rated or unrated, will take various factors into consideration, which may include, as applicable, the issuer's financial resources, its sensitivity to economic conditions and trends, the operating history of and the community support for the facility financed by the issue, the ability of the issuer's management and regulatory matters.

In addition, the market value of securities in lower rated categories is more volatile than that of higher quality securities and the markets in which medium and lower rated or unrated securities are traded are more limited than those in which higher rated securities are traded. The existence of limited markets may make it more difficult for a Fund to obtain accurate market quotations for the purposes of valuing its portfolio and calculating its Net Asset Value. Moreover, the lack of a liquid trading market may restrict the availability of securities for a Fund

to purchase and may also have the effect of limiting the ability of a Fund to sell securities at their fair value, either to meet redemption requests or to respond to changes in the economy or the financial markets.

Lower rated debt obligations also present risks based on payment expectations. If an issuer calls the obligation for redemption, a Fund may have to replace the security with a lower yielding security, resulting in a decreased return for investors. Also, as the principal value of bonds moves inversely with movements in interest rates, in the event of rising interest rates, the value of the securities held by a Fund may decline proportionately more than a portfolio consisting of higher rated securities. If a Fund experiences unexpected net redemption, it may be forced to sell its higher rated bonds, resulting in a decline in the overall credit quality of the securities held by the Fund and increasing the exposure of the Fund to the risks of lower rated securities.

Suspension of dealings

Investors should be aware that in certain circumstances their right to redeem Shares may be suspended (see the section of this Prospectus headed “Suspension of Dealings in the Company”).

Tax Considerations

A Fund may be subject to withholding, capital gains or other taxes on income and/or gains arising from its investment portfolio, including without limitation taxes imposed by the jurisdiction in which the issuer of securities held by that Fund is incorporated, established or resident for tax purposes. A Fund may also incur or bear transaction or other similar taxes in respect of the actual or notional amount of any acquisition, disposal or transaction relating to its investment portfolio, including without limitation taxes imposed by the jurisdiction in which the issuer of securities held by that Fund or the counterparty to a transaction involving that Fund is incorporated, established or resident for tax purposes. Where a Fund invests in securities or enters into transactions that are not subject to withholding, capital gains, transaction or other taxes at the time of acquisition, there can be no assurance that tax may not be withheld or imposed in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. A Fund may not be able to recover such tax and so any change could have an adverse effect on the Net Asset Value of the Shares.

Where a Fund chooses or is required to pay taxation liabilities and/or account for reserves in respect of taxes that are or may be payable in respect of current or prior periods by that Fund (whether in accordance with current or future accounting standards), this would have an adverse effect on the Net Asset Value of the Shares. This could cause benefits or detriments to certain Shareholders, depending on the timing of their entry to and exit from that Fund.

Tax Treatment

The summary of the UK tax treatment of Shareholders in the section headed “TAXATION” of this Prospectus is based on current law and practice which may change. It does not take into account particular circumstances which may affect the UK tax treatment. In particular the levels of relief from taxation will depend upon individual circumstances and may change. It is not a guarantee to any investor of the tax results of investing in a Fund.

Depositary Risk

If a Fund invests in assets that are financial instruments that can be held in custody (“Custody Assets”), the Depositary is required to perform full safekeeping functions and will be liable for any loss of such assets held in custody unless it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. In the event of such a loss (and the absence of proof of the loss being caused by such an external event), the Depositary is required to return identical assets to those lost or a corresponding amount to the Fund without undue delay.

If a Fund invests in assets that are not financial instruments that can be held in custody (“Non-Custody Assets”), the Depositary is only required to verify the Fund’s ownership of such assets and to maintain a record of those assets which the Depositary is satisfied that the Fund holds ownership of. In the event of any loss of such assets, the Depositary will only be liable to the extent the loss has occurred as a direct result of its negligent, fraudulent or intentional failure to properly fulfil its obligations pursuant to the Depositary Agreement and the FCA Rules.

As it is likely that a Fund may invest in both Custody Assets and Non-Custody Assets, it should be noted that the safekeeping functions of the Depositary in relation to the respective categories of assets and the corresponding standard of liability of the Depositary applicable to such functions differs significantly.

A Fund enjoys a strong level of protection in terms of Depositary liability for the safekeeping of Custody Assets. However, the level of protection for Non-Custody Assets is significantly lower.

While it will be determined on a case-by-case whether a specific investment by the Fund is a Custody Asset or a Non-Custody Asset, generally it should be noted that derivatives traded by a Fund over-the-counter will be Non-Custody Assets. There may also be other asset types that a Fund invests in from time to time that would be treated similarly. Given the framework of Depositary liability under the FCA Rules, these Non-Custody Assets, from a safekeeping perspective, expose the Fund to a greater degree of risk than Custody Assets, such as publicly traded equities and bonds.

Custodian Risk

Custody Assets are held by the Custodian and therefore the Company is exposed to the risk of the Custodian’s insolvency. Custody Assets will normally be identified in the Custodian’s books as belonging to the Funds and segregated from other assets of the Custodian, which mitigates, but this does not exclude the risk of non-restitution in the case of insolvency. However, no such segregation applies to Non-Custody Assets, which increases the risk of non-restitution in the case of insolvency. The Custodian does not hold all of the Scheme Property itself but uses a network of sub-custodians which are not always part of the same group of companies as the Custodian. Please see the section headed “Duties of the Depositary” for more information. The Company is also exposed to the risk of insolvency of sub-custodians.

Typical Investor Profiles

Brief profiles of the “typical investor” for each of the Funds are set out below. Please remember that there are a number of risks associated with any investment and these risks remain, even if you fit the profile. In addition, you are recommended always to seek professional advice before making an investment in any Fund.

UK Equity Funds for capital growth:

Barclays UK Core Fund

Barclays UK Alpha Fund
 Barclays UK Opportunities Fund

These Funds are aimed at investors who wish to invest for capital growth over the medium to long-term (i.e. 5+ years).

UK Equity Income Funds for income and capital growth:

Barclays UK Equity Income Fund

The Fund is aimed at investors whose primary focus is to receive an income. Investors should be willing to accept greater risk to their capital in order to generate a higher income. It should be treated as a medium to long-term investment (i.e. 5+ years).

International Equity Funds:

Barclays Global Core Fund

The Fund is aimed at investors who wish to invest for capital growth over the medium to long term (i.e. 5+ years).

Fixed Interest Funds:

Barclays Sterling Corporate Bond Fund

The Fund is aimed at investors whose primary focus is to receive a high income. It should be treated as medium to long term investment (i.e. 5 +years).

Past Performance

The following table shows the past performance for each Fund and its Reference Index for each of five consecutive 12 month periods (or as many as possible since launch if less).

The figures shown for each Fund’s performance take into account the effect of annual management fees, transaction costs and any applicable taxes with net income re-invested, but not the effect of any initial charges that may be applicable. The effect of initial charges means that investors would have got back slightly less than shown.

Where figures are not shown for a period, performance data does not exist for that relevant period. It is important to note that past performance is not a guide to future returns.

Performance of all the Funds below is based on the ‘R’ Distribution Share Class

	Percentage Growth (%)				
Fund Name	01/02/14 - 31/01/15	01/02/15 - 31/01/16	01/02/16 - 31/01/17	01/02/17 - 31/01/18	01/02/18 - 31/01/19
Barclays UK Alpha Fund	6.38	-5.56	19.53	6.82	-4.81
FTSE All-Share Index (Total Return)	7.11	-4.63	20.06	11.28	-3.83
Barclays UK Opportunities Fund	7.36	-3.68	20.86	14.40	-3.97

<i>FTSE All-Share Index (Total Return)</i>	7.11	-4.63	20.06	11.28	-3.83
Barclays UK Core Fund	3.68	-3.66	20.55	8.99	-4.69
<i>FTSE All-Share Index (Total Return)</i>	7.11	-4.63	20.06	11.28	-3.83
Barclays UK Equity Income Fund▲	9.52	-2.25	12.33	11.98	-4.82
<i>FTSE All-Share Index (Total Return)</i>	7.11	-4.63	20.06	11.28	-3.83
Barclays Sterling Corporate Bond Fund	13.49	-4.40	7.22	4.36	-0.47
<i>Markit iBoxx Sterling non-Gilts Index (Total Return)</i>	15.02	-2.69	8.11	4.42	0.90
Barclays Global Core Fund	14.85	-0.90	30.38	9.36	1.21
<i>MSCI World Index (Net Return)</i>	17.08	0.50	32.04	11.30	1.03

Source of Fund performance data: Barclays Asset Management Limited, as at 31 January 2019. Where data is shown in respect of a Reference Index, this is sourced from the relevant index provider.

▲ The following table shows the income return of the Barclays UK Equity Income Fund and the income return of FTSE All-Share Index. Performance is based on the 'R' distribution share class:

	12 Month Yield to December 2014	12 Month Yield to December 2015	12 Month Yield to December 2016	12 Month Yield to December 2017	12 Month Yield to December 2018
Barclays UK Equity Income Fund (income return)	4.22	4.56	4.19	4.00	5.00
<i>FTSE All-Share Index (Income)</i>	4.39	3.99	3.80	3.82	4.72

Source of Fund performance data: Barclays Asset Management Limited, as at 31 December 2018. Where data is shown in respect of a Reference Index, this is sourced from the relevant index provider.

MiFID 2

MiFID 2 imposes new regulatory obligations on the ACD and the Investment Manager. These regulatory obligations may lead to increased compliance obligations upon and accrued expenses for the ACD, the Investment Manager, the Company and/or any Fund. In particular, MiFID 2 is increasing price transparency across a range of markets, requiring certain OTC derivatives to be executed on regulated trading venues, introducing commodity position limits and commodity position reporting requirements where applicable, imposing certain requirements in respect of direct market access ("DMA") services and imposing restrictions relating to the allocation of IPOs and other allocations.

MANAGEMENT AND ADMINISTRATION

Authorised Corporate Director

The authorised corporate director of the Company is Barclays Asset Management Limited, which is a private company limited by shares incorporated in England and Wales under the Companies Act 1985 with registered number 6991560. The ACD was incorporated on 14 August 2009. The ACD is the sole director of the Company.

The parent company of the ACD is Barclays Bank UK PLC, a company incorporated in England and Wales. The ACD is authorised and regulated by the FCA. The ACD may provide investment services to other clients, collective investment schemes and to companies in which the Company may invest in accordance with the FCA Rules.

Details of the registered office and principal place of business of the ACD are set out in the Directory above. The authorised and issued share capital of the ACD is :

Share Capital:	Authorised	£5,000,000
	Issued	£575,000
	Paid up	£575,000

The directors of the ACD are:

Solomon Woldenhaimanot Soquar
Michael Robert Fullalove
Mark Newbery
Jean-Marc Morel

Each of the directors are employees of Barclays Bank UK PLC. Mr Morel is the Chief Risk Officer of Barclays Asset Management Limited. Mr Newbery and Mr Soquar are also directors of Barclays Investment Solutions Limited.

As at the date of this Prospectus, the ACD has also been appointed authorised fund manager, management company or alternative investment fund manager for:

Barclays Dividend and Growth Portfolio
Barclays Wealth Investment Funds (UK)
Barclays Multi-Manager Fund (UK Series 2)
Barclays Charity Fund

Terms of Appointment

The ACD was appointed by an agreement effective 29 April 2011 between the Company and the ACD, as amended or supplemented (the “ACD Agreement”). The ACD Agreement may be terminated by the ACD at any time by notice in writing. Also in certain circumstances, as prescribed in the ACD Agreement, the agreement may be terminated immediately by notice in writing by the ACD to the Company or, as permitted by the FCA Rules, the Depositary to the ACD. Termination cannot take effect until the FCA has approved the appointment of another authorised corporate director in place of the retiring ACD.

The ACD Agreement provides indemnities to the ACD to the extent allowed by the FCA Rules other than for matters arising by reason of its negligence, default, breach of duty or breach of trust in the performance of its duties and obligations.

The ACD is responsible for managing and administering the Company’s affairs in compliance with the FCA Rules. The ACD may delegate its management and administration functions (but

not responsibility for such functions) to third parties, including its associates, subject to the FCA Rules. The ACD has delegated:

- its investment management function to Barclays Investment Solutions Limited; and
- its administration, registration and fund accounting functions to Northern Trust Global Services SE (UK branch).

Further details in respect of the ACD's delegated functions are set out below.

Any fees to which the ACD is entitled are set out in the section of this Prospectus headed "Fees and Expenses". The ACD is entitled to any pro rata fees and expenses to the date of termination and any additional expenses necessarily realised in settling or realising any outstanding obligations. No compensation for loss of office is provided for in the ACD Agreement.

Remuneration Policy

The ACD has a remuneration policy in place that is in accordance with the requirements of the FCA Handbook. This policy imposes remuneration rules on staff and senior management within the ACD whose activities have a material impact on the risk profile of the ACD or the Company. The ACD will ensure that its remuneration policies and practices are consistent with and promote sound and effective risk management; do not encourage risk-taking which is inconsistent with the risk profile of any Funds, the Instrument of Incorporation or the Prospectus, do not impair the ACD's compliance with its duty to act in the best interests of the Company, and will be consistent with the FCA Handbook. The ACD will ensure that the remuneration policy is at all times in line with the business strategy, objectives, values and interests of the ACD, the Company, any Funds and Shareholders, and includes measures to avoid conflicts of interest. Up-to-date details of the remuneration policy are available at the following website:

<http://www.barclaysinvestments.com/BarclaysInvestments/Funds>. A paper copy of these up-to-date details may be obtained free of charge on request from the ACD.

Available Information

In accordance with the FCA Rules, information about the ACD's policies and arrangements and how they are reviewed, and information about entities where orders are transmitted or placed for execution, will be provided upon reasonable request to the ACD.

The Depositary

The Depositary is Northern Trust Global Services SE (UK branch), a UK branch of a European public limited liability company, registered on 1 March 2019 with registered number B232281. Northern Trust Global Services SE registered office is 6, Rue Lou Hemmer L - 1748 Senningerberg, Luxembourg and the Depositary's principal place of business is at 50 Bank Street, London E14 5NT, United Kingdom.

Northern Trust Global Services SE is authorised as a credit institution in Luxembourg under Chapter 1 of Part 1 of the Luxembourg law of 5 April 1993 on the financial sector. It is subject to supervision by the European Central Bank and the Luxembourg Commission de Surveillance du Secteur Financier and is regulated by the Financial Conduct Authority in the conduct of its Depositary activities.

The Depositary's ultimate holding company is Northern Trust Corporation, a company which is incorporated in the State of Delaware, United States of America, with its headquarters at 50 South La Salle Street, Chicago, Illinois.

The Depositary was originally appointed under an agreement dated 22 January 2016 and subsequently replaced by an agreement dated 18 March 2016 (the “Depositary Agreement”) between the Company, the ACD and the Depositary. Subject to the FCA Rules and the OEIC Regulations, the Depositary is responsible for the safekeeping of the property of the Company (as described in more detail below) and has a duty to take reasonable care to ensure that the Company is managed in accordance with the provisions of the Instrument of Incorporation and the FCA Rules relating to the pricing of, and dealing in, Shares of the Company, and relating to the income and investment and borrowing powers of the Company. Further details of the duties of the Depositary are set out below.

Details of the address of the Depositary’s Registered Office, Head Office and Principal Place of Business are set out in the Directory above.

Duties of the Depositary

The Depositary shall carry out functions in respect of the Company including but not limited to the following:

- i. the Depositary shall hold in custody all financial instruments capable of being registered or held in a financial instruments account opened in the Depositary’s books and all financial instruments capable of being physically delivered to the Depositary;
- ii. the Depositary shall verify the Company’s ownership of any assets (other than those referred to in (i) above) and maintain and keep up-to-date a record of such assets it is satisfied are owned by the Company;
- iii. the Depositary shall ensure effective and proper monitoring of the Company’s cash flows;
- iv. the Depositary shall be responsible for certain oversight obligations in respect of the Company – see “Summary of Oversight Obligations” below.

The Depositary may delegate to third parties the duties and functions referred to in (i) and (ii) above, only where the Depositary satisfies certain conditions under the applicable rules and regulations. Accordingly, the Depositary has appointed the Custodian to safe-keep the property of the Company entrusted to it. The relevant arrangements prohibit the Custodian from releasing the assets into the possession of a third party without the consent of the Depositary.

The Custodian may appoint sub-custodians (and may authorise such sub-custodians to appoint delegates). A list of the sub-custodians (and their respective delegates) is set out in Appendix IV. Investors should note that this list is only updated at each annual Prospectus update. The liability of the Depositary will not be affected by the fact of any delegation.

Duties and functions in relation to (iii) and (iv) above may not be delegated by the Depositary.

Summary of Oversight Obligations

The Depositary is obliged to ensure, among other things, that:

- i. the sale, issue, repurchase, redemption and cancellation of Shares effected on behalf of the Company are carried out in accordance with the FCA Rules, the Instrument of Incorporation and the Prospectus;

- ii. the value of Shares is calculated in accordance with the FCA Rules, the Instrument of Incorporation and the Prospectus;
- iii. in transactions involving the Company's assets, any consideration is remitted to the Company within the usual time limits;
- iv. the Company and each Fund's income is applied in accordance with the FCA Rules, the Instrument of Incorporation and the Prospectus; and
- v. the instructions of the ACD are carried out unless they conflict with the FCA Rules, the Instrument of Incorporation or the Prospectus.

The duties provided for above may not be delegated by the Depositary to a third party.

In discharging its role, the Depositary shall act honestly, fairly, professionally, independently and in the interests of the Company and the Shareholders.

Details of any conflicts of interest that may arise in relation to the Depositary are set out in the section headed "Conflicts of Interest".

Up-to-date information will be made available to Shareholders on request regarding:

- i. the identity of the Depositary and a description of its duties and of conflicts of interest that may arise; and
- ii. a description of any safe-keeping functions delegated by the Depositary, any conflicts of interest that may arise from such delegation and a list showing the identity of each delegate and sub-delegate.

Terms of Appointment

The Depositary shall be liable to the Company, or to the Shareholders, for all losses suffered by them as a direct result of the Depositary's negligent, fraudulent or intentional failure to properly fulfil its obligations as set out in the Depositary Agreement and applicable law and regulation. The Depositary shall be liable to the Company and to the Shareholders, for the loss by the Depositary or a sub-custodian of any financial instruments held in custody (determined in accordance with the FCA Rules) and shall be responsible for the return of financial instruments or corresponding amount to the Company without undue delay, unless it can prove that loss has arisen as a result of an external event beyond its control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

The Depositary Agreement may be terminated on six months' written notice by the Depositary or the Company provided that the Depositary may not retire voluntarily except upon the appointment of a new depositary.

The Depositary Agreement contains provisions indemnifying the Depositary and limiting the liability of the Depositary in certain circumstances.

The fees to which the Depositary is entitled are set out in the Fees and Expenses section of this Prospectus.

The Investment Manager

The ACD has appointed Barclays Investment Solutions Limited, (the “Investment Manager”) as investment manager to provide investment management and related advisory services to the ACD. The Investment Manager has the authority to make all investment decisions on behalf of the Company and the ACD, subject to the terms of the Investment Management Agreement and the overall control of the ACD, the provisions of the Instrument of Incorporation and this Prospectus, and the FCA Rules.

The Investment Manager is a private limited company incorporated in England and Wales with registered number 02752982. The Investment Manager was incorporated on 5 October 1992. The parent company of the Investment Manager is Barclays Bank UK PLC, incorporated in England and Wales. The Investment Manager’s registered office is at 1 Churchill Place, London E14 5HP. The principal activity of the Investment Manager is the provision of financial services. The Investment Manager is authorised and regulated by the FCA (reference number 155595).

