

Prospectus

of

IFSL Sinfonia OEIC

An Investment Company with Variable Capital

Prepared in accordance with the Collective Investment Schemes Sourcebook
Dated and valid as at: 6th August 2019

Authorised Corporate Director

Investment Fund Services Limited, a wholly owned subsidiary of UFC Fund Management plc
Registered Office and Operating Address:
Marlborough House
59 Chorley New Road
Bolton, BL1 4QP
(Authorised and regulated by the Financial Conduct Authority)

Investment Manager

BNP Paribas Asset Management UK Limited
5 Aldermanbury Square
London, EC2V 7BP
(Authorised and regulated by the Financial Conduct Authority)

Registered and Head Office of the Company

Marlborough House
59 Chorley New Road
Bolton, BL1 4QP

Depository

NatWest Trustee and Depositary Services Limited
250 Bishopsgate
London, EC2M 4AA
(Authorised and Regulated by the Financial Conduct Authority)

Solicitors

Burges Salmon LLP
One Glass Wharf
Bristol, BS2 0ZX

Auditors

Ernst & Young LLP
Atria One
144 Morrison Street
Edinburgh, EH3 8EX

Custodian

BNP Paribas Securities Services (London Branch)
10 Harewood Avenue
London, NW1 6AA
(Authorised and supervised in France by Autorité Controlè Prudentiel ("**ACP**") and by the Autorité de Marchés Financiers ("**AMF**"), and is authorised by and subject to limited regulation by the Financial Conduct Authority for the conduct of its business in the UK)

Registrar

Investment Fund Services Limited, a wholly owned subsidiary of UFC Fund Management plc
Registered Office and Operating Address:
Marlborough House
59 Chorley New Road
Bolton, BL1 4QP
(Authorised and regulated by the Financial Conduct Authority)

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

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

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

The Company's Sub-Funds are designed and managed to support longer-term investment and frequent trading is discouraged. The Sub-Funds are not intended to serve as vehicles for active trading which seeks to take advantage of short-term fluctuations in securities markets. Short term or excessive trading into and out of the Sub-Funds may harm their performance by disrupting portfolio management strategies and by increasing expenses.

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.

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

Shareholders are deemed to have taken notice of the provisions of the Instrument of Incorporation which is binding on each of the shareholders. A copy of the Instrument of Incorporation is available on request from the ACD.

Shares in the Company are not listed or dealt on any investment exchange. The Depositary is not responsible for the information contained in this Prospectus and accordingly does not accept any responsibility therefore under the Act or the Regulations or otherwise.

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

US Tax Reporting

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

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

A "U.S Person" means any citizen or resident of the United States of America, its territories and possessions including the State and District of Columbia and all areas subject to its jurisdiction (including the Commonwealth of Puerto Rico), any corporation, trust, partnership or other entity created or organised in or under the laws of the United States of America, any state thereof or any estate or trust the income of which is subject to United States federal income tax, regardless of source. The expression also includes any person falling within the definition of the term "U.S Person" under Regulation S promulgated under the United States Securities Act of 1933.

This Prospectus is dated and valid as at 6th August 2019.

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1 INTERPRETATION

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

"ACD" the Authorised Corporate Director of the Company holding office from time to time pursuant to the Regulations being Investment Fund Services Limited as at the date of this Prospectus;

"Act" the Financial Services and Markets Act 2000 (as amended, replaced, re-enacted or restated from time to time);

"Administrator" means Investment Fund Services Limited (IFSL);

"AMF" means Autorite des Marche Financiers;

"Applicant" means any person applying for shares issued by the Company in respect of the Sub-Funds;

"Business Day" Monday to Friday excluding UK public and bank holidays or any day on which the London Stock Exchange is not open and excluding the last trading day before the 25th December or any day on which the ACD has notified the Depositary that it is not open for normal business or otherwise agreed between the ACD and the Depositary;

"Collective Investment Schemes Sourcebook" or **"COLL"** the Collective Investment Schemes Sourcebook issued by the FCA pursuant to the Act, as amended or replaced from time to time;

"Company" IFSL Sinfonia OEIC;

"Dealing Day" means 9 a.m. to 5 p.m. on any Business Day;

"Depositary" the person appointed from time to time by the Company or otherwise as depositary pursuant to the Regulations being NatWest Trustee and Depositary Services Limited as at the date of this Prospectus;

"FCA" means the Financial Services Authority in respect of matters prior to 1 April and, in respect of matters after that date, the Financial Conduct Authority or any successor entity from time to time;

"Instrument of Incorporation" or **"Instrument"** the instrument of incorporation constituting the Company, as amended from time to time;

"Investment Manager" means BNP Paribas Asset Management UK Limited;

"NISA" a new individual savings account under The Individual Savings Account Regulations 1998 (as amended);

"NAV" or **"net asset value"** the value of the scheme property less the liabilities of the Company as calculated in accordance with the Regulations;

"OEIC Regulations" The Open-Ended Investment Companies Regulations 2001 as amended;

"Registrar" means Investment Fund Services Limited (IFSL);

"Regulations" the OEIC Regulations and the Collective Investment Schemes Sourcebook;

"Scheme Property" means those assets which comprise the property of the Company (or a Fund);

"Shareholder" a holder of registered shares in the Company;

"Sub-Funds" the Sub-Funds from time to time of the Company (being part of the scheme property which is pooled separately) to which specific assets and liabilities of the Company may be allocated and which is invested in accordance with the investment objective applicable to such Sub-Fund and **"Sub-Fund"** shall mean one of the Sub-Funds;

"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);

"UCITS Scheme" a collective investment scheme such as the Company that is authorised by the FCA and which complies with the conditions necessary for it to enjoy the rights conferred by the UCITS Directive;

"VAT" UK value added tax.

2 CONSTITUTION OF THE COMPANY

General

The Company is an open-ended investment company with variable capital incorporated under the OEIC Regulations. The Company is a UCITS Scheme as defined in COLL and is also an umbrella company for the purposes of the OEIC Regulations. The Company is incorporated in England and Wales with registered number IC000624. The Company was authorised by an order made by the FCA with effect from 8 May 2008 with the Product Reference Number (PRN) 478014.

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

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

The operation of the Company is governed by the Regulations, the Company's Instrument of Incorporation and this Prospectus. The Company is unlimited in duration.

Structure of the Company

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

The Company currently has five Sub-Funds:

- **IFSL Sinfonia Income Portfolio (PRN: 646095);**
- **IFSL Sinfonia Income and Growth Portfolio (PRN: 646096);**
- **IFSL Sinfonia Cautious Managed Portfolio (PRN: 646097);**
- **IFSL Sinfonia Balanced Managed Portfolio (PRN: 646099); and**
- **IFSL Sinfonia Adventurous Growth Portfolio (PRN: 646100).**

Subject to the terms set out in this Prospectus, holders of shares in the Funds are entitled to receive the net income derived from the Funds and to redeem their shares at a price linked to the value of the property of the Funds. Shareholders do not have any proprietary interest in the underlying assets of the Funds. The shareholders of the Company will not be liable for the debts of the Company.

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

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

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

While the provisions of the OEIC Regulations provide for segregated liability between the Funds, the concept of segregated liability is relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known how those foreign courts will react to the OEIC Regulations. It is therefore not free from doubt that the assets of a Fund will always be "ring-fenced" from the liabilities of other Funds of the Company.

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

3 INVESTMENT OBJECTIVES AND POLICIES

The Sub-Funds have different objectives but the same policy of investing primarily in collective investment schemes in order to achieve their objectives. Each Sub-Fund provides the opportunity to benefit from investment in professionally managed pools of securities and other financial instruments in different geographic areas and currencies.

The investment objective and policy of each Sub-Fund is set out below. The assets of each Sub-Fund will be invested with the aim of achieving the investment objective and in accordance with the policy of that Sub-Fund. They must also be invested so as to comply with the investment and borrowing powers and restrictions set out in COLL, the Instrument of Incorporation and this Prospectus.

A detailed statement of the general investment and borrowing restrictions prescribed by COLL applicable to UCITS Schemes is set out in Appendix 1.

IFSL Sinfonia Income Portfolio

Investment objective

The Sub-Fund aims to provide regular income with some potential for capital growth over the long term.

Investment policy

The Sub-Fund's investment objective will be achieved by investing in a diversified portfolio of equities, fixed interest securities, warrants and money market instruments primarily through investment in a portfolio of collective investment schemes. The Sub-Fund will typically be invested in a global portfolio of assets with a focus on UK assets.