Terms of Appointment

The Investment Manager was appointed under an agreement, effective from 1 April 2018, between Barclays Asset Management Limited and Barclays Investment Solutions Limited, as amended or supplemented (the “Investment Management Agreement”).

The Investment Management Agreement may be terminated on 180 days’ written notice by the Investment Manager or the ACD. The Investment Management Agreement also contains provisions to allow for immediate termination in certain circumstances.

The Investment Management Agreement provides that the Investment Manager will be liable to the ACD for any and all loss, damage, costs, claims and expenses which arise as a consequence of any breach of its obligations under the Investment Management Agreement, its negligence or wilful default or fraud or the negligence or wilful default or fraud of its employees, or the negligence or wilful default or fraud of any of its associates, delegates and/or sub-investment managers or their employees to whom investment management or other functions have been delegated; and shall not otherwise be liable to the ACD.

The Investment Manager, may, appoint one or more sub-investment managers to whom it may delegate all or part of the day to day conduct of its investment management responsibilities in respect of any Fund. The fees and expenses of any sub-investment manager will be paid by the Investment Manager out of its remuneration under the Investment Management Agreement.

In consideration for the services provided by the Investment Manager, the ACD shall be responsible for and pay to the Investment Manager such investment management fees and expenses (plus value added tax thereon, if applicable) as may be agreed between the ACD and the Investment Manager from time to time.

The Auditors

The auditors of the Company are PricewaterhouseCoopers LLP, whose address is at 7 More London Riverside, London, SE1 2RT.

The Administrator General

The ACD has appointed Northern Trust Global Services SE (UK branch) (the “Administrator”) to carry out certain administration functions for the Company pursuant to an Administration Agreement dated 31 July 2014, as such is amended from time to time (the “Administration Agreement”).

Pursuant to the Administration Agreement, the Administrator is responsible for the administration of the Company’s affairs, including but not limited to the following functions:

- Registrar and Transfer Agency Function – in this capacity, the Administrator is required to maintain the Shareholder register (as described below) and any sub-register (if any), and is responsible for the issue, conversion, switching, redemption and cancellation of Shares, and other general administrative functions;
- Fund Accountancy Function: in this capacity, the Administrator is responsible for calculating the Net Asset Value of each Fund and of each Class of Shares, calculating the Share price, maintaining the Company’s accounting records and other general administrative functions relating to fund accounting.

Contact details for Northern Trust Global Services SE (UK branch) are set out in the Directory above.

The ACD remains responsible to the Company for these functions.

Register of Shareholders

The register of Shareholders is maintained by the Administrator at the address set out in the Directory and may be inspected, free of charge, at that address during normal business hours on a Business Day by any Shareholder or any Shareholder’s duly authorised agent on provision of satisfactory proof of identity. Investors whose shares are held by a nominee will be able to inspect their entry on the Share register held by such nominee. Investors should contact their Intermediaries to obtain details of the relevant address at which they are able to inspect the share register held by their nominee.

Conflicts of Interest

The ACD, the Investment Manager and other entities within the same group as the ACD and Investment Manager may, from time to time, act as managers, corporate directors, investment managers or advisers to other funds or sub-funds which have the same or similar investment objectives, policies or strategies to those of the Company or a particular Fund. It is therefore possible that the ACD or the Investment Manager, as the case may be, may in the course of its business have potential conflicts of interest with the Company or a particular Fund.

The ACD, the Investment Manager and/or their associated companies may from time to time acquire substantial holdings of Shares in a Fund for the purpose of ensuring that a Fund has a viable minimum size or otherwise.

Each of the ACD and the Investment Manager will, however, have regard in such event to its obligations under the ACD Agreement and the Investment Management Agreement, respectively and, in particular, the ACD will have regard to its obligation to act in the best interests of the Company so far as practicable, having regard to its obligations to other clients when undertaking any investment where potential conflicts of interest may arise.

The Depositary may, from time to time, act as the depositary of other open-ended investment companies with variable capital or as trustee or custodian of other collective investment schemes.

The ACD has delegated certain administrative functions to the Administrator, including registrar, fund accounting, valuation, calculation and transfer agency services. Northern Trust Global Services SE (UK branch) has functionally and hierarchically separated the performance of its depositary functions from its administration tasks delegated to it by the ACD.

The Administrator may, from time to time, act as the administrator of other open-ended investment companies with variable capital or of other collective investment schemes and may be involved in other financial, investment and professional activities which may, on occasion, cause conflicts of interest with its duties to the Company or the Funds.

The FCA Rules contain provisions on conflict of interest governing any transaction concerning the Company which is carried out by or with any “affected person”, an expression which covers the Company, the ACD, the Depositary, and an associate of any of them.

These provisions, among other things, enable an affected person to sell or deal in the sale of property to the Company or the Depositary for the account of the Company; vest property in the Company or the Depositary against the issue of shares; purchase property from the Company (or the Depositary acting for the account of the Company); enter into a stocklending transaction or a derivatives transaction permitted by the FCA Rules in relation to or with the Company; or provide services to the Company. Any such transactions with or for the Company 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 or entering into such transaction is not liable to account to the Depositary, the ACD, any other affected person, or to the Shareholders or any of them for any benefits or profits thereby made or derived.

Investment of the property of the Company 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 ACD. Neither the ACD nor any such affected person will be liable to account to the Company or to the Shareholders of Shares for any profit made or derived out of such dealings.

Potential conflicts of interest affecting the Depositary and its delegates may arise from time to time, including, without limitation, where the Depositary or a delegate has an interest in the outcome of a service or an activity provided to the Company, or a transaction carried out on behalf of the Company, which is distinct from the Company’s interest, or where the Depositary or a delegate has an interest in the outcome of a service or activity provided to another client or group of clients which is in conflict with the Company’s interests. From time to time conflicts may also arise between the Depositary and its delegates or affiliates, such as where an appointed delegate is an affiliated group company and is providing a product or service to the Company and has a financial or business interest in such product or service.

Where a conflict or potential conflict of interest arises, the Depositary will have regard to its obligations under the Instrument of Incorporation, the Depositary Agreement and applicable law and regulation and will treat the Company and the other funds for which it acts fairly and such that, so far as is practicable, any transactions are effected on terms which are not materially less favourable to the Company than if the conflict or potential conflict had not existed. Such potential conflicts of interest are identified, managed and monitored in various other ways including, without limitation, the hierarchical and functional separation of the Depositary’s functions from its other potentially conflicting tasks.

The preceding list of potential conflicts of interest does not purport to be a complete enumeration or explanation of all of the conflicts of interest that may be involved in an investment in the Company.

Inducements

Subject at all times to the ACD complying with all laws and regulatory requirements applicable to it, including that it enhances the service and does not impair the ACD's best interest obligation, the ACD may pay fees, commissions or non-monetary benefits to third parties such as distributors and/or other intermediaries. If certain classes of shares are purchased through an authorised intermediary, the ACD or any such person authorised on its behalf may, where permitted under the FCA Rules, pay initial or trail commissions to that intermediary. The ACD will also inform shareholders of any initial or trail commission to be paid on a purchase of shares on request.

The ACD may, at its discretion, waive any preliminary charge in whole or in part and, subject at all times to the ACD complying with all laws and regulatory requirements applicable to it, the ACD or any such person authorised on its behalf may, at its discretion, agree and pay rebates in respect of any of its periodic charges to shareholders in respect of holdings in certain Funds (including shareholders that hold those shares as authorised intermediaries).

Save where the ACD executes orders or places orders with other entities for execution that relate to financial instruments for the Funds (see below), in the course of carrying on its collective portfolio management activities generally and subject at all times to the ACD complying with all applicable laws and regulatory requirements, the ACD may receive fees, commissions or non-monetary benefits from third parties.

Where the ACD executes orders or places orders with other entities for execution that relate to financial instruments for the Funds, the ACD is not permitted to accept and retain from any third party (or a person on behalf of a third party) any fees, commissions or monetary benefits; or accept any non-monetary benefits (other than, subject at all times to the ACD complying with all applicable laws and regulatory requirements, certain acceptable minor non-monetary benefits and, in certain circumstances, research).

If the ACD receives any fees, commissions or any monetary benefits paid or provided by any third party (or a person on behalf of a third party) in relation to the services it provides to any or all of the Fund(s) it shall return such fees, commissions or any monetary benefits to such Fund(s) as soon as reasonably possible after receipt. Also, investors in the Fund(s) shall be informed about the fees, commissions or other monetary benefits transferred through the Company's annual report.

Meetings

General Meetings

The Company may hold meetings (general or otherwise), as and when necessary or required under the FCA Rules. The convening and conduct of Shareholder meetings, and the voting rights of Shareholders at such meetings, are governed by the Instrument of Incorporation and the FCA Rules, which are summarised below. The Company does not hold Annual General Meetings.

Requisitions of Meetings

The ACD may requisition a general meeting at any time.

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

Notice and Quorum

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

"Shareholders" in this context means Shareholders on the date seven days before the notice of the relevant meeting was deemed to have been served but excludes holders who are known to the ACD not to be Shareholders at the time of the meeting.

Voting Rights

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

On a poll, a Shareholder may vote either in person or by proxy. The voting rights attaching to each Share are such proportion of the voting rights attached to all the Shares in issue that the value of the Share bears to the aggregate value of all the Shares in issue at the date seven days before the notice of meeting is deemed to have been served.

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

Any joint holder of a Share may vote at a meeting provided that if more than one holder votes only the vote of the senior holder (based on the order in which they are listed in the register) will be accepted.

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

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

Where a resolution, including an extraordinary resolution, is required to conduct business at a meeting of Shareholders and every Shareholder is prohibited under COLL 4.4.8R(4) from voting, with the written agreement of the Depositary to the process, the resolution may instead be passed with the written consent of Shareholders representing 75% of Shares in issue.

Powers of a Shareholders' Meeting

The Company's Instrument of Incorporation and the FCA Rules empower Shareholders in general meeting to approve or require various steps (generally also subject to FCA approval).

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

Proceedings at General Meetings

The Depositary will appoint a suitable individual to preside as chairman at general meetings. If the representative is not present or declines to take the chair, the Shareholders present may choose one of their number to be chairman.

The chairman of any quorate meeting may with the consent of the meeting adjourn the meeting from time to time (or without date) and from place to place, and if he is directed by the meeting to adjourn he must do so. No business can be transacted at an adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.

A poll may be demanded by the chairman of the meeting, at least two Shareholders or by the Depositary on any resolution put to the vote of a general meeting.

Unless a poll is required, a declaration by the chairman that a resolution has been carried unanimously, or by a particular majority, or lost, and an entry to that effect in the record of proceedings will be taken without proof, as conclusive evidence of that fact. If a poll is required, it will be taken in such manner (including the use of ballot papers or electronic or computer voting system) as the chairman may direct.

The chairman may take any action he considers appropriate, for example, for the safety of people attending a general meeting, the proper and orderly conduct of the general meeting or in order to reflect the wishes of the majority.

Share Class and Fund Meetings

The above provisions, unless the context otherwise requires, apply to Share Class meetings and meetings of Funds as they apply to general meetings of Shareholders.

Variation of Share Class Rights

The rights attached to a Share Class or Fund may only be varied in accordance with the FCA Rules.

The special rights attaching to a Share Class are not (unless otherwise expressly provided by the conditions of issue of such Share) deemed to be varied by:

- a) the creation, allotment or issue of further Shares of any Share Class ranking *pari passu* with them;

- b) the switch of Shares of any Share Class into Shares of another Share Class (whether or not the Share Classes are in different Funds);
- c) the creation, allotment, issue or redemption of Shares of another Share Class within the same Fund, provided that the interests of that other Share Class in the Fund represent fairly the financial contributions and benefits of Shareholders of that Share Class;
- d) the creation, allotment, issue or redemption of Shares of another Fund;
- e) the exercise by the directors of their powers to re-allocate assets, liabilities, expenses, costs or charges attributable to one Fund or to terminate a Fund; or
- f) the passing of any resolution at a meeting of another Fund which does not relate to the Fund in which the Share Class is interested.

VALUATION, SUBSCRIPTIONS AND REDEMPTIONS

Valuation of the Company

The Company is priced as a single priced fund for the purposes of the FCA Rules and the valuation of Scheme Property is carried out in accordance with the Instrument of Incorporation.

The Price of a Share in the Company is calculated by reference to the Net Asset Value of the Fund to which it relates allocated between Share Classes as detailed below under the section headed “Pricing Basis”.

Valuations are normally carried out on each Dealing Day. The valuation point for the purposes of determining the Share Price on a Dealing Day is 01.00 hours (the “**Valuation Point**”).

The ACD may at any time during a Business Day carry out additional valuations if the ACD considers it desirable to do so, and may use the price obtained at such additional valuation as the Price for the relevant day. The ACD shall inform the Depositary of any decision to carry out an additional valuation. It may not be possible for valuations to be made during a period of suspension of dealings, however, during such period of suspension, the ACD will comply with as much of the obligations in the FCA Rules relating to the valuation and pricing of Shares as is practicable in the light of the suspension (see “Suspension of Dealings” below).

The provisions referred to in this section shall not apply to Funds in respect of which no Shares are currently in issue. Shares will be issued in those Funds at such time as the ACD may, in its absolute discretion, determine.

Calculation of the Net Asset Value

The Net Asset Value of the Scheme Property of the Company or of a Fund (as the case may be) shall be the value of its assets less the value of its liabilities determined in accordance with the following provisions (which are set out in full in the Instrument of Incorporation:

All the Scheme Property (including receivables) of the Company (or the Fund) is to be included in the calculation, subject as set out below.

- 1) Scheme Property which is not cash (or other assets dealt with in paragraph 5 below) or a contingent liability transaction shall be valued as follows and the prices used shall (subject as follows) be the most recent prices which it has been practicable to obtain:
- 2) units or shares in a collective investment scheme:
 - a) if a single price for buying and selling units is quoted, at the most recent such price; or
 - b) if separate buying or selling prices are quoted, at the average of the two prices provided the buying price has been reduced by any initial charge included therein (or, where necessary, an estimate of the same) and the selling price has been increased by any exit or redemption charge attributable thereto (or, where necessary, an estimate of the same); or
 - c) if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no recent price exists, at a value which, in the opinion of the ACD, is fair and reasonable;

- 3) any other transferable security:
 - a) if a single price for buying and selling units is quoted, at that price; or
 - b) if separate buying and selling prices are quoted, the average of those two prices; or
 - c) if, in the opinion of the ACD, or its delegate the Administrator, the price obtained is unreliable or no recent traded price is available or if no price exists, at a value which in the opinion of the ACD, or its delegate the Administrator, reflects a fair and reasonable price for that investment;
- 4) property other than that described in paragraphs 2 and 3 above (and 5 and 6 below), at a value which, in the opinion of the ACD, or its delegate the Administrator, represents a fair and reasonable mid-market price.
- 5) Cash and amounts held in current and deposit accounts and in other time-related deposits shall be valued at their nominal values.
- 6) Property which is a contingent liability transaction shall be treated as follows:
 - a) if it is a written option (and the premium for writing the option has become part of the Scheme Property), the amount of the net valuation of premium receivable shall be deducted;
 - b) if it is an off-exchange future, it will be included at the net value of closing out in accordance with a valuation method agreed between the ACD and the Depositary;
 - c) if it is any other form of on-exchange contingent liability transaction, it will be included at the net value of margin on closing out (whether as a positive or negative value); and
 - d) if the property is an off-exchange derivative (not included in sub-paragraphs (a) and (b) above), it will be included at a valuation method agreed between the ACD and Depositary.
- 7) In determining the value of the Scheme Property, all instructions given to issue or cancel Shares shall be assumed to have been carried out (and any cash paid or received) whether or not this is the case.
- 8) Subject to paragraphs 9 and 10 below, agreements for the unconditional sale or purchase of property which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the valuation takes place and, in the opinion of the ACD, or its delegate the Administrator, their omission will not materially affect the final Net Asset Value.
- 9) Futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options shall not be included under paragraph 8 above.
- 10) All agreements which are, or ought reasonably to have been, known to the person valuing the property are to be included under paragraph 8.

- 11) An estimated amount for anticipated tax liabilities at that point in time including (as applicable and without limitation) tax on capital gains, income tax, corporation tax, advance corporation tax, value added tax, stamp duty and stamp duty reserve tax and any foreign taxes or duties will be deducted.
- 12) An estimated amount for any liabilities payable out of the Scheme Property and any tax or duty thereon treating periodic items as accruing from day to day will be deducted.
- 13) The principal amount of any outstanding borrowings whenever repayable and any accrued but unpaid interest on borrowings will also be deducted.
- 14) An estimated amount for accrued claims for tax of whatever nature which may be recoverable will be added. Any other credits or amounts due to be paid into the Scheme Property will be added. A sum representing any interest or any income accrued, both on cash and interest bearing securities, due or deemed to have accrued but not received will also be added.
- 15) Currencies or values in currencies other than Base Currency shall be translated at the relevant time at a rate of exchange that is not likely to result in any material prejudice to the interests of Shareholders or potential Shareholders.

Notwithstanding the foregoing, the ACD may, at its absolute discretion, use other generally recognised valuation principles in order to reach a proper valuation of the Net Asset Value of the Company or a Fund, in the event that it is impractical or manifestly incorrect to carry out a valuation of an investment in accordance with the above rules or it considers such principles better reflect the valuation of a security, interest or position and are in accordance with generally accepted accounting principles.

Fair Value Pricing

The ACD may, in its absolute discretion and in circumstances where

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

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

The ACD is permitted to use fair value pricing in specific circumstances and pursuant to processes and methodologies that have been notified to the Depositary. Examples of the circumstances in which the ACD might consider using fair value pricing includes:

- a) where there has been no recent trade in the security concerned;
- b) due to the suspension of dealings in an underlying collective investment scheme;
- c) where there has been the occurrence of a significant event since the most recent closure of the market where the price of the security is taken.

Pricing Basis

The Company deals on a forward pricing basis. A forward price is the price calculated at the next Valuation Point for the issue or redemption of the relevant Shares, after the issue, redemption, Switch or Conversion request is agreed. As noted above Shares will be issued and redeemed at a single price (the “Price”) which will be the Net Asset Value per Share at the relevant Valuation Point. The Net Asset Value per Share may be adjusted in the manner set out below under the section headed “Dilution Adjustment”.

Subject to any dilution adjustments described below, the Price of a Share is calculated at or about the Valuation Point on each Dealing Day (to at least four significant figures) by:

- taking the value of the Scheme Property attributable to a Fund and therefore all Shares (or a relevant Class) in issue (on the basis of the units of entitlement in the Scheme Property of the Fund attributable to that Class at the most recent valuation of that Fund); and
- dividing the result by the number of Shares of the relevant Class in issue.

Dilution Adjustment

The basis on which the assets of each Fund are valued for the purposes of calculating the Price is set out above under the heading “Calculation of the Net Asset Value” However, the actual cost of purchasing or selling a Fund’s investments may be higher or lower than the value used in calculating the Price – for example, due to dealing charges, or through dealing at prices other than the mid-market price. Under certain circumstances (for example, large volumes of subscriptions or redemptions) the difference between the actual cost of purchasing or selling a Fund’s investments and the value used in calculating the Price may have an adverse effect on the Shareholders’ interests in a Fund and is known as “dilution”.

In order to mitigate the effect of dilution, the ACD may at its discretion make a “dilution adjustment” to the Price on the purchase and/or redemption of Shares. If applied, the dilution adjustment will be made to the Price of Shares of the relevant Fund, with the effect that any extra capital invested/retained will become part of the relevant Fund.