Normally, the Sub-Fund will be fully invested except for an amount to enable redemption of shares, efficient management of the Sub-Fund in relation to its strategic objectives, and other purposes which may be reasonably regarded as ancillary to the investment objectives of the Sub-Fund. However, the Sub-Fund's investment policy may mean that at times, where it is considered appropriate, the scheme property will not be fully invested and that prudent levels of liquidity will be maintained.

It is intended that the Sub-Fund will be invested in a portfolio of assets which the Investment Manager considers to be **mainly low and medium risk investments over the long term**.

The asset classes in which the Sub-Fund may also invest includes transferable securities, money market instruments, cash and near cash and deposits as such asset classes are permitted for investment by UCITS Schemes and in accordance with the Company's general investment powers as provided in the Instrument of Incorporation and the Regulations. The investment powers applicable to the Sub-Fund are summarised for your information in Appendix 1 to this Prospectus.

The Company is permitted to invest in derivative instruments and forward transactions for investment purposes, however, it is the Investment Manager's intention that the Sub-Fund shall utilise derivative instruments and forward transactions for hedging purposes using efficient portfolio management techniques, as explained further on pages 43 and 44 of this Prospectus.

Assessing performance

The Investment Association (IA), the trade body for UK investment managers, has created a number of 'sectors' as a way of dividing funds into broad groups with similar characteristics.

The Fund will be managed so it is eligible for inclusion in the IA Mixed Investment 0-35% Shares sector.

IFSL Sinfonia Income and Growth Portfolio

Investment objective

The Sub-Fund aims to provide income and capital growth for investors over the long-term.

Investment policy

The Sub-Fund's investment objective will be achieved by investing in a diversified portfolio of equities as well as fixed interest securities, warrants and money market instruments primarily through investment in a portfolio of collective investment schemes. The Sub-Fund will typically be invested in a global portfolio of assets with a focus on UK assets.

Normally, the Sub-Fund will be fully invested except for an amount to enable redemption of shares, efficient management of the Sub-Fund in relation to its strategic objectives, and other purposes which may be reasonably regarded as ancillary to the investment objectives of the Sub-Fund. However, the Sub-Fund's investment policy may mean that at times, where it is considered appropriate, the scheme property will not be fully invested and that prudent levels of liquidity will be maintained.

It is intended that the Sub-Fund will be invested in a portfolio of assets which the Investment Manager considers to be **mainly medium and high risk investments with the intention of generating long term returns.**

The asset classes in which the Sub-Fund may also invest includes transferable securities, money market instruments, cash and near cash and deposits as such asset classes are permitted for investment by UCITS Schemes and in accordance with the Company's general investment powers as provided in the Instrument of Incorporation and the Regulations. The investment powers applicable to the Sub-Fund are summarised for your information in Appendix 1 to this Prospectus.

The Company is permitted to invest in derivative instruments and forward transactions for investment purposes, however, it is the Investment Manager's intention that the Sub-Fund shall utilise derivative instruments and forward transactions for hedging purposes using efficient portfolio management techniques, as explained further on pages 43 and 44 of this Prospectus.

Assessing performance

The Investment Association (IA), the trade body for UK investment managers, has created a number of 'sectors' as a way of dividing funds into broad groups with similar characteristics.

The Fund will be managed so it is eligible for inclusion in the IA Mixed Investment 20-60% Shares sector.

IFSL Sinfonia Cautious Managed Portfolio

Investment objective

The Sub-Fund aims to provide long term returns, by a combination of both capital growth and income generation.

Investment policy

The Sub-Fund's investment objective will be achieved by investing in a diversified portfolio of equities as well as fixed interest securities, warrants and money market instruments primarily through investment in a portfolio of collective investment schemes. The Sub-Fund will typically be invested in a global portfolio of assets and may also focus on UK assets.

Normally, the Sub-Fund will be fully invested except for an amount to enable redemption of shares, efficient management of the Sub-Fund in relation to its strategic objectives, and other purposes which may be reasonably regarded as ancillary to the investment objectives of the Sub-Fund. However, the Sub-Fund's investment policy may mean that at times, where it is considered appropriate, the scheme property will not be fully invested and that prudent levels of liquidity will be maintained.