The dilution adjustment for each Fund will be calculated by reference to the estimated costs of dealing in the underlying investments of that Fund, including any dealing spreads, commission and transfer taxes. The Price of each Class of Share in a Fund will be calculated separately but any dilution adjustment will, in percentage terms, affect the price of Shares) each Class identically. If the Price is adjusted, the dilution adjustment, forming part of the Price, will be paid into/retained by the relevant Fund and will become part of the property of that Fund thus mitigating the effects of dilution which may otherwise constrain the future growth of the relevant Fund. It should be noted that it is not possible to predict accurately whether dilution will occur at any particular Dealing Day as this will depend upon the level of dealing on each day.

The level of the dilution adjustment may vary from Fund to Fund according to the characteristics of the assets and markets in which the Fund invests. The table below details the current estimated rates of adjustment by which the Price may be increased or lowered:

Name of Fund	Estimated rate of dilution adjustment based on future projections calculated over a quarter period	
	Offer (bps)	Bid (bps)
Barclays UK Core Fund	55	10

Barclays UK Alpha Fund	50	10
Barclays UK Opportunities Fund	55	15
Barclays UK Equity Income Fund	55	10
Barclays Global Core Fund	10	5
Barclays Sterling Corporate Bond Fund	30	30

The requirement to make a dilution adjustment will depend on the volume of net subscriptions or redemptions of Shares in the relevant Fund and the ACD is not currently able to predict the likely frequency of such events. The ACD may, in its discretion, make a dilution adjustment if, in its opinion, the existing Shareholders, in the case of subscriptions, or remaining Shareholders, in the case of redemptions, might otherwise be adversely affected, and making a dilution adjustment is, so far as practicable, fair to all Shareholders and potential Shareholders. In particular, the dilution adjustment may be made in the following circumstances:

- a) where a Fund is expanding or contracting;
- b) where a Fund is experiencing a large Net Subscription Position or a large Net Redemption Position relative to its size on any Dealing Day;
- c) in any other case where the ACD is of the opinion that the interests of Shareholders require the imposition of a dilution adjustment.

For the purposes above, “large” is considered by the ACD to be a deal representing 1% of the NAV of the applicable Fund.

An expanding Fund has been determined as one where, based on the daily movements in and out of the Fund, the Fund has experienced a net inflow of money over a calendar month and a contracting Fund is one where, over the same period, the Fund has experienced a net outflow. A level Fund is one which is considered to be neither expanding nor contracting based on the above criteria.

For an expanding Fund the ACD will normally adjust the Price to increase it by the “offer” adjustment rate detailed in the above table (the “offer adjustment rate”. However in the event of net outflows on a given Dealing Day the ACD may choose not to adjust the Price at all or the ACD may adjust the Price to reduce it by the “bid” adjustment rate detailed in the above table (the “bid adjustment rate”) if the outflows are of significant size relative to the size of the Fund.

For a contracting Fund the ACD will normally adjust the Price to reduce it by the bid adjustment rate. However in the event of net inflows on a given Dealing Day the ACD may choose not to adjust the Price at all or the ACD may adjust the Price to increase it by the offer adjustment rate if the inflows are of significant size relative to the size of the Fund.

For a level Fund the ACD will not normally adjust the Price, however in the event of net inflows on a given Dealing Day the ACD may adjust the price to increase it by the offer adjustment rate, or in the event of net outflows on a given Dealing Day the ACD may adjust the Price to reduce it by the bid adjustment rate, if the flows are of significant size relative to the size of the Fund.

On the occasions when the dilution adjustment is not made there may be an adverse impact on the total assets of a Fund.

SDRT

SDRT is generally not chargeable on surrenders and certain other transfers of Shares in a Fund. However SDRT may be chargeable at 0.5% on surrenders of Shares in respect of which a Shareholder receives a non-pro rata in specie redemption resulting in a transfer of underlying assets. In this instance, the SDRT will be a liability borne by the recipient of the underlying assets.

Publication of Prices

The Price per Share for each Class of Shares will appear daily on the internet at www.barclaysinvestments.com and will be available over the telephone on 0333 300 0093, except when the ACD is excused from the requirement to deal in the relevant Shares.

As the ACD deals on a forward pricing basis the price that appears in these sources will not necessarily be the same as the one at which investors can currently deal.

Please note that due to the timing of the Valuation Point for each Fund, the published Price may be up to two Business Days old.

Description of Shares

General

The Company's Instrument of Incorporation permits the issue of Distribution Shares and Accumulation Shares. Each of these Share/Classes may be further classified using the letters "A" to "Z" inclusive or under such other designations as the ACD may by resolution from time to time decide.

There are currently Class A Shares, Class B Shares, Class I Shares, Class M Shares and Class R Shares available for investment in the following Funds. Details of the Share Classes are shown below. Share Classes can be subscribed for at the Price plus an initial sales charge which (if charged) shall be added to the Subscription Price of the Shares.

Class A Shares

Class A Shares are intended for purchase primarily by individuals who are able to invest £500 or more in a Fund. This minimum investment amount may be lowered or waived with the prior agreement of the ACD and does not apply to investors who are subscribing via a regular savings scheme offered by the ACD (please see the section headed 'Regular Savings Scheme' for more information).

Class A Shares can be subscribed for at their Price plus an initial sales charge detailed in the table below:

Fund	Share Class	Initial Sales Charge
Barclays UK Core Fund	A	4.5%
Barclays UK Alpha Fund	A	4.5%
Barclays UK Opportunities Fund	A	4.5%
Barclays UK Equity Income Fund	A	4.5%
Barclays Global Core Fund	A	4.5%
Barclays Sterling Corporate Bond Fund	A	4.0%

The initial sales charge may be waived or lowered, at the discretion of the ACD. Class A Shares are not subject to a redemption fee. Class A Shares are available both as Distribution Shares and as Accumulation Shares.

Class B Shares

Class B Shares are intended for purchase by individuals, corporations and institutions who can invest at least £100,000 in a Fund. These minimum investment amounts may be lowered or waived with the prior agreement of the ACD. Class B Shares can be subscribed for at their Price plus an initial sales charge detailed in the table below:

Fund	Share Class	Initial Sales Charge
Barclays UK Core Fund	No longer available	2.5%
Barclays UK Alpha Fund	B	2.5%
Barclays UK Opportunities Fund	No longer available	2.5%
Barclays UK Equity Income Fund	No longer available	2.5%
Barclays Global Core Fund	No longer available	2.5%
Barclays Sterling Corporate Bond Fund	No longer available	2.0%

The initial sales charge may be waived or lowered, at the discretion of the ACD. Class B Shares are not subject to a redemption fee. Class B Shares are available as Distribution Shares and as Accumulation Shares for Barclays UK Alpha Fund.

Class I Shares

Class I Shares are intended for purchase primarily by institutional type investors which conduct life, pension or asset management related business with the Investment Manager or its affiliates and are able to invest a minimum of Stg £2,000,000 in a Fund. These minimum investment amounts may be lowered or waived with the prior agreement of the ACD. Class I Shares can be subscribed for at their Price and are not subject to any initial sales charge or redemption fee. Class I Shares are available as Distribution Shares.

Class M Shares

Class M Shares are only available for purchase by the Investment Manager (or otherwise at the discretion of the ACD). Class M Shares can be subscribed for at their Price and are not subject to any initial sales charge or redemption fee. Class M Shares are available as Distribution Shares for all Funds except for Barclays Global Core Fund. Class M Shares are also available as Accumulation Shares for Barclays UK Alpha Fund.

Class R Shares

Class R Shares are intended for purchase by individuals, corporations and institutions who can invest at least £2,000,000 in a Fund. These minimum investment amounts may be lowered or waived with the prior agreement of the ACD. Class R Shares are available both as Distribution Shares and as Accumulation Shares. Class R Shares are not subject to a redemption fee. Class R Shares can be subscribed for at their Price plus an initial sales charge detailed in the table below:

Fund	Share Class	Initial Sales Charge
Barclays UK Core Fund	R	2.0%
Barclays UK Alpha Fund	R	2.0%
Barclays UK Opportunities Fund	R	2.0%
Barclays UK Equity Income Fund	R	2.0%
Barclays Global Core Fund	R	2.0%
Barclays Sterling Corporate Bond Fund	R	2.0%

The initial sales charge may be waived or lowered, at the discretion of the ACD.

Further classes of Shares may be established from time to time by the ACD in accordance with the Instrument of Incorporation and the applicable FCA Rules. On the introduction of a new Share Class a revised prospectus will be prepared setting out the details of the Share Class.

Each Share is deemed to represent one undivided unit of entitlement in the property of a Fund.

No bearer Shares are issued.

The ongoing expenses of each of the Classes will differ. Information in respect of the charges and expenses to which the different Classes are or may become subject is set out in the section below headed Fees and Expenses. In addition, the choice of Class or Classes for a given Fund may be limited.

The Price for each Class of a particular Fund will thus differ as a result of (among other things) different fees and expenses. The differing distribution policies of Shares within a Class may also result in different Prices. Over time, these differences will result in Shares of different Classes of the same Fund, which were bought at the same time, producing different investment returns.

The ACD may, at its sole discretion, convert some or all of the Shares held by any Shareholder from one Class of Shares to another Class of Shares, provided that the terms of the original Shares are substantially similar to the new Shares and the conversion does not materially prejudice any such Shareholder. The ACD will provide the Shareholder with 60 days' prior notice of such Conversion. Please note that, under current UK tax law, a conversion of Shares between different Share Classes of the same Fund will not be deemed to be a realisation for the purposes of UK capital gains taxation.

Income Policy

Holders of Distribution Shares are entitled to be paid the distribution income attributed to such Shares on any of the relevant interim and/or annual accounting dates (as explained in more detail below). Holders of Accumulation Shares are not entitled to be paid the income attributed to such Shares, but rather that income is automatically transferred to (and retained as part of) the capital assets of the Company on the relevant interim and/or annual accounting dates. This is reflected in the price of an Accumulation Share.

If both Distribution and Accumulation Shares are in existence in relation to a Fund, the income of that Fund is allocated as between Accumulation Shares and Distribution Shares according to the respective units and entitlement in the Scheme Property of the relevant Fund represented by the Accumulation Shares and Distribution Shares in existence at the end of the relevant accounting period.

Where the Company 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. The rights attaching to the Shares of all Classes may be expressed in two denominations and, in case of these classes, the proportion of a larger denomination Share represented by a smaller denomination Share shall be one ten thousandth of the larger denomination. Smaller denomination Shares therefore represent fractions of a larger denomination Share and accordingly have proportionate rights.

Subscriptions

The dealing office of the ACD is open from 9.00 a.m. until 5.30 p.m. on each Dealing Day to receive requests for the issue, redemption and switching of Shares. Accepted requests will be effected at Prices determined at the next Valuation Point following receipt of such request. For the avoidance of doubt all deals placed after 5.30 p.m. on a Dealing Day will not be effected at the 1.00 a.m. Valuation Point immediately following that Dealing Day but will be carried forward to the Valuation Point on the following Dealing Day. All dealings in Shares will be in the currency in which the relevant Share Class is denominated or as otherwise specified by the ACD (in its absolute discretion).

Applications for Shares

Procedure

Investors wishing to subscribe for Shares in any of the Funds for the first time should note that, subject to the ACD's discretion, such subscriptions can only be made through an Intermediary. However, investors who held Shares directly in any of the Funds as at date of this prospectus can continue to deal directly with the ACD when making additional subscriptions or redeeming their investment in any of the Funds.

Subject to ACD's discretion on allowing subscriptions directly into the Funds, Shares can be bought either by sending a completed application form to Barclays Asset Management Limited, PO Box 3733, Royal Wootton Bassett, Swindon, SN4 4BG or via an Intermediary or by placing a valid dealing instruction via an electronic trading system that is supported by the Administrator.

Applications for Shares can also be made by telephoning the Administrator during normal business hours on 0333 300 0093. All applications placed by telephone must be followed by sending a completed application form to the address set out above. Application forms are available from the Administrator and your Intermediary.

For some Funds it may be possible to purchase certain Share Classes via a regular savings scheme. If a Fund permits a regular savings scheme this is set out below in the section headed "Regular Savings Scheme". Details of any such scheme may also be available from an Intermediary.

The ACD has the right to reject, on reasonable grounds relating to the circumstances of the applicant or application, any application for Shares in whole or part, including, without limitation, an application from a Non-Qualified Person, and in this event the ACD will return any money sent, or the balance of such monies, at the risk of the applicant.

Payment in respect of applications must be received by the Administrator within four Business Days following the Valuation Point by reference to which the purchase Price is determined. However, the ACD has the right to defer issuing Shares until all subscription monies in relation to such deals are received, including in circumstances in which the ACD has been unable to verify the identity of the proposed Shareholder (please see the section 'Verification of Identity' below). Any subscription monies remaining after a whole number of Shares has been issued will not be returned to the applicant. Instead, smaller denomination Shares will be issued in such circumstances.

In order to comply with the legislation implementing the United Kingdom's obligations under various intergovernmental agreements relating to the automatic exchange of information to improve international tax compliance (including European Directives, the OECD Common

Reporting Standard and including the United States provisions commonly known as “FATCA”), the ACD (or its agent) will collect and report information about Shareholders and their investments where required for this purpose, including information to verify their identity and tax status.

If requested to do so by the ACD or its agent, Shareholders must provide tax residency and US citizenship information to be passed on to HM Revenue & Customs, and, by them, to any relevant overseas tax authorities. Shareholders must inform the ACD (or its agents), of any changes in circumstances that impact on their tax residency or US citizenship status within 30 days of such change and provide updated documentation as required by the ACD (or its agent).

Investing via an ISA or ISA transfer

Shares in the Funds are intended to be eligible investments to be held within a stocks and shares ISA.

Regular Savings Scheme

A regular savings scheme is offered by the ACD in respect of Class A Shares. The minimum subscription amount applicable for Class A Shares under the scheme is £50. Regular savings schemes may also be offered in respect of other Share Classes at the discretion of the ACD.

Documentation

Applications will not be acknowledged but a contract note giving details of the Shares purchased and the Price used will be issued by the end of the Business Day following the relevant Valuation Point, together with, where appropriate, a notice of the applicant’s right to cancel. A contract note will not be issued for Shares purchased under the regular savings scheme.

Share certificates will not be issued in respect of Shares. Ownership of Shares will be evidenced by an entry on the Company’s register of Shareholders.

Statements in respect of periodic distributions of income in each Fund will show the number of Shares held by the recipient in the Fund in respect of which the distribution is made. Periodic statements will also be issued, twice yearly.

Minimum Subscriptions

The minimum initial subscription levels for each Share Class issued in respect of each Fund are set out above in the section headed “Description of Shares”. The minimum subsequent subscription and minimum holding levels for each Share Class issued in respect of each Fund are set out below. The ACD may at its discretion accept subscriptions lower than the minimum amount.

Subsequent Subscriptions

Any subsequent subscriptions for Shares must be in the minimum amount set out below (or less at the discretion of the ACD):

Class A Shares	Class B Shares	Class I Shares	Class R Shares
£100	£1,000	£100,000	£500

There are no minimum subsequent subscription amounts applicable to Class M Shares. The minimum subsequent subscription amounts do not apply to Shareholders who invest in the Company via a regular savings scheme offered by the ACD.

Minimum Holdings

Any Shareholder who redeems or otherwise disposes of part of his holding of Shares must maintain a holding of Shares in the Fund of not less than the amount set out below (or less at the discretion of the ACD):

Class A Shares	Class B Shares	Class I Shares	Class R Shares
£500	£100,000	£2,000,000	£2,000,000

There are no minimum holding amounts applicable to Class M Shares.

In the event that a Shareholder has made a redemption or other disposal of their Shares, such as a Conversion or Switch, and the value of their remaining Shares in the relevant Class is less than the applicable minimum holding value for that Class, the ACD may at any time, at its sole discretion, subject to providing the Shareholder with 30 days' prior notice to top up their holding, redeem the Shareholder's entire holding in that Class.

Redemptions

Procedure

Subject to the provisions below relating to "Suspensions of Dealings in the Company", Shares may be redeemed on any Dealing Day (though please see section headed "Subscriptions"). Shares to be redeemed pursuant to a redemption request received before 5.30 p.m. on a Dealing Day will be effected at Prices determined at the next Valuation Point following receipt of such request. For the avoidance of doubt all redemption requests received after 5.30 p.m. on a Dealing Day will not be effected at the 1.00 a.m. Valuation Point immediately following that Dealing Day but will be carried forward to the Valuation Point on the following Dealing Day.

If the value of Shares which a Shareholder wishes to redeem will mean that the Shareholder will hold Shares with a value less than the required minimum holding for the Share Class and Fund concerned (see below) the ACD may require the Shareholder to redeem his entire holding. Cancellation rights do not apply to instructions to redeem.

Requests to redeem Shares must, where you subscribed via an Intermediary be made via your Intermediary, or, where you subscribed directly, to the Administrator during normal office business hours by telephoning 0333 300 0093 or writing to Barclays Asset Management Limited, PO Box 3733, Royal Wootton Bassett, Swindon, SN4 4BG. Requests to redeem Shares may also be made by placing a valid dealing instruction via an electronic trading system that is supported by the Administrator.

Documents the Seller will receive

A contract note giving details of the number and Price of Shares sold will be sent to the selling Shareholder (the first named, in the case of joint Shareholders) together (if sufficient written instructions have not already been given) with a form of renunciation (unless dealing electronically) for completion and return by the Shareholder (and, in the case of a joint holding, by all the joint holders), not later than the end of the Business Day following the Valuation Point by reference to which the redemption price is determined. Payment by BACS or cheque in satisfaction of the redemption monies will be issued within four Business Days following the later of:

- a) receipt by the Administrator of the form of renunciation (or other sufficient written instructions) duly signed by all the relevant Shareholders and completed as to the appropriate number of Shares, together with any other appropriate evidence of title; and
- b) the Valuation Point following receipt by the ACD of the request to redeem.

However, where money is owing on the earlier sale of Shares and has not been received and cleared then redemption proceeds for those same Shares will not be sent until such time as the initial money has been received and cleared.

A form of renunciation will not be sent if trading electronically or you have opted out of receiving them.

Minimum Redemptions and Holdings

A minimum redemption of £250 applies to all Class A Shares and Class B Shares. For Class R Shares a minimum of £2,000,000 redemption applies, and there is no minimum redemption amount for Class I Shares and Class M Shares. Minimum redemption amounts are subject to the ACD's discretion. In addition the following thresholds apply in respect of minimum holdings.

Minimum Holdings

Any Shareholder who redeems or otherwise disposes of part of his holding of Shares of any Share Class issued in respect of a Fund must maintain a holding of Shares in the relevant Share Class of such Fund of not less than the amount set out below (or less at the discretion of the ACD):

Class A Shares	Class B Shares	Class I Shares	Class R Shares
£500	£100,000	£2,000,000	£2,000,000

There are no minimum holding amounts applicable to Class M Shares.

In the event that a Shareholder has made a redemption or other disposal of their Shares, such as a Conversion or Switch, and the value of their remaining Shares in the relevant Class is less than the applicable minimum holding value for that Class, the ACD may at any time, in its sole discretion, subject to providing the Shareholder with 30 days' prior notice to top up their holding, redeem the Shareholder's entire holding in that Class.

Investment in other Funds of the Company

Where a Fund invests in or disposes of shares in a second Fund of the Company and a charge applies in respect of such investment or disposal (as set out in paragraph 14.5 of Appendix III), the ACD shall pay the Fund making the investment or disposal such charges within four business days following the date of the agreement to invest or dispose (though not any SDRT or dilution levy).

Issue and Cancellation of Shares

Requests for purchase, redemption and exchange of Shares are normally dealt with by the issue or cancellation of such Shares by the Company. The ACD is required to procure the issues or cancellation of Shares by the Company where necessary to meet any obligations to sell or redeem Shares. Shares will be issued, cancelled, sold or repurchased at the price calculated by reference to the relevant valuation point following receipt of the request (on a forward basis).

Deferred Redemption

In times of high redemption, to protect the interests of continuing Shareholders, the ACD may defer all redemptions at any Valuation Point to the next Valuation Point where requested redemptions exceed 10% of the relevant Fund's Net Asset Value. This will allow the ACD to match the sale of Fund's property to the level of redemption, thereby reducing the impact of dilution on the Fund. At the next such Valuation Point all deals relating to an earlier Valuation Point will be completed before those relating to a later valuation point are considered.

Conversion and Switching

Subject to any restrictions on the eligibility of investors for a particular Share Class (see the section 'Restrictions and Compulsory Transfer and Redemption' below), a Shareholder in a Fund may at any time:

- (i) Request a Switch of all or some of his Shares in one Fund (Old Shares) for Shares in another Fund in the Company (New Shares); or
- (ii) Request a Conversion of all or some of his Shares of one Class in a Fund (Old Shares) for another Class of Shares in the same Fund (New Shares).

If a Conversion or a Switch would result in a Shareholder holding a number of Old Shares or New Shares of a value which is less than the minimum holding in the Class of Shares in the Fund(s) concerned, the ACD may, if it thinks fit, convert the whole of the applicant's holding of Old Shares to New Shares or refuse to effect any Conversion or Switch of the Old Shares.

No Conversion or Switch will be made during any period when the right of Shareholders to require the redemption of their Shares is suspended.

Conversions

Conversions will be effected by the ACD recording the change of Share Class on the Register of the Company. The ACD does not currently charge a fee in respect of a Conversion.

A Conversion may be effected either by telephoning the Administrator during normal business hours on 0333 300 0093 on a Dealing Day or writing to Barclays Asset Management Limited, PO Box 3733, Royal Wootton Bassett, Swindon, SN4 4BG.

A Conversion request must be received by the Administrator before the Valuation Point on the Dealing Day on which the Old Shares are to be Converted to New Shares to be dealt with at the price at that Valuation Point on that Dealing Day, or at such other Valuation Point as the ACD at the request of the Shareholder giving the relevant Conversion notice may determine. Conversion requests received after a Valuation Point will be held over until the next Dealing Day.

The ACD may adjust the number of New Shares to be issued or sold to reflect the imposition of any Conversion charges together with any other charges or levies in respect of the issue or sale of the New Shares or cancellation of the Old Shares as may be made in accordance with COLL.

The number of New Shares issued will be determined in accordance with the following formula, by reference to the respective prices of New Shares and Old Shares at the Valuation Point applicable at the time the Old Shares are repurchased and the New Shares are issued:

$$N = O \times \frac{(CP \times ER)}{SP}$$

where:

- N is the number of New Shares to be issued or sold (rounded down to the nearest whole number of smaller denomination shares);
- O is the number of Old Shares specified (or deemed to be specified) in the exchange notice which the holder has requested to exchange;
- CP is the price at which a single Old Share may be cancelled or redeemed as at the Valuation Point applicable to the cancellation or redemption as the case may be;
- ER is 1, where the Old Shares and the New Shares are designated in the same currency and, in any other case, is the exchange rate determined by the ACD in its absolute discretion (subject to the FCA Rules as representing the effective rate of exchange between the two relevant currencies as at the date the exchange notice is received (or deemed to have been received) by the Company having adjusted such rate as may be necessary to reflect any costs incurred by the Company in making any transfer of assets as may be required as a consequence of such an exchange being effected; and
- SP is the price at which a single New Share may be issued or sold as at the valuation point applicable to the cancellation or redemption as the case may be.

Please note that, under current UK tax law, a Conversion of Shares may constitute a disposal for UK tax resident Shareholders for the purposes of capital gains taxation depending on the circumstances.

Switches

The ACD may at its discretion charge a fee on Switching Shares. The fee will not exceed the prevailing initial sales charge for the Class of Shares into which the Shares are being switched (please see the section headed "Description of Shares").

The number of New Shares issued will be determined by reference to the respective prices of New Shares and Old Shares at the Valuation Point applicable at the time the Old Shares are

redeemed and the New Shares issued. The number of New Shares to be issued will be determined in accordance with the formula set out above in the section headed 'Conversions'.

A Switch may be effected either by telephoning the Administrator during normal business hours on 0333 300 0093 on a Dealing Day or writing to Barclays Asset Management Limited, PO Box 3733, Royal Wootton Bassett, Swindon, SN4 4BG. A Switching request must be received by the Administrator before the Valuation Point on the Dealing Day on which the Old Shares may be redeemed and the New Shares may be issued to be dealt with at the price at that Valuation Point on that Dealing Day, or at such other Valuation Point as the ACD at the request of the Shareholder giving the relevant Switching notice may determine. Switching requests received after a Valuation Point will be held over until the next Dealing Day.

The ACD may adjust the number of New Shares to be issued or sold to reflect the imposition of any Switching charges together with any other charges or levies in respect of the issue or sale of the New Shares or repurchase or cancellation of the Old Shares as may be made in accordance with the FCA Rules.

A Shareholder who Switches will not be given a right by law to withdraw from or cancel the transaction.

Please note that, under current UK tax law, a Switch of Shares is treated as a redemption and sale and will, for persons subject to United Kingdom taxation, be a realisation for the purposes of capital gains taxation.

Market timing and Excessive Trading

The ACD may refuse to accept a subscription or a switch from another Fund if it has reasonable grounds, relating to the circumstances of the Shareholder concerned, for refusing to accept a subscription or a switch from them. In particular, the ACD may exercise this discretion if it believes the Shareholder has been or intends to engage in market timing. "Market timing" is a phrase used to describe certain investment strategies, including arbitrage and short-term trading. Arbitrage occurs when an investor takes advantage of changes in the market of a Fund's underlying investment where the Fund is priced using the end of day prices from that market which closed for trading a material period prior to the Fund's Valuation Point. Arbitrage and short-term trading can be disruptive to a Fund's management, causing dilution and detriment to the Fund's long-term shareholders.

Investment in the Funds is intended for long-term purposes only. The Funds will take reasonable steps to seek to prevent short-term trading. Excessive short-term trading into and out of a Fund can disrupt portfolio investment strategies and may increase expenses, and adversely affect investment returns, for all Shareholders, including long-term Shareholders who do not generate these costs. The Company reserves the right to reject any purchase request (including any conversion request) by any investor or group of investors for any reason without prior notice, including, in particular, if it believes that the trading activity would be disruptive to a Fund. For example, a Fund may refuse a purchase order if the ACD believes it would be unable to invest the money effectively in accordance with the Fund's investment policies or the Fund would otherwise be adversely affected due to the size of the transaction, frequency of trading or other factors.

The trading history of accounts under common ownership or control may be considered in enforcing these policies. Transactions placed through the same Intermediary on an omnibus basis may be deemed a part of a group for purposes of this policy and may be rejected in whole or in part by a Fund.

Transactions accepted by an Intermediary in violation of the Funds' excessive trading policy are not deemed accepted by a Fund and may be cancelled or revoked by the Fund on the next Business Day following receipt.

Investors should be aware that there are practical restraints both in determining the policy which is appropriate in the interests of long term investors, and in applying and enforcing such policy. For example, the ability to identify and prevent covert trading practices or short term trading where investors act through omnibus accounts is limited. Also, investors such as fund of funds and asset allocation funds will change the proportion of their assets invested in the Company or in the Funds in accordance with their own investment mandate or investment strategies. The Company will seek to balance the interests of such investors in a way which is consistent with the interests of long term investors but no assurance can be given that the Company will succeed in doing so in all circumstances. For example, it is not always possible to identify or reasonably detect excess trading that may be facilitated by financial intermediaries or made difficult to identify by the use of omnibus accounts by those intermediaries.

Client Money

Where the ACD is required to hold your money (e.g. for dealing purposes in respect of a Fund), the ACD will hold your money as Client Money in accordance with the Client Money Rules

Client Money will be held: (a) where possible, in a client account with the ACD or another member of the Barclays Group, unless the ACD agrees differently with you; or (b) where this is not possible with an approved bank (as defined in the FCA Handbook) in accordance with the applicable Client Money Rules.

Where your Client Money is held with an approved bank:

- a) the ACD will use reasonable skill and care in selecting, using and monitoring the approved bank with whom it deposits Client Money, but it is not liable for their acts or omissions, insolvency or dissolution (unless the loss arises because the ACD has been negligent, fraudulent or has acted in bad faith);
- b) the ACD cannot ensure that you would not lose any money if the approved bank enters administration, liquidation or a similar procedure. If the approved bank is unable to repay all of its creditors, your Client Money would be pooled with that of the ACD's other clients with that entity and any shortfall would be borne by all the clients of that pool proportionately. The likelihood of any shortfall may be affected by whose rights have priority upon insolvency.

Should the approved bank holding your Client Money become insolvent, the ACD will attempt to recoup the money on behalf of affected Shareholders. However, if this is not possible, affected Shareholders may be eligible to claim under the Financial Services Compensation Scheme (the FSCS). Further information about compensation arrangements is available from the ACD on request or from the FSCS at: The Financial Services Compensation Scheme 10th Floor, Beaufort House, 15 St Botolph Street, London, EC3A 7QU (www.fscs.org.uk).

If necessary, to act in accordance with an investor's instructions, the ACD may hold an investor's Client Money in a bank account at an approved bank outside of the UK. In such circumstances, the legal and regulatory regime applying to the approved bank will be different to the UK and in the event of default of the bank, the investor's money may be treated in a

different manner from that which would apply if the money was held by an approved bank in the UK.

Your Client Money may be pooled with those of the ACD's other clients in one account, subject to the Client Money Rules. In this case:

- (a) the ACD will maintain records of your interests in the Client Money which has been pooled;
- (b) your right to specific sums of Client Money may not be identifiable; and
- (c) if there is a default by the ACD or the bank (or banks) resulting in a shortfall, you might not receive your full entitlement. You might have to share in the shortfall in proportion to the value of the Client Money which the ACD or the bank hold for you with other clients. This explanation does not limit your rights against the ACD in any way.

In some jurisdictions, local law might not allow your Client Money to be held separately from the ACD's money or those of the nominee or bank. You might be at greater risk of loss if the nominee or bank enters administration, liquidation or a similar procedure.

No interest will be paid to investors during any period where the monies are treated as Client Money.

The ACD may, in certain circumstances permitted by the Client Money Rules (for example, if the ACD decides to transfer all or part of its business to a third party) transfer any Client Money held in respect of the business transferred in accordance with the Client Money Rules, to that third party without the relevant investor's prior consent. In these circumstances, on request, the third party must return any balance of Client Money to the investor as soon as possible. Subject to the Client Money Rules, the Client Money transferred may be held by the third party in accordance with the Client Money Rules. If this is not possible, the ACD will exercise all due skill, care and diligence to assess whether the third party has adequate measures in place to protect Client Money.

In certain circumstances, if the ACD is not able to contact you, the ACD is permitted to pay your Client Money to charity after six years. The ACD will not do so until reasonable efforts have been made to contact you. In any event, you will be entitled to recover the Client Money from the ACD at a later date irrespective of whether the ACD has paid the money to charity.

Delivery versus payment exemption:

By investing in a Fund, an investor is required to agree that the ACD may rely on the "delivery versus payment exemption", which means that where the ACD:

- (i) receives money in relation to your subscription for Shares in a Fund; or
- (ii) holds redemption proceeds in the course of redeeming Shares,

the money need not be treated as Client Money until the close of business on the Business Day following the date of receipt by the ACD of that money. This means that, money received by the ACD and processed through its bank account is not subject to the Client Money Rules up until that point

Where the circumstances above apply, and the ACD has not, by close of business on the Business Day following receipt of the money, paid the money to either you or the Depositary (as required by the relevant transaction), the ACD will then treat such money as Client Money in accordance with the relevant rules.

Subscriptions/Redemptions in Specie

Subscription in Specie

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

The ACD will ensure that the beneficial interest in the assets is transferred to the Company for the account of the relevant Fund with effect from the issue of the Shares. The ACD will not issue Shares in any Fund in exchange for assets the holding of which would be inconsistent with the investment objective of that Fund.

Redemption in Specie

If a Shareholder requests the redemption or cancellation of Shares, the ACD may at its discretion arrange for the Company to cancel the Shares and transfer Scheme Property to the Shareholder instead of paying the price of the Shares in cash, or, if required by the Shareholder, pay the net proceeds of sale of the relevant Scheme Property to the Shareholder. A deal involving Shares representing 5% or more in value of a Fund may be settled *in specie*, although the ACD may in its discretion agree an *in specie* redemption with a Shareholder whose Shares represent less than 5% in value of the Fund concerned.

Before the proceeds of cancellation of the Shares become payable, the ACD will give written notice to the Shareholder that Scheme Property (or the proceeds of sale of that Scheme Property) will be transferred to that Shareholder.

The ACD will select the property to be transferred (or sold) in consultation with the Depositary. They must ensure that the selection is made with a view to achieving no greater advantage or disadvantage to the redeeming Shareholder than to continuing Shareholders. The Company may retain from that property (or proceeds) the value (or amount) of any stamp duty reserve tax estimated to be payable on the cancellation of Shares.

Transfer of Shares

Shareholders are entitled to transfer their Shares to another person or body in accordance with the provisions of the Instrument of Incorporation and the FCA Rules. In the case of a transfer to joint holders, the number of joint holders to whom a Share may be transferred may not exceed four. No transfer is permitted where any party would be left with a holding of Shares having a lesser aggregate value than the minimum shareholding requirement for the Share Class or Share Classes concerned.

All transfers of registered Shares must be in writing in the form of an instrument of transfer signed by (or, in the case of a transfer by a body corporate, signed on behalf of or sealed by) the transferor and containing the name and address of the transferor and transferee. The instrument of transfer must be approved by the ACD. Completed instruments of transfer must be returned to the Administrator in order for the transfer to be registered by the Administrator. A single instrument of transfer may not be given in respect of more than one Share Class. The Administrator may refuse to register a transfer unless stamp duty reserve tax has been paid in respect of it.

Holders of Shares wishing to transfer registered Shares must sign the transfer in the exact name or names in which the Shares are registered, including any special capacity in which they are signing and supply all other details that may be required by the Administrator. The completed instrument of transfer, duly stamped if applicable, together with such other evidence as the Administrator may reasonably require to show the right of the transferor to make the transfer, must be sent to the Administrator. The transfer will take effect upon the registration of the transferee in the register of Shareholders.

In the case of the death of any one of the joint holders of registered Shares, the survivor(s) will be the only person or persons recognised by the Company as having title to the interest of the deceased joint Shareholder in the Shares registered in the names of such joint Shareholders.

Verification of Identity

To protect Shareholders and the ACD from financial crime, the ACD will be required to verify the identity of new and sometimes existing Shareholders. This may be achieved using reference agencies to search sources of information relating to a Shareholder (an Identity Search). This will not affect a Shareholder's credit rating. If this fails the ACD may need to approach a Shareholder to obtain documentary evidence of identity.

In certain circumstances, we may need to contact a Shareholder to obtain more information regarding their investment.

Restrictions and Compulsory Transfer and Redemption

The ACD may from time to time impose such restrictions as it may think necessary for the purpose of ensuring that no Shares are acquired or held by a Non-Qualified Person. In this connection the ACD may, *inter alia*, reject in its discretion any application for the purchase, sale, transfer or switching of Shares.

If it comes to the notice of the ACD that any Shares ("Affected Shares") are owned directly or beneficially by a Non-Qualified Person, the ACD may give notice to the holder(s) of the Affected Shares requiring either the transfer of such Shares to a person who is qualified or entitled to own them or that a request in writing be given for the redemption of such Shares in accordance with the FCA Rules. If any Shareholder upon whom such a notice is served does not within thirty days after the date of such notice transfer his Affected Shares to a person who is not a Non-Qualified Person or submit a written request for their redemption to the ACD or establish to the satisfaction of the ACD (whose judgement will be final and binding) that he or the beneficial owner is not a Non-Qualified Person, he shall be deemed upon the expiry of that thirty day period to have given a request in writing for the redemption or cancellation (at the discretion of the ACD) of all the Affected Shares.

A Shareholder who becomes aware that he is holding or owns Affected Shares shall immediately, unless he has already received a notice as set out above, either transfer all his

Affected Shares to a person who is not a Non-Qualified Person qualified to own them or submit a request in writing to the ACD for the redemption of all his Affected Shares.

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

Suspension of Dealings in the Company

The ACD may, with the prior agreement of the Depositary, or must without delay if the Depositary so requires, temporarily suspend the issue, cancellation, sale and redemption of Shares in any or all of the Funds (“dealing”), without prior notice to Shareholders, where due to exceptional circumstances it is in the interests of all Shareholders in the relevant Funds.

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

During such a suspension, the obligations relating to dealing contained in the FCA Rules will cease to apply in respect of the Fund(s) concerned. The ACD will comply with as much of the obligations in the FCA Rules relating to the valuation and pricing of Shares as is practicable in the light of the suspension. The suspension of dealings in Shares must cease as soon as practicable after the exceptional circumstances which led to the suspension, have ceased.

Shareholders will be notified of any suspension as soon as practicable after suspension commences. Such notification will draw Shareholders’ attention to the exceptional circumstances which resulted in the suspension and will inform Shareholders of how to obtain further information regarding the suspension with a view to keeping Shareholders appropriately informed. The ACD will keep Shareholders informed about the suspension and, if known, the likely duration. The ACD and the Depositary will conduct a formal review of the suspension at least every 28 days in accordance with the FCA Rules, and will inform the FCA of the results of this review and any change to the information provided to the FCA in respect of the reasons for the suspension. The ACD shall inform the FCA of the proposed restart of dealing in Shares and immediately after the restart shall confirm this by giving notice to the FCA.

Where the ACD agrees during the suspension to deal in Shares, all deals accepted during, and outstanding prior to, the suspension will be undertaken at a price calculated at the first relevant Valuation Point after the restart of dealings in Shares.

During any suspension, a Shareholder may withdraw his redemption notice provided that such withdrawal is in writing and is received before determination of the suspension. Any notice not withdrawn will be dealt with on the next Dealing Day following the end of the suspension.

The provisions relating to suspension of dealings can only apply to one or more classes of Shares without being applied to other classes within a Fund, if it is in the interest of all the Shareholders.

Governing Law

All dealings in Shares are governed by English law.

FEES AND EXPENSES

General

The fees, costs and expenses relating to the authorisation and incorporation and establishment of the Company or a new Fund, the offer of Shares, the preparation and printing of the Instrument of Incorporation, this Prospectus (and any further prospectus) and the fees of the professional advisers to the Company in connection with the offer may be borne by the Company or the relevant Fund.