It is intended that the Sub-Fund will be invested in a portfolio of assets which the Investment Manager considers to be **mainly medium risk investments with the intention of generating long term returns.**

The asset classes in which the Sub-Fund may also invest includes transferable securities, money market instruments, cash and near cash and deposits as such asset classes are permitted for investment by UCITS Schemes and in accordance with the Company's general investment powers as provided in the Instrument of Incorporation and the Regulations. The investment powers applicable to the Sub-Fund are summarised for your information in Appendix 1 to this Prospectus.

The Company is permitted to invest in derivative instruments and forward transactions for investment purposes, however, it is the Investment Manager's intention that the Sub-Fund shall utilise derivative instruments and forward transactions for hedging purposes using efficient portfolio management techniques, as explained further in Appendix 1 of this Prospectus.

Assessing performance

The Investment Association (IA), the trade body for UK investment managers, has created a number of 'sectors' as a way of dividing funds into broad groups with similar characteristics.

The Fund will be managed so it is eligible for inclusion in the IA Mixed Investment 20-60% Shares sector.

IFSL Sinfonia Balanced Managed Portfolio

Investment objective

The Sub-Fund aims to provide medium to long term capital growth.

Investment policy

The Sub-Fund's investment objective will be achieved by investing in a diversified portfolio of fixed interest securities and equities, as well as warrants, and money market instruments, primarily through investment in a portfolio of collective investment schemes. The Sub-Fund will typically be invested in a global portfolio of assets but may focus on UK and European assets.

Normally, the Sub-Fund will be fully invested except for an amount to enable redemption of shares, efficient management of the Sub-Fund in relation to its strategic objectives, and other purposes which may be reasonably regarded as ancillary to the investment objectives of the Sub-Fund. However, the Sub-Fund's investment policy may mean that at times, where it is considered appropriate, the scheme property will not be fully invested and that prudent levels of liquidity will be maintained.

It is intended that the Sub-Fund will be invested in a portfolio of assets which the Investment Manager considers to be mainly **medium to high risk investments over the long term**.

The asset classes in which the Sub-Fund may also invest includes transferable securities, units in collective investment schemes, money market instruments, cash and near cash and deposits as such asset classes are permitted for investment by UCITS Schemes and in accordance with the Company's general investment powers as provided in the Instrument of Incorporation and the Regulations. The investment powers applicable to the Sub-Fund are summarised for your information in Appendix 1 to this Prospectus.

The Company is permitted to invest in derivative instruments and forward transactions for investment purposes, however, it is the Investment Manager's intention that the Sub-Fund shall utilise derivative instruments and forward transactions for hedging purposes using efficient portfolio management techniques, as explained further in Appendix 1 of this Prospectus.

Assessing performance

The Investment Association (IA), the trade body for UK investment managers, has created a number of 'sectors' as a way of dividing funds into broad groups with similar characteristics.

The Fund will be managed so it is eligible for inclusion in the IA Mixed Investment 40-85% Shares sector.

IFSL Sinfonia Adventurous Growth Portfolio¹

Investment objective

The Sub-Fund aims to provide long term capital growth.

Investment policy

The Sub-Fund's investment objective will be achieved primarily by investing in a diversified portfolio of fixed interest securities and equities, as well as warrants, and money market instruments, through investment in a portfolio of collective investment schemes. The Sub-Fund will typically be invested in a global portfolio of assets but may also focus on UK assets.

Normally, the Sub-Fund will be fully invested except for an amount to enable redemption of shares, efficient management of the Sub-Fund in relation to its strategic objectives, and other purposes which may be reasonably regarded as ancillary to the investment objectives of the Sub-Fund. However, the Sub-Fund's investment policy may mean that at times, where it is considered appropriate, the scheme property will not be fully invested and that prudent levels of liquidity will be maintained.

It is intended that the Sub-Fund will typically be invested in a portfolio of assets which the Investment Manager considers to be **mainly medium to high risk investments over the long term**.

The asset classes in which the Sub-Fund may also invest includes transferable securities, money market instruments, cash and near cash and deposits as such asset classes are permitted for investment by UCITS Schemes and in accordance with the Company's general investment powers as provided in the Instrument of Incorporation and the Regulations. The investment powers applicable to the Sub-Fund are summarised for your information in Appendix 1 to this Prospectus.