The Company may pay out of the Scheme Property of a Fund charges and expenses incurred by the Fund, which will include the following expenses:

- a) any fees and expenses payable to the ACD (which will include fees and expenses payable to the Investment Manager and to the Administrator, as explained below) or the Depositary, as described in more detail below (see the sections headed “Charges Payable to the ACD” and “Charges Payable to the Depositary”);
- b) broker’s commission, fiscal charges (including stamp duty and/or stamp duty reserve tax) and other fees and disbursements which are necessarily incurred in effecting transactions for the Funds and on the issue of Shares, including fees incurred in relation to OTC derivative transactions, and normally shown in contract notes, confirmation notes and difference accounts as appropriate (“transaction costs”). Such transaction costs will also include the direct and indirect operational costs and/or fees arising from time to time as a result of the ACD’s use of efficient portfolio management techniques (as described in Appendix II);
- c) fees and expenses in respect of establishing and maintaining the register of Shareholders and any sub-register of Shareholders (as described in more detail below);
- d) the Administrator’s fees (at normal commercial rates) for carrying out the Fund Accountancy Function, and any other costs, expenses and disbursements properly incurred by the Administrator in respect of a Fund;
- e) any costs incurred in or about the listing of Shares in the Company on any stock exchange, and the creation, conversion and cancellation of Shares;
- f) any costs incurred by the Company in publishing the price of the Shares in a national or other newspaper;
- g) any costs incurred in producing and dispatching any payments made by the Company, or the yearly and half-yearly reports of the Company;
- h) any fees, expenses or disbursements (at normal commercial rates) of any legal or other professional adviser of the Company or of any legal or other professional adviser properly incurred in relation to the Company;
- i) any costs incurred in taking out and maintaining any insurance policy in relation to the Company;
- j) any costs incurred in respect of meetings of Shareholders convened for any purpose including those convened on a requisition by Shareholders (not including the ACD or an associate of the ACD);

- k) liabilities on amalgamation or reconstruction including certain liabilities arising after transfer of property to the Funds in consideration for the issue of Shares as more fully detailed in the FCA Rules;
- l) interest on borrowings and charges incurred in effecting or terminating such borrowings or in negotiating or varying the terms of such borrowings;
- m) taxation and duties payable in respect of the property of the Funds or the issue or redemption of Shares;
- n) the audit fees of the Company's auditors and any expenses of the auditors;
- o) the fees of the FCA under Schedule 1 part III of the Act, together with any corresponding periodic fees of any regulatory authority in a country or territory outside the United Kingdom in which Shares in the Company are or may be marketed;
- p) other fees and expenses properly incurred in connection with the distribution of Shares and costs of registration of the Company (or any Fund) in jurisdictions outside the UK including, for the avoidance of doubt, the cost of making (or appointing persons to make) any returns or calculations necessary to secure favourable treatment of the Company (or any Fund) under the tax or regulatory systems of such jurisdictions;
- q) any expense incurred in relation to company secretarial duties including the cost of maintenance of minute books and other documentation required to be maintained by the Company;
- r) any cost incurred in preparing and modifying the Company's Instrument of Incorporation, Prospectus and Key Investor Information Document;
- s) any reimbursement of set-up costs that the ACD considers appropriate after consulting the auditors;
- t) any costs incurred in connection with communicating with investors (excluding promotional payments);
- u) any payments otherwise due by virtue of the FCA Rules; and
- v) any value added or similar tax relating to any charge or expense set out herein.

Expenses are allocated between capital and income in accordance with the FCA Rules. Where expenses are treated as a capital expense, capital growth will be constrained. Where the annual management charge (as explained below under the section headed "Charges Payable to the ACD – Annual Management Charge") is taken from the capital of a Fund all of the other charges and expenses for that Fund will be treated as a capital expense in accordance with the FCA Rules which may have the effect of constraining capital growth. Where the annual management charge is taken out of the income of a Fund all of the other charges and expenses for that Fund will be treated as an income expenses (with the exception of any payment as a result of effecting a transaction) to the extent that there is sufficient income. If there is an income deficit then any remaining sums will be charges to capital.

Please see the section "Treatment of Charges" for details on whether the annual management charge for a particular Fund is taken from capital or income.

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

Dealing Charges

Initial Charge

The ACD may impose a charge on the sale of Shares to investors. The initial sales charge is payable to the ACD. Full details of the current initial sales charge for each Share Class issued in respect of each Fund are set out above in the section headed "Description of Shares".

Redemption Charge

The ACD currently does not impose a charge on the redemption of Shares.

Switching Fee

Shareholders may switch to Share Classes within such other Fund or Funds as the ACD may permit. A switching fee of up to 1% of the Net Asset Value of the investment being switched may be charged to the switching Shareholders, at the discretion of the ACD. The switching fee is payable to the ACD. Shareholders may Convert free of any charge from one Share Class to another Share Class within the same Fund.

Charges Payable to the ACD

Annual Management Charge

In payment for carrying out its duties and responsibilities the ACD is entitled to charge a management fee in respect of each Fund calculated by reference to an annual percentage rate based on the Net Asset Value of the Fund. Any management charge accrues daily and is payable monthly in arrears.

The annual management charge of the ACD for each Share Class available in the Funds is as follows:

Name of Fund	Class Shares	A	Class Shares	B	Class Shares	R
Barclays UK Core Fund	1.25%		1.25%		0.90%	
Barclays UK Alpha Fund	1.25%		1.25%		0.90%	
Barclays UK Opportunities Fund	1.25%		1.25%		0.90%	
Barclays UK Equity Income Fund	1.25%		1.25%		0.90%	
Barclays Global Core Fund	1.25		1.25%		0.9%	
Barclays Sterling Corporate Bond Fund	0.85%		0.85%		0.70%	

The ACD currently charges an annual management charge of 1.15% and 0.90% per annum of the Net Asset Value attributable to the Class I Shares and Class M Shares, respectively, of each Fund. These figures represent the rates which may currently be applied in respect of the Class I Shares and Class M Shares, but in practice, lower rates may be charged.

The ACD is also entitled to all reasonable, properly vouched, out of pocket expenses incurred in the performance of its duties, including stamp duty and stamp duty reserve tax on transactions in Shares.

The Investment Manager’s fees and expenses are paid by the ACD out of the annual management charge that it receives from the Funds. The Administrators fees and expenses in relation to its Registrar and Transfer Agency function are paid by the ACD.

Registration and Transfer Agency Fees

For each Fund, the ACD is entitled to charge fees and expenses to the Fund including, but not limited to:

- fees and expenses in respect of establishing and maintaining the register of Shareholders (and any sub-registers relating to savings plans and ISAs) and related functions; and
- expenses incurred in producing, distributing and dispatching income, and accepting or paying other payments to Shareholders.

To pay these registration and transfer agency fees, the ACD charges each Share Class in a Fund a fee calculated by reference to an annual percentage rate based on the Net Asset Value of that Share Class. The current fee for each Share Class is:

Share Class	Registration and transfer agency fee per annum
A	0.15%
B	0.15%
I	0.03%
M	0.03%
R	0.15%

The fee accrues daily and is paid monthly in arrears out of the scheme property of the Funds. The fee is calculated based on the Net Asset Value of each Share Class on the previous Business Day.

Where the Fund invests in other collective investment schemes operated by the ACD (“such schemes”), the registration and transfer agency fee will only be charged once in that any equivalent registration charge made by such schemes will be rebated by the ACD to the scheme property of the investing Fund.

Increases to the charges payable to the ACD

The ACD may not increase the current rate or amount of its remuneration payable out of the Scheme Property (including the annual management charge or registration and transfer agency fee) or any initial, redemption or switching charges unless, at least 60 days before the increase, the ACD gives notice in writing of the increase and the date of its commencement to all Shareholders and has revised and made available the Prospectus to reflect the new rate and the date of its commencement.

If the ACD introduces any new category of remuneration or considers that an increase in its remuneration or charges would constitute a “fundamental change” (as defined in the FCA Rules), the ACD would require the prior approval of an extraordinary resolution of Shareholders.

Charges Payable to the Depositary

Periodic Charges

The Depositary is entitled to receive out of the Scheme Property attributable to each Fund for its own account a periodic charge. The Depositary's charge accrues on a daily basis and is calculated by reference to the daily value of each Fund. The charge is payable monthly in arrears within 30 days of receipt of the Depositary's invoice. The rate of the periodic charge is agreed between the ACD and the Depositary and is subject to value added tax, if appropriate.

The current charge for each Fund is 0.0125 % per annum of the Scheme Property of a Fund.

This rate may be varied from time to time in accordance with the FCA Rules.

The first accrual in relation to any Fund will take place in respect of the period beginning on the day on which the first valuation of that Fund is made and ending immediately before the next valuation on the following Dealing Day.

Transaction and custody charges

In addition to its periodic charge, the Depositary is also paid out of the property attributable to each Fund transaction charges and custody charges in relation to transaction handling and safekeeping of the Scheme Property as follows:

Item	Range (per transaction)
Transaction Charges	Current maximum of £300
Custody Charges	Current maximum of 3%

These charges vary from country to country depending on the markets and the type of transaction involved. Transaction and custody charges accrue as agreed from time to time between the Depositary and the ACD and are payable on the same basis as the Depositary's periodic charge, or as otherwise agreed between the Depositary and the ACD.

Costs and expenses

Where relevant, the Depositary may make a charge for its services in relation to: distributions, the provision of banking services, holding money on deposit, lending money, or engaging in stock lending transactions, in relation to the Fund and may purchase or sell or deal in the purchase or sale of Scheme Property, provided always that the services concerned and any such dealing are in accordance with the provisions of the FCA Rules.

The Depositary will also be entitled to payment and reimbursement of all costs, liabilities and expenses properly incurred in the performance of, or arranging the performance of, functions conferred on it by the Instrument, the FCA Rules or by the general law.

On a winding up of the Fund the Depositary will be entitled to its *pro rata* fees, charges and expenses to the date of winding up, the termination, or the redemption (as appropriate) and any additional expenses necessarily realised in settling or receiving any outstanding obligations.

Any value added tax on any fees, charges or expenses payable to the Depositary will be added to such fees, charges or expenses.

Expenses not directly attributable to a particular Fund will be allocated between Funds in a way which the ACD considers is fair to Shareholders. In each such case such expenses and

disbursements will also be payable if incurred by any person (including the ACD or any associate or nominee of the Depositary or of the ACD) who has had the relevant duty delegated to it pursuant to the FCA Rules by the Depositary.

Allocation of Fees and Expenses between Funds

All the above fees, duties and charges (other than those borne by the ACD) will be charged to the Fund in respect of which they were incurred, but where an expense is not considered to be attributable to any one Fund, the expense will normally be allocated equally to all Funds, although the ACD has discretion to allocate these fees and expenses in a manner which it considers fair to Shareholders.

Research

Each of the ACD and the Investment Manager will pay directly out of its own resources for all research (as defined in the FCA Handbook) received from third parties in connection with the provision of its services to the Company.

TAXATION

General

The following information is an outline of the ACD's understanding of current UK law and HM Revenue & Customs ("HMRC") practice in force at the date of this Prospectus applicable to the Company and Shareholders resident for taxation purposes in the United Kingdom and holding their Shares as investments. The information given below does not constitute tax or legal advice and prospective investors should consult their professional advisers for specific advice in connection with any decision to acquire, hold or dispose of shares under the laws of the jurisdiction in which they may be subject to tax. Taxes and reliefs from tax, the laws and regulations governing tax, their interpretation and HMRC practice, may change (possibly with retrospective effect). Non-UK resident Shareholders should consult their own advisers as to the tax consequences of acquiring, holding or disposing of Shares under the law of their own jurisdiction of residence.

Taxation of the Company/Funds

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

The Funds are generally exempt from UK taxation in respect of gains realised on the disposal of investments held by them (including interest bearing securities and derivatives). However, gains realised upon the sale, redemption or other disposal of interests in "offshore funds" which are not "reporting funds" for the purposes of the UK offshore funds legislation set out in the Offshore Funds (Tax) Regulations 2009 (SI 2009/3001) and which are not specifically excluded will be treated as income ("offshore income gains") rather than capital gains. Shareholders may not receive effective credit for the tax on such gains. This is on the basis that none of the Funds meet the conditions, or have elected or intend to elect, to be treated as "funds investing in non-reporting offshore funds" for the purposes of Part 6A of the AIF Regulations.

The Funds are exempt from UK corporation tax on certain dividends and distributions from UK and overseas companies and collective investment schemes, subject to certain conditions being met. Each Fund, however, is liable to UK corporation tax on most other income, net of allowable expenses (and, in relevant cases, interest distributions made (or treated as made) by the Fund, either by way of cash distribution or through accumulation or re-investment in the Fund). The applicable rate of corporation tax is equivalent to the basic rate of income tax, currently 20%. Where foreign tax has been deducted from income from overseas sources, that tax can in some instances be offset against UK corporation tax payable by the Fund (or be deducted from the taxable income) by way of double tax relief.

Distributions made by a Fund may, for UK tax purposes, be either dividend distributions or interest distributions, depending on the nature of the income of the Fund. Interest distributions can be made only where the Fund is a "bond fund" (i.e. the market value of the Fund's interest-bearing investments, including holdings in collective investment schemes that pay interest distributions and cash on deposit, exceeds 60% of the market value of all its assets throughout the distribution period to which it relates). Accordingly, a Fund that does not qualify as a bond fund can only make dividend distributions.

No tax is deducted at source from dividend or from interest distributions.

Stamp Duty Reserve Tax

SDRT is generally not chargeable on surrenders and certain other transfers of Shares in a Fund. However, SDRT may be chargeable at 0.5% on surrenders in respect of which a Shareholder receives a non-pro rata in specie redemption resulting in a transfer of underlying assets. In this instance, the SDRT will be a liability borne by the recipient of the underlying assets.

Taxation of Shareholders

Income distribution and accumulation

For the purposes of UK taxation on income, the same consequences will follow whether a Fund's income is distributed to a Shareholder or accumulated on his behalf. Reference in the following paragraphs to the distributions of a Fund are therefore of equal application where income is accumulated.

In the case of Accumulation Shares, reinvested income is deemed (at the time of such reinvestment) to have been distributed to the Shareholder for the purposes of taxation.

A tax voucher will be issued to Shareholders to enable them to complete their tax returns.

Non UK-resident Shareholders are not generally liable to UK tax on dividend or interest distributions. They may be liable to tax in their own jurisdiction.

Individual Shareholders and other non-corporation tax paying Shareholders

Dividend distributions

An individual Shareholder who is resident for tax purposes in the United Kingdom receives an annual Dividend Allowance which exempts from tax his first £2,000 of dividend income (the Dividend Allowance was £5,000 before 6 April 2018). Dividend income in excess of the Dividend Allowance is taxed at 7.5%, 32.5% or 38.1% to the extent that income falls within the basic rate income tax band, the higher rate income tax band or the additional rate income tax band, respectively. Individual Shareholders should note that dividend income forms the top slice of an individual's income and that all dividend income (including that income exempted from tax by virtue of the Dividend Allowance) is counted when determining which income tax rate band is applicable.

The United Kingdom does not levy withholding tax on dividend distributions, which will therefore be received in full by non-UK resident Shareholders. Non-UK resident Shareholders should consult their own advisers as to the tax consequences of a receipt of dividend distributions under the law of their own jurisdiction of residence.

Interest distributions

Interest distributions paid or treated as paid by a Fund to Shareholders, including individual Shareholders, will be paid gross without deduction of UK income tax. All UK taxpayers will therefore be liable to pay UK tax on an interest distribution paid or treated as paid by a Fund, subject to any available exemptions and reliefs and, where applicable, the starting rate for savings.

An individual Shareholder who is resident for tax purposes in the United Kingdom should note that a Personal Savings Allowance exempts from tax the first £1,000 of savings income of basic rate taxpayers (£500 for higher rate taxpayers). The allowance is not available to additional rate

taxpayers. Savings income (including interest) in excess of the Personal Savings Allowance (if relevant) is taxed at 20%, 40% or 45% to the extent that income falls within the basic rate income tax band, the higher rate income tax band or the additional rate income tax band, respectively. Individual Shareholders should note that savings income forms the second highest slice of an individual's income (after dividend income) and that all savings income (including that income exempted from tax by virtue of the Personal Savings Allowance (if relevant)) is counted when determining which income tax rate band is applicable.

Capital gains

Any capital gains (after taking account of the annual exempt amount (£11,700 for 2018/2019), capital losses and other reliefs and exemptions, if appropriate) arising to individual Shareholders who are resident in the UK on the sale, redemption, exchange or other disposal of their Shares are, depending on their personal circumstances, subject to capital gains tax. The current rate of capital gains tax is 10% for basic rate taxpayers and 20% for higher rate taxpayers. The higher rate will apply to the extent that the gains, after capital gains tax reliefs, losses and exemptions, when aggregated with a Shareholder's income produce an amount in excess of the income tax higher rate threshold.

When the first distribution is paid or treated as paid in respect of a Share purchased during a distribution period, the amount representing the income equalisation in the price of the Share is treated as a return of capital and is not taxable in the hands of Shareholders. This amount is deducted from the cost of acquiring the Shares in computing any capital gain realised on a subsequent disposal.

Where Accumulation Shares have been held, the accumulated deemed distributions, which have been taxed as income, may be deducted from the disposal proceeds in computing any capital gain realised on disposal.

An exchange of Shares in one Fund for Shares in any other Fund is treated as a redemption of the original Shares and will for persons subject to United Kingdom taxation be a realisation for the purposes of capital gains taxation.

An exchange of one Class of Shares in one Fund for another Class of Shares in the same Fund may constitute a disposal for the purposes of capital gains taxation depending on the circumstances.

Corporate Shareholders and other corporation tax paying Shareholders

Dividend distributions

Shareholders within the charge to UK corporation tax are subject to tax on a dividend distribution of a Fund unless it falls within an exemption. Subject to the "corporate streaming" rules below, it is expected that most dividend distributions paid by a Fund should be exempt from the charge to UK corporation tax.

Companies within the charge to UK corporation tax for whom a dividend distribution is not treated as a trading receipt are within the scope of the "corporate streaming rules" and any such Shareholders may therefore have to divide dividend distributions in two (in which case the division will be indicated on the tax voucher). Any part representing income which has been subject to corporation tax in the Fund ("unfranked income") must be treated by the corporate Shareholder as an annual payment made after deduction of income tax at the basic rate, and corporate Shareholders may be liable to tax on the grossed up amount, with the benefit of a 20% deemed income tax deduction, or to reclaim part or all of the deemed tax deducted as

shown on the voucher. This is subject to limitations on any part of the deemed tax deducted representing foreign tax suffered by the Funds which cannot be reclaimed. The remainder (including any part representing dividends received by the Funds from a company) will be treated as dividend income and, consequently, will be exempt from corporation tax. The current main rate of corporation tax is 19%. The percentages to be used to calculate the allocation between dividend income and unfranked income received will be set out on the tax voucher. Specific additional rules may also apply to certain Shareholders within the charge to UK corporation tax.

The above treatment will not apply where the Fund is a “bond fund” (as to which see below).

Interest distributions

Interest distributions paid or treated as paid by a Fund to Shareholders, including corporate Shareholders, will be paid gross without deduction of UK income tax. In any case where a Fund makes interest distributions the Fund will always be a “bond fund” and UK resident corporate shareholders will be subject to tax under the corporate debt tax regime described below.

Corporate debt tax regime

Under the corporate debt tax regime in the UK, if more than 60% (by market value) of the investments of a Fund consist of “qualifying investments” (making the Fund a “bond fund”) at any time in the accounting period of any corporate Shareholder in that Fund who is within the charge to UK corporation tax, that corporate Shareholder will be taxed as if it receives income in each of its accounting periods on the increase in the fair value of its holding during that period (rather than on disposal) together with any distributions received, or will obtain tax relief on any equivalent decrease in market value less any distributions received. “Qualifying investments” are broadly those which yield a return directly or indirectly in the form of interest and include cash, government and corporate debt, certain derivative contracts and interests in certain collective investment schemes.

Capital gains

Any chargeable gains (after taking account of indexation allowance up to 1 January 2018, capital losses and other reliefs and exemptions) arising to UK resident corporate Shareholders on the sale, exchange or other disposal of their Shares will be subject to corporation tax.

When the first distribution is made or treated as made in respect of a Share purchased during a distribution period, the amount of such distribution representing the income equalisation in the price of the Share is a return of capital. This amount is deducted from the cost of acquiring the Shares in computing any capital gain realised on a subsequent disposal.

Where Accumulation Shares have been held, the accumulated deemed distributions, which have been taxed as income, may be deducted from the disposal proceeds in computing any capital gain realised on disposal.

An exchange of Shares in one Fund for Shares in any other Fund is treated as a redemption and sale and will, for persons subject to United Kingdom tax, be a realisation for the purposes of corporation tax on chargeable gains.

An exchange of one Class of Shares in one Fund for another Class of Shares in the same Fund may constitute a disposal for the purposes of UK corporation tax on chargeable gains depending on the circumstances.

Income Equalisation

The price of a Share of a particular Class in a particular Fund is based on the value of that Class's entitlement in the relevant Fund, including the income of the Fund since the previous distribution or, in the case of Accumulation Shares, deemed distribution. In the case of the first distribution received or accumulation made in respect of a Share, part of the amount, namely the equalisation payment, is treated as a return of capital and is not taxable as income in the hands of the Shareholder. This amount is, however, deducted from the cost of the Share in computing any capital gains. Equalisation applies only to Shares purchased during the relevant accounting period. It is calculated as the average amount of income included in the issue price of all Shares of the relevant class in the Fund concerned issued during the period. There will be no income equalisation applied to Shares sold during an initial offer period.

ISAs

Shares of the Funds are intended to be eligible to be held within a stocks and shares Individual Savings Account ("ISA") in accordance with the ISA regulations 1998 (as amended).

Automatic exchange of information for international tax compliance

In order to comply with the legislation implementing the United Kingdom's obligations under various intergovernmental agreements relating to the automatic exchange of information to improve international tax compliance (including European Directives, the OECD Common Reporting Standard and the United States provisions commonly known as FATCA), the ACD (or its agent) will collect and report information about Shareholders for this purpose, including information to verify their identity and tax status.

When requested to do so by the ACD or its agent, Shareholders must provide tax residency and US citizenship information to be passed on to HM Revenue & Customs, and, by them, to any relevant overseas tax authorities. Shareholders must inform the ACD (or its agents), of any changes in circumstances that impact on their tax residency or US citizenship status within 30 days of such change and provide updated documentation as required by the ACD (or its agent).

STATUTORY AND GENERAL INFORMATION

Winding up of the Company, or the termination of a Fund

The Company may be wound up under the FCA Rules or as an unregistered company under Part V of the Insolvency Act 1986. A Fund may be terminated in accordance with the FCA Rules.

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

Subject to the foregoing, the Company may be wound up or a Fund terminated (as the case may be) under the FCA Rules :

1. if an extraordinary resolution of the Company or the Fund (as the case may be) to that effect is passed by Shareholders; or
2. in respect of a Fund, if the Net Asset Value of the Fund is less than £5,000,000, (or equivalent in the relevant Fund's base currency) or if a change in the laws or regulations of any country means that, in the ACD's opinion, it is desirable to wind up the Company or terminate the Fund); or
3. on the date of effect stated in any agreement by the FCA in response to a request by the ACD for the winding up of the Company or termination of a Fund; or
4. on the effective date of a duly approved scheme of arrangement which is to result in the Company or the relevant Fund ceasing to hold any Scheme Property; or
5. in the case of the Company, on the date when all the Funds of the Company cease to hold any Scheme Property, notwithstanding that the Company may have assets and liabilities that are not attributable to any particular Fund.

On the occurrence of any of the above:

1. COLL 6.2 (Dealing,) COLL 6.3 (Valuation and Pricing) and COLL 5 (Investment and Borrowing Powers) will cease to apply to the Company or to the Shares and Scheme Property in the case of a Fund;
2. The Company will cease to issue and cancel Shares in the Company or the Fund and the ACD will cease to sell or redeem Shares or arrange for the Company to issue or cancel them for the Company or the Fund, except in each case in respect of the final calculation under COLL 7.3.7R;
3. No transfer of a Share will be registered and no other change to the register will be made without the sanction of the ACD;
4. Where the Company is being wound up, the Company will cease to carry on its business except in so far as it is beneficial for the winding up of the Company;

5. The corporate status and powers of the Company and, subject to the provisions of paragraphs 1 and 2 above, the powers of the ACD shall remain until the Company is dissolved.

The ACD will notify Shareholders of any proposal to wind up the Company or terminate a Fund.

The ACD will, as soon as practicable after the winding up of the Company or termination of a Fund has commenced, cause the Scheme Property of the Company or Fund (as the case may be) to be realised and for the liabilities to be met out of the proceeds. Provided that there are sufficient liquid funds available after making provision for the expenses of the winding up / termination and the discharge of liabilities of the Company or the Fund (as the case may be), subject to the terms of the scheme of arrangement (if any), the ACD may arrange for the Depositary to make one or more interim distributions out of the proceeds remaining. When the ACD has caused all of the Scheme Property to be realised and all of the liabilities have been met, the balance (net of provision for any further expenses) will be distributed to Shareholders. The distribution(s) made in respect of a Fund will be made to holders of Shares linked to a Fund in proportion to the units of entitlement in the Scheme Property of the Fund which the Shares represent at the commencement of the winding -up or termination.

As soon as reasonably practicable after completion of the winding up of the Company or the termination of a Fund, the Depositary shall notify the FCA that the winding-up or termination has been completed. On completion of the winding up of the Company, the Company will be dissolved and any money (including unclaimed distributions) standing to the account of the Company, will be paid into court within one month of dissolution.

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

General Information

Reports and Accounts

The annual accounting period of the Company and each Fund ends each year on 28 July (the "Accounting Reference Date"). The half-yearly accounting period of the Company and each Fund ends each year on 28 January. Some Funds may have additional interim accounting periods (for distribution purposes – see below section "Allocations of Income") and details of these are set out below:

Name of Fund	Additional Interim Accounting Date(s) for distribution purposes
Barclays UK Equity Income Fund	28 April, 28 October
Barclays Sterling Corporate Bond Fund	28 April, 28 October

Annual reports of the Company will be published within four months of each annual accounting period and half-yearly reports will be published within two months of each half-yearly accounting period (each a "long report"). The most recent long report is available on the website: www.barclaysinvestments.com and on request from the Administrator.

Allocations of Income

On or before the income allocation date for each Fund (as set out below), the ACD will calculate the amount available for income allocation for the immediately preceding accounting period, will inform the Depositary of that amount and allocate the available income to the Shares of each Share Class in issue in respect of each Fund, taking account of the procedure set out below and the proportionate amounts of available income attributable to each Share Class in a Fund. The income available for distribution (in the case of Distribution Shares) or accumulation (in the case of Accumulation Shares) in relation to a Fund is determined in accordance with the FCA Rules and the Instrument of Incorporation.

The income allocation dates for each of the Funds are as follows (provided that where an income allocation date occurs on a weekend or public holiday the relevant income allocation date is to be regarded as occurring on the previous Business Day):

Name of Fund	Income Allocation Date(s)
Barclays UK Core Fund	28 March, 28 September
Barclays UK Alpha Fund	28 March, 28 September
Barclays UK Opportunities Fund	28 March, 28 September
Barclays UK Equity Income Fund	28 March, 28 June, 28 September, 28 December
Barclays Global Core Fund	28 September
Barclays Sterling Corporate Bond Fund	28 March, 28 June, 28 September, 28 December

As at the end of each annual accounting period (see above), the ACD will arrange for the Depositary to transfer the income property (being in essence all sums deemed by the Company after consultation with the auditors of the Company, to be in the nature of income received or receivable for the account of the Company and attributable to the Fund in respect of the accounting period concerned) of a Fund, (less any income already distributed during the accounting period), to the distribution account for that Fund. Income distributions will be paid to Shareholders by either cheque or electronic transfer.

If the average of the allocations of income to the Shareholders of any Fund would be less than £10 (the de minimis amount agreed between the ACD and the Depositary) the ACD has the discretion to either carry over such amounts or credit them to capital.

The income available for allocation and distribution in respect of each Fund is calculated by taking the aggregate of the income property received or receivable for the account of such Fund in respect of the period, deducting charges and expenses paid or payable by such Fund out of the income in respect of the period, if applicable, (see the section headed "Treatment of Charges") adding the ACD's best estimate of any relief from tax on such charges and expenses, and making other adjustments which the ACD considers appropriate in relation to both income and expenses (including taxation), after consulting the auditors when required to do so, in relation to:

- a) taxation;
- b) the proportion of any consideration received in respect of Shares to the extent that it is related to income (taking account of any provisions in the Instrument of Incorporation relating to income equalisation);
- c) potential income which is unlikely to be received until 12 months after the income allocation date;

- d) income which should not be accounted for on an accrual basis because of lack of information about how it accrues;
- e) any transfer between income and capital account under COLL 6.7.10R (Allocation payments to capital or income); and
- f) making any other adjustments or any reimbursement of set-up costs that the ACD considers appropriate after consulting the auditors.

An allocation of income (whether annual or interim) to be made in respect of each Share issued by the Company or sold by the ACD during the accounting period in respect of which that income allocation is made will be of the same amount as the allocation to be made in respect of the other Shares of the same Share Class in a Fund.

In relation to Distribution Shares, on or before each relevant income allocation date, the ACD will instruct the Depositary to distribute the income allocated to Distribution Shares of each Share Class in a Fund among their holders in proportion to the numbers of such Shares held, or treated as held, by them respectively on the relevant income allocation date as described above.

If any distribution is unclaimed for a period of six years from the date when payment was due it will become part of the capital property of the Fund to which it relates.

The amount of income allocated to Accumulation Shares will become part of the capital property (as defined in the FCA Rules) attributable to those Shares as at the end of that annual accounting period. Where other Share Classes are in issue in respect of a Fund during that accounting period, the interests of the holders of Accumulation Shares in the amount of income allocated to a particular Share Class must be satisfied by an adjustment, as at the end of the period, in the proportion of the value of the Scheme Property to which the price of an Accumulation Share in the relevant Share Class is related. The adjustment must be such as will ensure that the price per share of an Accumulation Share of the relevant Share Class remains unchanged despite the transfer of income to the capital property of the Company.

Changes to the Company

Where any changes are proposed to be made to the Company or a Fund, the ACD will assess whether the change is fundamental, significant or notifiable in accordance with the FCA Rules. If the change is regarded as fundamental, Shareholder approval will be required. If the change is regarded as significant, 60 day's prior written notice will be given to Shareholders. If the change is regarded as notifiable, Shareholders will receive suitable notice of the change.

Documents of the Company

The following documents may be inspected free of charge between 9.00 a.m. and 5.00 p.m. every Business Day at, and copies may be obtained from, the offices of the ACD at 1 Churchill Place, London E14 5HP:

- a) the most recent annual and half-yearly long reports of the Company;
- b) the Instrument of Incorporation (as amended from time to time);
- c) the current Prospectus of the Company;
- d) the Key Investor Information Document;

- e) the risk management process;
- f) service contracts relating to the directors of the ACD.

A copy of the ACD Agreement is available from the ACD on request.

Subject to COLL, the ACD may make a charge at its discretion for issuing copies of the Instrument of Incorporation.

Risk Management

Upon request to the ACD, a Shareholder can receive information relating to:

- a) the quantitative limits applying in the risk management of a Fund;
- b) the methods used in relation to paragraph a) above; and
- c) any recent developments of the risk and yields of the main categories of investment in the Fund.

Notices

Subject to the Instrument of Incorporation and the FCA Rules, notices and other documents will be sent to the first-named Shareholder at their registered address. All documents and remittances are sent at the risk of the Shareholder.

Complaints

Complaints concerning the operation or marketing of the Company should be referred to Barclays Asset Management Limited, PO Box 3733, Royal Wootton Bassett, Swindon, SN4 4BG in the first instance. An internal procedure has been established in accordance with the rules of the Financial Conduct Authority for the handling of complaints. A copy of the complaint handling procedure is available on request should the investor require it.

Apart from the requirement to comply with the rules of the FCA, it is the policy of the ACD to deal with any customer complaints fairly, promptly and courteously. However, if the investor is unhappy with the outcome of his/her complaint and is eligible, he/she has the right to refer his/her complaint to the Financial Ombudsman Service at Exchange Tower, London, E14 9SR.

Recording of Communications

Telephone, electronic and other communications and conversations with the ACD, the Investment Manager and/or their associated persons may be recorded and retained.

Shareholders' personal information

The ACD's privacy notice details the collection, use and sharing of Shareholders' personal information in connection with their investment in the Funds.

This notice may be updated from time to time and can be found at www.barclaysinvestments.com. Shareholders who access a Fund through an Intermediary, should also contact that organisation for information about its treatment of their personal information. Any Shareholder who provides the ACD and its agents with personal information

about another individual (such as a joint investor), must show the privacy notice to those individuals.

APPENDIX I

List of Eligible Securities and Derivatives Markets

All Funds may deal through securities markets established in member states of the European Union and the European Economic Area on which transferable securities admitted to official listing in the member state are dealt in or traded. In addition, up to 10% in value of any Fund may be invested in transferable securities which are not approved securities (see Appendix III).

Each Fund may also deal in:

1. The securities and derivatives markets listed below:

in Australia	the Australian Securities Exchange (ASX Group)
in Brazil	BM&FBOVESPA SA
in Canada	Toronto Stock Exchange (TSX) TSX Ventures Exchange Montreal Exchange
in China	the Shanghai Stock Exchange the Shenzhen Stock Exchange
in Egypt	the Egyptian Exchange
in Hong Kong	Hong Kong Exchanges and Clearing Limited (HKEX)
in India	the Bombay Stock Exchange (BSE), the National Stock Exchange (NSE)
in Indonesia	the Indonesia Stock Exchange
in Israel	the Tel Aviv Stock Exchange
in Japan	Tokyo Stock Exchange (TSE) Osaka Exchange JASDAQ Fukuoka Stock Exchange Nagoya Stock Exchange Sapporo Stock Exchange Tokyo Alternative Investment Market
in Korea	the Korea Exchange (KRX)
in Malaysia	the Bursa Malaysia Berhad
in Mexico	the Mexican Stock Exchange
in New Zealand	NZX Limited (NZX)
in Philippines	the Philippine Stock Exchange
in Russia	Moscow Exchange
in Singapore	the Singapore Exchange Limited (SGX)
in South Africa	the Johannesburg Stock Exchange (JSE)
in Switzerland	SIX Swiss Exchange
in Taiwan	the Taiwan Stock Exchange the Taipei Exchange
in Thailand	the Stock Exchange of Thailand
in Turkey	the Istanbul Stock Exchange
in USA	Chicago Stock Exchange (CHX) NASDAQ NASDAQ OMX BX NASDAQ OMX PHLX New York Stock Exchange NYSE Arca Equities NYSE MKT LLC

2. Any approved derivative market within the European Economic Area which is not listed in paragraph 1, on which Financial Derivative Instruments are traded.
3. Any of the following markets:
 - a) The over the counter market in the United States regulated by the National Association of Securities Dealers;
 - b) The Tokyo Over-the-Counter Market regulated by the Securities Dealers Association of Japan;
 - c) The markets organised by the International Capital Market Association;
 - d) The market in US government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York;
 - e) The CME Group; and
 - f) the over-the-counter market in Canadian Government Bonds, regulated by the Investment Industry Regulatory Organization of Canada (IIROC).

APPENDIX II

Use of financial derivative instruments for efficient portfolio management and investment purposes

General

Where indicated in the investment policy of a Fund, the Company may use derivatives in pursuit of the investment objectives of that Fund. Furthermore, the Company may use derivatives in respect of each Fund for the purposes of efficient portfolio management (including hedging).

Transactions in derivatives include, but are not limited to, futures, forwards, options, swaps (i.e. currency swaps, whereby the Company and a counterparty sell each other a currency with a commitment to re-exchange the principal amount at the maturity of the deal, and interest rate-swaps, whereby the Company and a counterparty enter an agreement to exchange periodic interest payments), swaptions (i.e. an option to enter into an interest-rate swap) and warrants. New techniques and instruments may be developed which may be suitable for use by the Company and the Company (subject as aforesaid) may employ such techniques and instruments in accordance with the requirements of the FCA and the relevant Fund's investment objective and policy.

Restrictions on use of derivatives for investment purposes and efficient portfolio management

Subject to the investment policy of each Fund, the conditions and limits for the use of derivatives are as follows:

1. Permitted derivative transactions include: approved derivatives transactions on eligible derivatives markets or over-the-counter (OTC) transactions with approved counterparties in accordance with the FCA Rules.
2. The underlying of an approved derivative transaction must consist of one or more investment to which the Fund is dedicated (see Appendix III, paragraph 25.2). The Funds may enter into approved derivative transactions only on derivative markets which are eligible. An eligible market is one which the ACD and Depositary have decided is appropriate in accordance with the FCA Rules (see the list of the Company's eligible derivatives markets in Appendix I).
3. A transaction in an OTC derivative must be with an approved counterparty; on approved terms; capable of reliable valuation and subject to verifiable valuation (see Appendix III paragraph 28 for further details).
4. In general a Fund must only invest in derivatives (whether for investment purposes or for the purposes of efficient portfolio management) in accordance with the FCA Rules and the investment and borrowing restrictions (dealing with, inter alia, exposure and cover) set out in Appendix III (see, in particular, paragraphs 24 – 29 and the rules on spread in paragraph 12).
5. **The use of derivatives for efficient portfolio management will generally not increase the risk profile of a Fund (see below for further details on efficient portfolio management). The use of derivatives for investment purposes may increase the risk profile of a Fund.**
6. The Company shall employ a risk management process to enable it to monitor and measure, on a continuous basis, the risk of all positions and their contribution to the overall risk profile of a Fund's portfolio. The Company will, on request, provide supplemental

information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investment.

Efficient portfolio management

1. The Company may in respect of each Fund employ techniques and instruments relating to transferable securities and approved money market investments which the ACD reasonably believe to be economically appropriate to the efficient portfolio management of the Company in accordance with the investment objectives of each Fund and to provide protection against exchange rate risks. Such techniques and instruments may include engaging in transactions in derivatives.
2. There is no limit on the amount of the Scheme Property of the Funds which may be used for efficient portfolio management but the techniques and instruments must fulfil the following criteria:
 - they are economically appropriate in that they are realised in a cost effective way;
 - they are entered into for one or more of the following specific aims:
 - (i) reduction of risk;
 - (ii) reduction of cost;
 - (iii) the generation of additional capital or income for the Funds (as appropriate) with a risk level which is consistent with the risk profile of the Fund and the risk diversification rules laid down in the FCA Rules.
3. Efficient portfolio management may not include speculative transactions.
4. Such transactions may be entered into only where the resulting exposure is covered by cash or other property of the Company to the extent required by the FCA Rules.

Risk Management Process

The ACD will employ a risk management process which enables it to monitor, measure and manage at any time the risk arising from the positions held by a Fund in FDIs (including embedded derivatives as referred to in COLL 5.2.19R (3A) (Derivatives: General)) and their contribution to the overall risk profile of each Fund. The ACD will employ, if applicable, a process for accurate and independent assessment of the value of any OTC derivative instruments.

Unless otherwise provided in this Prospectus, the commitment approach is used to monitor, measure and manage the global exposure of the Funds. Where the commitment approach is used, the ACD will ensure that it converts each FDI into the market value of an equivalent position in the underlying asset of that FDI.

The commitment approach measures the global exposure of the Fund related solely to positions in FDIs (including embedded derivatives). Each Fund's total commitment to FDIs is limited to 100% of the portfolio's total net value.

The ACD may apply other calculation methods which are equivalent to the standard commitment approach and may take account of netting and hedging arrangements when calculating global exposure of the fund, where such arrangements do not disregard obvious and material risks and result in a clear reduction in risk exposure.

Where the use of FDIs does not generate incremental exposure for the Fund, the underlying exposure need not be included in the commitment calculation. The commitment calculation also need not include any temporary borrowing arrangements entered into on behalf of the Fund in accordance with COLL 5.5.4 (General power to borrow).

The ACD will, on request, provide supplemental information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

APPENDIX III

Investment and Borrowing Restrictions

1. **General**
 - 1.1 The property of each Fund will be invested with the aim of achieving the investment objective of that Fund subject to the limits on investment set out in this Prospectus and the Instrument of Incorporation, in Chapter 5 of the FCA Rules, and the relevant Fund's investment policy. These limits apply to each Fund as summarised below.
 - 1.2 The rules in this section relating to spread of investments do not apply until the expiry of a period of six months after the date on which the authorisation order of the relevant Fund takes effect or on which the initial offer commenced, if later, provided that the Fund aims to provide a prudent spread of risk during such period.
2. **UCITS schemes - general**
 - 2.1 The Scheme Property of each Fund, subject to its investment objective and policy and except where otherwise provided in COLL only consist of any or all of:
 - 2.1.1 transferable securities;
 - 2.1.2 approved money market instruments;
 - 2.1.3 permitted derivatives and forward transactions;
 - 2.1.4 permitted deposits; and
 - 2.1.5 permitted units in collective investment schemes.
 - 2.2 Transferable securities and approved money market instruments held within a Fund must (subject to paragraphs 2.3 and 4.5) be:
 - 2.2.1 admitted to or dealt in on an eligible market as described in paragraphs 3.1 and 3.2; or
 - 2.2.2 for an approved money market instrument not admitted to or dealt in on an eligible market, within paragraph 9.1; or
 - 2.2.3 recently issued transferable securities (provided that the terms of issue include an undertaking that application will be made to be admitted to an eligible market; and such admission is secured within a year of issue).
 - 2.3 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.
 - 2.4 The Fund will not invest in any immovable property or tangible movable property.
3. **Eligible markets requirements**
 - 3.1 A market is eligible for the purposes of the paragraph 2.2 if it is:

- 3.1.1 a regulated market;
 - 3.1.2 a market in an EEA State which is regulated, operates regularly and is open to the public.
- 3.2 If a market does not fall within paragraph 3.1 it may be eligible if the ACD, after consultation and notification with the Depositary, decides that:
 - 3.2.1 the market is appropriate for investment of, or dealing in, the Scheme Property;
 - 3.2.2 the market is included in a list in the Prospectus; and
 - 3.2.3 the Depositary has taken reasonable care to determine that adequate custody arrangements can be provided for the investment dealt in on that market and all reasonable steps have been taken by the ACD in deciding whether that market is eligible.
- 3.3 In paragraph 3.2 a market must not be considered appropriate unless it is regulated, operates regularly, is recognised as a market or exchange or as a self-regulating organisation by an overseas regulator, is open to the public, is adequately liquid and has adequate arrangements for unimpeded transmission of income and capital to or to the order of investors.
- 3.4 The eligible securities and derivatives markets for each Fund of the Company are set out in Appendix I above.
- 3.5 New eligible securities markets may be added to the existing list in accordance with the FCA Rules.
- 4. **Transferable securities**
- 4.1 A transferable security is an investment which is any of the following:
 - 4.1.1 a share;
 - 4.1.2 a debenture;
 - 4.1.3 an alternative debenture;
 - 4.1.4 a government and public security;
 - 4.1.5 a warrant; or
 - 4.1.6 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 2 to an investment which is issued by a body corporate, and which is a share 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.
- 4.5 Not more than 10% in value of the Scheme Property is to consist of transferable securities and approved money market instruments (other than those that are referred to in paragraph 2.2).
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 ACD to comply with its obligation to redeem shares at the request of any qualifying shareholder under COLL;
 - 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 ACD 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 ACD.
- 5.2 Unless there is information available to the ACD that would lead to a different determination, a transferable security which is admitted to or dealt in on an eligible market shall be presumed:

- 5.2.1 not to compromise the ability of the ACD to comply with its obligation to redeem Shares at the request of any qualifying Shareholder; and
 - 5.2.2 to be negotiable.
- 5.3 Up to 5% in value of the Scheme Property of a Fund may consist of warrants, provided that the exposure created by the exercise of the right conferred by the warrant must not exceed the spread limits set out in the FCA Rules.
- 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 (investment in transferable securities), 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 the Fund provided the investment:
- 7.1.1 fulfils the criteria for transferable securities set out in paragraph 5 (investment in transferable securities); and
 - 7.1.2 is backed by or linked to the performance of other assets, which may differ from those in which the Fund can invest.
- 7.2 Where an investment in paragraph 7.1 contains an embedded derivative component 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 provided money market instrument is listed on or normally dealt on an eligible market; or is issued or guaranteed by one of the following: the government of the United Kingdom of Great Britain and Northern

Ireland, the governments of Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain and Sweden and the governments of Australia, Canada, Japan, New Zealand, Switzerland and the United States of America; or issued by a body, any securities of which are dealt in on an eligible market; or issued or guaranteed by an establishment subject to prudential supervision in accordance with criteria defined by European Community law or by an establishment which is subject to and complies with prudential rules considered by the FCA to be at least as stringent as those laid down by Community law.

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 paragraphs 8.2.1 or 8.2.2 or is subject to yield adjustments as set out in paragraph 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 ACD to redeem Shares at the request of any qualifying Shareholder.

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 ACD 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.

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

9. Money-market instruments with a regulated issuer

9.1 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:

9.1.1 the issue or the issuer is regulated for the purpose of protecting investors and savings; and

9.1.2 the instrument is issued or guaranteed in accordance with paragraph 10 (issuers and guarantors of money market instruments).

9.2 The issue or the issuer of a money-market instrument, other than one dealt in on an eligible market, shall be regarded as regulated for the purpose of protecting investors and savings if:

9.2.1 the instrument is an approved money-market instrument;

9.2.2 appropriate information is available for the instrument (including information which allows an appropriate assessment of the credit risks related to investment in it), in accordance with paragraph 11 (appropriate information for money market instruments); and

9.2.3 the instrument is freely transferable.

10. Issuers and guarantors of money-market instruments

10.1 A Fund may invest in an approved money-market instrument if it is:

10.1.1 issued or guaranteed by any one of the following:

10.1.1.1 a central authority of an EEA State or, if the EEA State is a federal state, one of the members making up the federation;

10.1.1.2 a regional or local authority of an EEA State;

10.1.1.3 the European Central Bank or a central bank of an EEA State;

10.1.1.4 the European Union or the European Investment Bank;

10.1.1.5 a non-EEA State or, in the case of a federal state, one of the members making up the federation;

10.1.1.6 a public international body to which one or more EEA States belong; or

10.1.2 issued by a body, any securities of which are dealt in on an eligible market;
or

10.1.3 issued or guaranteed by an establishment which is:

10.1.3.1 subject to prudential supervision in accordance with criteria defined by European Community law; or

10.1.3.2 subject to and complies with prudential rules considered by the FCA to be at least as stringent as those laid down by European Community law.

10.2 An establishment shall be considered to satisfy the requirement in paragraph 10.1.3.2 if it is subject to and complies with prudential rules, and fulfils one or more of the following criteria:

10.2.1 it is located in the European Economic Area;

10.2.2 it is located in an OECD Country belonging to the Group of Ten;

- 10.2.3 it has at least investment grade rating;
- 10.2.4 on the basis of an in-depth analysis of the issuer, it can be demonstrated that the prudential rules applicable to that issuer are at least as stringent as those laid down by European Community law.

11. Appropriate information for money-market instruments

11.1 In the case of an approved money-market instrument within paragraph 10.1 or which is issued by a body of the type referred to in COLL 5.2.10 E (G), or an authority within paragraph 10.1.1.2 or a public international body within paragraph 10.1.1.6 but is not guaranteed by a central authority within paragraph 10.1.1.1, the following information must be available:

- 11.1.1 information on both the issue or the issuance programme, and the legal and financial situation of the issuer prior to the issue of the instrument, verified by appropriately qualified third parties not subject to instructions from the issuer;
- 11.1.2 updates of that information on a regular basis and whenever a significant event occurs; and
- 11.1.3 available and reliable statistics on the issue or the issuance programme.

11.2 In the case of an approved money-market instrument issued or guaranteed by an establishment within paragraph 10.1.3, the following information must be available:

- 11.2.1 information on the issue or the issuance programme or on the legal and financial situation of the issuer prior to the issue of the instrument updates of that information on a regular basis and whenever a significant event occurs; and
- 11.2.2 available and reliable statistics on the issue or the issuance programme, or other data enabling an appropriate assessment of the credit risks related to investment in those instruments.

11.3 In the case of an approved money-market instrument:

- 11.3.1 within paragraphs 10.1.1.1, 10.1.1.4 or 10.1.1.5; or
- 11.3.2 which is issued by an authority within paragraph 10.1.1.2 or a public international body within paragraph 10.1.1.6 and is guaranteed by a central authority within paragraph 10.1.1.1;

information must be available on the issue or the issuance programme, or on the legal and financial situation of the issuer prior to the issue of the instrument.

12. Spread: general

12.1 This paragraph 12 on spread does not apply to government and public securities (see below).

12.2 For the purposes of this requirement companies included in the same group for the purposes of consolidated accounts as defined in accordance with Directive

83/349/EEC or in the same group in accordance with international accounting standards are regarded as a single body.

- 12.3 Not more than 20% in value of the Scheme Property is to consist of deposits with a single body.
- 12.4 With the exception of those instruments specified in paragraph 13 (spread: government and public securities) below, 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, except that the limit of 5% is raised to 10% in respect of up to 40% in value of the Scheme Property. For these purposes certificates representing certain securities are treated as equivalent to the underlying security.
- 12.5 Not more than 20% in value of the Scheme Property may consist of transferable securities and approved money market instruments issued by the same group.
- 12.6 In applying the limits in paragraphs 12.3 to 12.5 not more than 20% in value of the Scheme Property is to consist of any combination of two or more of the following:
- 12.6.1 transferable securities or approved or money market instruments issued by; or
 - 12.6.2 deposits made with; or
 - 12.6.3 exposures from OTC derivatives transactions made with;
a single body.
- 12.7 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.
- 12.8 For the purpose of calculating the limits in paragraphs 12.6 and above, the exposure in respect of an OTC derivative may be reduced to the extent that collateral is held in respect of it if the collateral meets each of the following conditions:
- 12.8.1 it is marked-to-market on a daily basis and exceeds the value of the amount at risk;
 - 12.8.2 it is exposed only to negligible risks (e.g. government bonds of first credit rating or cash) and is liquid;
 - 12.8.3 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
 - 12.8.4 can be fully enforced by the Fund at any time.
- 12.9 For the purposes of calculating the limits in paragraphs 12.6 and above, OTC derivative positions with the same counterparty may be netted provided that the netting procedures:
- 12.9.1 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; and

- 12.9.2 are based on legally binding agreements.
- 12.10 In applying this paragraph 12, 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:
- 12.10.1 it is backed by an appropriate performance guarantee; and
- 12.10.2 it is characterised by a daily mark-to-market valuation of the derivative positions and at least daily margining.
- 13. Spread: government and public securities**
- 13.1 The following applies to transferable securities or approved money market instruments (“such securities”) issued by: (i) an EEA State; (ii) a local authority of an EEA State; (iii) a non-EEA State; or (d) a public international body to which one or more EEA States belong.
- 13.2 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.
- 13.3 A Fund may invest more than 35% in value of the Scheme Property in such securities issued by any one body provided that:
- 13.3.1 before any such investment is made, the ACD has consulted with the Depositary and as a result considers that the issuer of such securities is one which is appropriate in accordance with the investment objectives of the authorised fund;
- 13.3.2 no more than 30% in value of the Scheme Property consists of such securities of any one issue; and
- 13.3.3 the Scheme Property includes such securities issued by that or another issuer, of at least six different issues;
- 13.4 In relation to such securities:
- 13.4.1 issue, issued and issuer include guarantee, guaranteed and guarantor; and
- 13.4.2 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.
- 13.5 Notwithstanding paragraph 12.1 and subject to paragraphs 12.2 and 12.3, in applying the 20% limit in paragraph 12.6 with respect to a single body, such securities issued by that body shall be taken into account.
- 13.6 A Fund may invest over 35% of Scheme Property in the following issues: those issued by or on behalf of or guaranteed by the Government of the United Kingdom of Great Britain and Northern Ireland, the governments of Austria, Belgium, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Ireland, Iceland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Slovakia, Slovenia, Spain and Sweden and the governments of Australia, Canada, Japan, New Zealand, Switzerland and the United States of America.

14. **Collective Investment Schemes**
- 14.1 Unless otherwise specified in a Fund's investment objective and/or policy, up to 10% in value of the Scheme Property of any Fund may consist of units/shares of collective investment schemes (a "Second Scheme"), provided that:
- 14.1.1 It is a Second Scheme which either:
- 14.1.1.1 complies with the conditions necessary for it to enjoy the rights conferred by the UCITS Directive; or
 - 14.1.1.2 is recognised under the provisions of section 272 of the Act; or
 - 14.1.1.3 is authorised as a non-UCITS retail scheme (provided the requirements of article 50(1)(e) of the UCITS Directive are met); or
 - 14.1.1.4 is authorised in another EEA State (provided the requirements of article 50(1)(e) of the UCITS Directive are met),
 - 14.1.1.5 is authorised by the competent authority of an OECD Country (other than another EEA State) which has: (a) signed the IOSCO Multilateral Memorandum of Understanding; and (b) approved the scheme's management company, rules and depositary/custody arrangement, (provided the requirements of article 50(1) (e) of the UCITS Directive are met);
- 14.1.2 it is a Second Scheme which complies where relevant with paragraph 14.5 below; and
- 14.1.3 it is a Second Scheme which has terms which prohibit more than 10% in value of its scheme property consisting of units/shares in other collective investment schemes.
- 14.2 Where the Second Scheme is an umbrella scheme, the provisions in 14.1.3 above, 14.5 below and in the paragraph headed "Spread" above apply to each sub-fund of the Second Scheme as if it were a separate scheme.).
- 14.3 The Scheme Property attributable to a Fund may include Shares in another Fund (a "Second Fund") provided that:
- 14.3.1 the Second Fund does not hold Shares in another Fund of the Company;
 - 14.3.2 the investing or disposing Fund is not a feeder UCITS to the Second Fund
- 14.4 In accordance with the FCA Rules, subject to 14.5, each of the Funds may include units in Second Schemes managed or operated by (or, if it is an open-ended investment company, has as its authorised corporate director), the ACD or an Associate of the ACD (including a Second Fund).
- 14.5 The Funds must not invest in or dispose of units in a Second Scheme which is managed or operated by (or in the case of an open-ended investment company, has as its authorised corporate director), the ACD, or an Associate of the ACD, unless:

- 14.5.1 there is no charge in respect of the investment in or the disposal of units in the Second Scheme; or
- 14.5.2 the ACD is under a duty to pay to the 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 14.5.3 and 14.5.4; and
- 14.5.3 on investment, either:
 - 14.5.3.1 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
 - 14.5.3.2 if such price cannot be ascertained by the ACD, the maximum amount of any charge permitted to be made by the seller of units in the Second Scheme;
- 14.5.4 on disposal, the amount of any charge made for the account of the authorised fund manager or operator of the second scheme or an Associate of any of them in respect of the disposal.

14.6 In paragraphs 14.5.1 to 14.5.4 above:

- 14.6.1 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, dilution adjustment or SDRT provision, is to be treated as part of the price of the units and not as part of any charge; and
- 14.6.2 any switching charge made in respect of an exchange of units in one sub-fund or separate part of the second scheme for units in another sub-fund or separate part of that scheme is to be included as part of the consideration paid for the units.

15. **Investment in nil and partly paid securities**

A transferable security or an approved money market instrument on which any sum is unpaid may be held provided that it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by the Fund, at any time when payment is required without contravening the FCA Rules.

16. **Investment in derivatives**

The Funds may invest in derivatives:

- for the purposes of efficient portfolio management, as more fully described in Appendix II; and
- in pursuit of the investment objectives of that Fund where the use of derivatives for such purpose is indicated in the investment policy of that Fund.

17. **Investment in Deposits**

A Fund may only invest in deposits 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. **Not more than 20% in value of the Scheme Property of a Fund may consist of deposits with a single body.**

18. **Significant Influence**

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

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

18.1.2 the acquisition gives the Company that power.

18.2 For the purposes of paragraph 18.1, the Company is to be taken to have power significantly to influence the conduct of business of a body corporate if it can, because of the transferable securities held by it, exercise or control the exercise of 20% or more of the voting rights in that body corporate (disregarding for this purpose any temporary suspension of voting rights in respect of the transferable securities of that body corporate).

19. **Concentration**

19.1 The Company must not hold more than:

- 10% of the transferable securities issued by a body corporate which do not carry rights to vote on any matter at a general meeting of that body; or
- 10% of the debt securities issued by any single body*; or
- 10% of the approved money market instruments issued by any single body*; or
- 25% of the units in a collective investment scheme*.

*The Company need not comply with these limits if, at the time of acquisition, the net amount in issue of the relevant investment cannot be calculated.

20. **Cash and Near Cash**

20.1 Cash or near cash must not be retained in the Scheme Property except in order to enable:

20.1.1 the pursuit of that Fund's investment objective;

20.1.2 the redemption of Shares in that Fund;

20.1.3 efficient management of the Fund in accordance with its investment objective;

- 20.1.4 a purpose which may reasonably be regarded as ancillary to the investment objectives of that Fund.
- 20.2 During the period of the initial offer of a Fund the Scheme Property may consist of cash and near cash without limitation. Within the context of the ACD's policy of active asset allocation, the liquidity of each Fund may vary in response to market conditions.
21. **Cover**
- No agreement by or on behalf of the Company to dispose of property or rights may be made unless it could be immediately honoured by the Company by delivery of property or assignment of rights and in each instance the property and/or rights must be owned by the Company at the time of the agreement.
22. **Stock lending**
- 22.1 The entry into stock lending arrangements or repo contracts for the account of a Fund is permitted when the arrangement or contract is for the account of or benefit of the Fund and in the interest of the Fund's Shareholders. An arrangement or contract will not be regarded as being in the interest of a Fund or its Shareholders unless it reasonably appears to the ACD to be appropriate with a view to generating additional income for the benefit of the relevant Fund with an acceptable degree of risk.
- 22.2 The Depositary, acting in accordance with the ACD's instructions, may enter into a repo contract or a stock lending arrangement of the kind described in section 263B of the Taxation of Chargeable Gains Act 1992; (without extension by section 263C), but only if:
- 22.2.1 all the terms of the agreement under which securities are to be reacquired by the Depositary for the account of the Company are in a form which is acceptable to the Depositary and are in accordance with good market practice;
- 22.2.2 the counterparty is:
- 22.2.2.1 an authorised person; or
- 22.2.2.2 a person authorised by a Home State regulator; or
- 22.2.2.3 a person registered as a broker-dealer with the Securities and Exchange Commission of the United States of America; or
- 22.2.2.4 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; the Board of Governors of the Federal Reserve System; and the Office of Thrift Supervision; and
- 22.2.3 collateral is obtained to secure the obligation of the counterparty under the terms referred to in 22.2.1 and the collateral is:
- acceptable to the Depositary;

- adequate; and
- sufficiently immediate.

22.3 The counterparty for the purpose of paragraph 22.2 is the person who is obliged under the agreement referred to in paragraph 22.2 to transfer to the Depositary the securities transferred by the Depositary under the stock lending arrangement or securities of the same kind.

22.4 Paragraph 22.2.3 does not apply to a stock lending transaction made through Euroclear Bank SA/NV's Securities Lending and Borrowing Programme.

22.5 There is no limit on the value of the Scheme Property which may be the subject of stock lending arrangements.

23. SFT Regulations

23.1 Notwithstanding anything to the contrary in this Prospectus including the respective investment policies of each Fund, none of the Funds currently makes use of securities financing transactions (such as stock lending or borrowing transactions, repurchase transactions, buy-sell back transactions or sell-buy back transactions). Prior to entering into any such transactions, this Prospectus will be revised to include such disclosure as is necessary to comply with the requirements of the SFTR (Regulation (EU) No 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012)

24. Treatment of collateral

24.1 Collateral is adequate for the purposes of this paragraph only if it is:

24.1.1 transferred to the Depositary or its agent;

24.1.2 at least equal in value, at the time of the transfer to the Depositary, to the value of the securities transferred by the Depositary; and

24.1.3 in the form of one or more of:

- cash; or
- a certificate of deposit; or
- a letter of credit; or
- a readily realisable security ; or
- commercial paper with no embedded derivative content; or
- a qualifying money market fund.

24.2 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 ACD or an associate of the ACD, the conditions in paragraph 14.5 must be complied with.

24.3 Collateral is sufficiently immediate for the purposes of this paragraph if:

- 24.3.1 it is transferred before or at the time of the transfer of the securities by the Depositary; or
- 24.3.2 the Depositary takes reasonable care to determine at the time referred to in paragraph 24.3.1 that it will be transferred at the latest by the close of business on the day of the transfer.
- 24.4 The Depositary must ensure that the value of the collateral at all times is at least equal to the value of the securities transferred by the Depositary.
- 24.5 The duty in paragraph 24.4 may be regarded as satisfied in respect of collateral the validity of which is about to expire or has expired where the Depositary takes reasonable care to determine that sufficient collateral will again be transferred at the latest by the close of business on the day of expiry.
- 24.6 Any agreement for transfer at a future date of securities or of collateral (or of the equivalent of either) under this paragraph may be regarded, for the purposes of valuation and pricing of the Company 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 authorised fund.
- 24.7 Collateral transferred to the Depositary is part of the Scheme Property for the purposes of the FCA Rules, except in the following respects:
 - 24.7.1 it does not fall to be included in any calculation of NAV or this Appendix, because it is offset under paragraph 24.6 by an obligation to transfer; and
 - 24.7.2 it does not count as Scheme Property for any purpose of this Appendix other than this paragraph.
- 24.8 Paragraphs 24.6 and 24.7.1 do not apply to any valuation of collateral itself for the purposes of this paragraph.
- 25. **Use of cash collateral**
- 25.1 The use of stock lending or the reinvestment of cash collateral should not result in a change of the scheme's declared investment objectives or add substantial supplementary risks to the scheme's risk profile.
- 25.2 Collateral taking the form of cash may only be invested in:
 - 25.2.1 one of the investments coming within the COLL 5.4.6 R (1) (c) (iii) to (vii) (Treatment of collateral); or
 - 25.2.2 deposits, provided they:
 - 25.2.2.1 are capable of being withdrawn within five business days, or such shorter time as may be dictated by the stock lending agreement; and
 - 25.2.2.2 satisfy the requirements of COLL 5.2.26 R (1) (Investment in deposits).
- 25.3 Where a scheme generates leverage through the reinvestment of collateral, this should be taken into account in the calculation of the scheme's global exposure.

26. **Underwriting and stock placings**
- 26.1 Any power in COLL 5 to invest in transferable securities may be used for the purpose of entering into transactions to which this section applies, subject to compliance with any restriction in the Instrument of Incorporation.
- 26.2 This section applies, subject to paragraph 25.3, to any agreement or understanding which:
- 26.2.1 is an underwriting or sub-underwriting agreement; or
- 26.2.2 contemplates that securities will or may be issued or subscribed for or acquired for the account of the Fund.
- 26.3 Paragraph 26.2 does not apply to:
- 26.3.1 an option; or
- 26.3.2 a purchase of a transferable security which confers a right to:
- to subscribe for or acquire a transferable security; or
 - to convert one transferable security into another.
- 26.3.3 The exposure of the Fund to agreements and understandings within paragraph 26.2 must, on any Business Day:
- be covered in accordance with the requirements of rule COLL 5.3.3R (see paragraph 30); and
 - be such that, if all possible obligations arising under them had immediately to be met in full, there would be no breach of any limit in COLL 5.
27. **Borrowing powers**
- 27.1 The Company may, subject to the FCA Rules, borrow money from an eligible institution or an approved bank for the use of the Company on the terms that the borrowing is to be repayable out of the Scheme Property.
- 27.2 Borrowing must be on a temporary basis and must not be persistent and in any event must not exceed three months without the prior consent of the Depositary, which may be given only on such conditions as appear appropriate to the Depositary to ensure that the borrowing does not cease to be on a temporary basis.
- 27.3 The ACD must ensure that borrowing does not, on any Business Day, exceed 10% of the value of the Scheme Property. For these purposes 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.
- 27.4 These borrowing restrictions do not apply to “back to back” borrowing for cover for transactions in derivatives and forward transactions.

- 27.5 The Company must not issue any debenture unless it acknowledges or creates a borrowing that complies with paragraphs 27.1 and 27.2.
28. **Derivatives: general**
- 28.1 A transaction in derivatives or a forward transaction must not be effected for a Fund unless:
- 28.1.1 the transaction is of a kind specified in 29 below (Permitted transactions (derivatives and forwards)); and
- 28.1.2 the transaction is covered, as required by COLL 5.3.3 AR (Cover for transactions in derivatives and forward transactions).
- 28.2 Where a Fund invests in derivatives, the exposure to the underlying assets must not exceed the limits in COLL 5.2.11 R (Spread: general) and COLL 5.2.12 R (Spread: government and public securities) save as provided in 28.4.
- 28.3 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.
- 28.3.1 A transferable security or an approved money-market instrument will embed a derivative if it contains a component which fulfils the following criteria:
- 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;
 - its economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract; and
 - it has a significant impact on the risk profile and pricing of the transferable security or approved money-market instrument.
- 28.4 Where a Fund invests in an index based derivative, provided the relevant index falls within COLL 5.2.33 R (Relevant indices) the underlying constituents of the index do not have to be taken into account for the purposes of COLL 5.2.11 R and COLL 5.2.12 R.
- 28.5 The relaxation in 28.4 is subject to the ACD taking account of COLL 5.2.3 R (Prudent spread of risk).
29. **Permitted transactions (derivatives and forwards)**
- 29.1 A transaction in a derivative must:
- 29.1.1 be in an approved derivative; or
- 29.1.2 be one which complies with COLL 5.2.23 R (OTC transactions in derivatives).

- 29.2 The underlying of a transaction in a derivative must consist of any one or more of the following to which the Fund is dedicated:
- 29.2.1 transferable securities permitted under paragraphs 2.2.1 and 2.2.2;
 - 29.2.2 money-market instruments permitted under COLL 5.2.8R (3)(a) to (c) and COLL 5.2.8R(3)(e) (Investment in money-market instruments);
 - 29.2.3 deposits permitted under COLL 5.2.26 R (Investment in deposits);
 - 29.2.4 derivative permitted under this rule;
 - 29.2.5 collective investment scheme units permitted under COLL 5.2.13 R (Investment in collective investment schemes);
 - 29.2.6 financial indices;
 - 29.2.7 interest rates;
 - 29.2.8 foreign exchange rates; and
 - 29.2.9 currencies.
- 29.3 A transaction in an approved derivative must be effected on or under the rules of an eligible derivatives market.
- 29.4 A transaction in a derivative must not cause a Fund to diverge from its investment objectives as stated in the Instrument of Incorporation and this prospectus.
- 29.5 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, money-market instruments, units in collective investment schemes or derivative provided that a sale is not to be considered as uncovered if the conditions in COLL 5.2.22R (1) (Requirement to cover sales) are satisfied.
- 29.6 Any forward transaction must be made with an eligible institution or an approved bank.
- 29.7 Notwithstanding anything to the contrary in this Prospectus including the respective investment policies of each Fund, none of the Funds currently makes use of total return swaps. Prior to entering into any such transactions, this Prospectus will be revised to include such disclosure as is necessary to comply with the requirements of the SFTR (Regulation (EU) No 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012).
30. **Transactions for the purchase of property**
- 30.1 A derivative or forward transaction which will or could lead to the delivery of property for the account of a Fund may be entered into only if:
- 30.1.1 that property can be held for the account of the Fund; and

- 30.1.2 the ACD having taken reasonable care determines that delivery of the property under the transaction will not occur or will not lead to a breach of the rules in COLL.
- 31. **Requirement to cover sales**
- 31.1 No agreement by or on behalf of a Fund to dispose of property or rights may be made unless:
 - 31.1.1 the obligation to make the disposal and any other similar obligation could immediately be honoured by the Fund by delivery of property or the assignment (or, in Scotland, assignation) of rights; and
 - 31.1.2 the property and rights at 31.1.1 are owned by the Fund at the time of the agreement.
- 31.2 Paragraph 31.1 does not apply to a deposit.
- 32. **OTC transactions in derivatives**
- 32.1 A transaction in an OTC derivative under COLL 5.2.20 R (1) (b) must be:
 - 32.1.1 with an approved counterparty; a counterparty to a transaction in derivatives is approved only if the counterparty is:
 - 32.1.1.1 an eligible institution or an approved bank; or
 - 32.1.1.2 a 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;
 - 32.1.2 on approved terms; the terms of the transaction in derivatives are approved only if the ACD:
 - 32.1.2.1 carries out, at least daily, a reliable and verifiable valuation in respect of that transaction corresponding to its fair value and which does not rely only on market quotations by the counterparty; and
 - 32.1.2.2 can enter into one or more further transactions to sell, liquidate or close out that transaction at any time, at its fair value; and
 - 32.1.3 capable of reliable valuation; a transaction in derivatives is capable of valuation only if the ACD having taken reasonable care determines that, throughout the life of the derivative (if the transaction is entered into), it will be able to value the investment concerned with reasonable accuracy:
 - 32.1.3.1 on the basis of the pricing model which has been agreed between the ACD and the Depositary; or
 - 32.1.3.2 on some other reliable basis reflecting an up-to-date market value which has been so agreed.

33. **Risk management: derivatives**
- 33.1 An ACD must use a risk management process enabling it to monitor and measure as frequently as appropriate the risk of a Fund's derivatives and forwards positions and their contribution to the overall risk profile of the Fund.
- 33.2 The following details of the risk management process must be notified by the ACD to the FCA in advance of the use of the process as required by 33.1:
- 33.2.1 the methods for estimating risks in derivative and forward transactions;
and
- 33.2.2 the types of derivative and forwards to be used within the Fund together with their underlying risks and any relevant quantitative limits.
- 33.3 The ACD must notify the FCA in advance of any material alteration to the details in 33.2.1 and 33.2.2.
34. **Risk management process**
- 34.1 The risk management process should take account of the investment objectives and policy of the Fund as stated in this prospectus.
- 34.2 The Depositary should take reasonable care to review the appropriateness of the risk management process in line with its duties under COLL 6.6.14(1) (Duties of the depositary and authorised fund manager: investment and borrowing powers), as appropriate.
- 34.3 The ACD is expected to demonstrate more sophistication in its risk management process for a Fund with a complex risk profile than for one with a simple risk profile. In particular, the risk management process should take account of any characteristic of non-linear dependence in the value of a position to its underlying.
- 34.4 The ACD should take reasonable care to establish and maintain such systems and controls as are appropriate to its business as required by SYSC 3.1 (Systems and controls).
- 34.5 The risk management process should enable the analysis required by Section 29 to be undertaken at least daily or at each valuation point whichever is the more frequent.
- 34.6 The ACD should undertake the risk assessment required by COLL 5.2.20R (7)(d) (Permitted transactions (derivatives and forwards)) with the highest care when the counterparty to the derivative transaction is an associate of the ACD.
35. **Schemes replicating an index**
- 35.1 Please note that this investment power is not relevant for any of the existing Funds although it may be applicable to any new Funds of the Company
- 35.2 Notwithstanding paragraph 12, the scheme may invest up to 20% in value of the Scheme Property in shares and debentures which are issued by the same body where the stated investment policy is to replicate the composition of a relevant index as defined below.

- 35.3 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.
- 35.4 The 20% limit in paragraph 35.2 can be raised for a particular Fund up to 35% in value of the Scheme Property, but only in respect of one body and where justified by exceptional market conditions. In the event that 20% limit is raised the ACD will provide appropriate information in the Key Investor Information Document in order to explain the ACD's assessment of why this increase is justified by exceptional market conditions.
- 35.5 In the case of a Fund replicating an index the Scheme Property need not consist of the exact composition and weighting of the underlying in the relevant index in cases where the Fund's investment objective is to achieve a result consistent with the replication of an index rather than an exact replication.

36. **Relevant indices**

- 36.1 The indices referred to above are those which satisfy the following criteria:
 - 36.1.1 The composition is sufficiently diversified;
 - 36.1.2 The index represents an adequate benchmark for the market to which it refers; and
 - 36.1.3 The index is published in an appropriate manner.
- 36.2 The composition of an index is sufficiently diversified if its components adhere to the spread and concentration requirements in this Appendix.
- 36.3 An index represents an adequate benchmark if its provider uses a recognised methodology which generally does not result in the exclusion of a major issuer of the market to which it refers.
- 36.4 An index is published in an appropriate manner if:
 - 36.4.1 it is accessible to the public;
 - 36.4.2 the index provider is independent from the index-replicating Fund; this does not preclude index providers and the ACD from forming part of the same group, provided that effective arrangements for the management of conflicts of interest are in place.

APPENDIX IV

Sub-custodians

1. Jurisdiction	2. Subcustodian	3. Subcustodian Delegate
Argentina	Citibank N.A., Buenos Aires Branch	
Australia	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Australia Limited
Austria	UniCredit Bank Austria AG	
Bangladesh	Standard Chartered Bank	
Belgium	Deutsche Bank AG	
Bermuda	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Bermuda Limited
Bosnia and Herzegovina (Federation of Bosnia-Herzegovina)	Raiffeisen Bank International AG	Raiffeisen Bank Bosnia DD BiH
Bosnia and Herzegovina (Republic of Srpska)	Raiffeisen Bank International AG	Raiffeisen Bank Bosnia DD BiH
Botswana	Standard Chartered Bank Botswana Limited	
Brazil	Citibank N.A., Brazilian Branch	Citibank Distribuidora de Titulos e Valores Mobiliarios S.A ("DTVM")
Bulgaria	Citibank Europe plc, Bulgaria Branch	
Canada	The Northern Trust Company, Canada	

Canada*	Royal Bank of Canada	
Chile	Citibank N.A.	Banco de Chile
China B Share	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (China) Company Limited
Clearstream	Clearstream Banking S.A.,	
Colombia	Cititrust Columbia S.A. Sociedad Fiduciaria	
Costa Rica	Banco Nacional de Costa Rica	
Croatia	UniCredit Bank Austria AG	Zagrebacka Banka d.d.
Cyprus	Citibank Europe PLC	
Czech Republic	UniCredit Bank Czech Republic and Slovenia, a.s.	
Denmark	Nordea Bank Abp	
Egypt	Citibank N.A., Cairo Branch	
Estonia	Swedbank AS	
Eswatini (formerly Swaziland)	Standard Bank Eswatini Limited	
Finland	Nordea Bank Abp	
France	The Northern Trust Company	

Germany	Deutsche Bank AG	
Ghana	Standard Chartered Bank Ghana Limited	
Greece	Citibank Europe PLC	
Hong Kong	The Hongkong and Shanghai Banking Corporation Limited	
Hong Kong (Stock and Bond Connect)	The Hongkong and Shanghai Banking Corporation Limited	
Hungary	UniCredit Bank Hungary Zrt.	
Iceland	Landsbankinn hf	
India	Citibank N.A.	
Indonesia	Standard Chartered Bank	
Ireland	Euroclear UK and Ireland Limited (Northern Trust self-custody)*	
Israel	Bank Leumi Le-Israel B.M.	
Italy	Deutsche Bank SpA	
Japan	The Hongkong and Shanghai Banking Corporation Limited	
Jordan	Standard Chartered Bank	
Kazakhstan	Citibank Kazakhstan JSC	

Kenya	Standard Chartered Bank Kenya Limited	
Kuwait	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
Latvia	Swedbank AS	
Lithuania	AB SEB bankas	
Luxembourg	Euroclear Bank S.A./N.V.	
Malaysia	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Malaysia Berhad
Mauritius	The Hongkong and Shanghai Banking Corporation Limited	
Mexico	Banco Nacional de Mexico S.A. integrante del Grupo Financiero Banamex	
Morocco	Société Générale Marocaine de Banques	
Namibia	Standard Bank Namibia Ltd	
Netherlands	Deutsche Bank AG	
New Zealand	The Hongkong and Shanghai Banking Corporation Limited	
Nigeria	Stanbic IBTC Bank Plc	
Norway	Nordea Bank Abp	
Oman	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Oman S.A.O.G

Pakistan	Citibank N.A., Karachi Branch	
Panama	Citibank N.A., Panama Branch	
Peru	Citibank del Peru S.A.	
Philippines	The Hongkong and Shanghai Banking Corporation Limited	
Poland	Bank Polska Kasa Opieki Spółka Akcyjna,	
Portugal	BNP Paribas Securities Services	
Qatar	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
Romania	Citibank Europe PLC	
Russia	AO Citibank	
Saudi Arabia	The Hongkong and Shanghai Banking Corporation Limited	HSBC Saudi Arabia
Serbia	UniCredit Bank Austria A.G.	UniCredit Bank Serbia JSC
Singapore	DBS Bank Ltd	
Slovakia	Citibank Europe PLC	
Slovenia	UniCredit Banka Slovenija d.d.	
South Africa	The Standard Bank of South Africa Limited	

South Korea	The Hongkong and Shanghai Banking Corporation Limited	
Spain	Deutsche Bank SAE	
Sri Lanka	Standard Chartered Bank	
Sweden	Svenska Handelsbanken AB (publ)	
Switzerland	Credit Suisse (Switzerland) Ltd	
Taiwan	Bank of Taiwan	
Tanzania	Standard Chartered Bank (Mauritius) Limited	Standard Chartered Bank Tanzania Limited
Thailand	Citibank N.A., Bangkok Branch	
Tunisia	Union Internationale De Banques	
Turkey	Deutsche Bank AG & Deutsche Bank AS	
Uganda	Standard Chartered Bank Uganda Limited	
United Arab Emirates (ADX)	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
United Arab Emirates (DFM)	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
United Arab Emirates (NASDAQ)	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
United Kingdom	Euroclear UK and Ireland Limited (Northern Trust self-custody)	

United States	The Northern Trust Company	
Uruguay	Banco Itau Uruguay S.A.	
Vietnam	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (Vietnam) Ltd
Zambia	Standard Chartered Bank Zambia PLC	
<p>*The Royal Bank of Canada serves as Northern Trust's Sub-Custodian for securities not eligible for settlement in Canada's local central securities depository.</p>		