The Company is permitted to invest in derivative instruments and forward transactions for investment purposes, however, it is the Investment Manager's intention that the Sub-Fund shall utilise derivative instruments and forward transactions for hedging purposes using efficient portfolio management techniques, as explained further in Appendix 1 of this Prospectus.

Assessing performance

The Investment Association (IA), the trade body for UK investment managers, has created a number of 'sectors' as a way of dividing funds into broad groups with similar characteristics.

¹ The IFSL Sinfonia Adventurous Growth Portfolio was formerly known as the IFSL Sinfonia Active Managed Portfolio. The name of the Sub-Fund was changed on 07 May 2010 following receipt of FCA approval.

The Fund will be managed so it is eligible for inclusion in the IA Mixed Investment 40-85% Shares sector.

4 RISK FACTORS

Investors should bear in mind that all investment carries risk and the level of risk may vary between Sub-Funds. In particular investors should be aware of the following:

General risk warnings:

- 4.1 Past performance is not a guide to future performance. There can be no assurance that any appreciation in the value of the investments will occur. The value of shares and the income derived from them can go down as well as up and as a result the investor may not get back the amount originally invested. This can be as a result of market movements and also of variations in the exchange rates between currencies.
- 4.2 The ACD's initial charge (as set out in section 23 under the heading "**The Authorised Corporate Director's Charges**") is deducted from an investment at the outset such that an equivalent rise in the value of the shares is required before the original investment can be recovered. The shares should therefore be viewed as a medium to long term investment.
- 4.3 Derivatives and forward transactions may be used for efficient portfolio management (including hedging) of all Sub-Funds. By holding these types of investments there is a risk of capital depreciation in relation to certain assets of the Sub-Funds', however there is also the potential for capital appreciation. **The ACD does not anticipate that the use of derivatives will alter or change the risk profile of the Sub-Funds.** Further information regarding the use of derivatives and forwards by the Sub-Funds are detailed in Appendix 1.
- 4.4 The summary of the UK tax treatment in section 26 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.
- 4.5 The Company's investments may be subject to liquidity constraints, which means that the investments may trade infrequently and in small volumes, or that a particular instrument is difficult to buy and sell. Normally liquid investments may also be subject to periods of disruption in difficult market conditions. As a result, changes in the value of investments may be unpredictable and, in certain circumstances, it may be difficult to deal in an investment at the latest market price quoted or at a value considered by the ACD to be fair.

- 4.6 Where a Sub-fund invests in other collective investment schemes, these underlying schemes may suspend the issue, cancellation, sale, redemption and exchange of shares in those schemes. This would prevent these underlying schemes being sold during the period of the suspension and may have liquidity implications for the Fund.
- 4.7 Investments made overseas are not traded in sterling and movements in exchange rates may cause the value of your investment to rise and fall.
- 4.8 Where the investment objective of a Sub-Fund is to treat the generation of income as a higher priority than capital growth, or where the generation of income and capital growth have equal priority, all or part of the ACD's fee may be charged against capital rather than income. This will enhance income returns but may constrain future capital growth.
- 4.9 Certain investment transactions may result in the payment of stamp duty reserve tax ("SDRT") by the Sub-Funds. Such payment may result in a diminution in value of the shares. Alternatively SDRT may be recovered by a charge levied in addition to the price of the shares when issued or deducted from the proceeds when the shares are sold.
- 4.10 Investors are reminded that in certain circumstances their right to redeem shares (including a redemption by way of switching) may be suspended.
- 4.11 The Sub-Funds may be subject to the risk that a settlement in a transfer system does not take place as expected because a counterparty does not pay or deliver on time as expected.
- 4.12 Inflation can affect the value of your investment.
- 4.13 Investment made overseas are not traded in sterling and movements in exchange rates may cause the value of your investment to rise and fall.

Typical Investor

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

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

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

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

5 THE AUTHORISED CORPORATE DIRECTOR

The authorised corporate director ("**ACD**") of the Company is Investment Fund Services Limited, a wholly owned subsidiary of Marlborough Group Holdings Limited and the ultimate holding company of Investment Fund Services Limited is UFC Fund Management plc. The ACD is a private company limited by shares, incorporated in England and Wales on 16 February 2007 under the Companies Act 1985. The registered and head office of the ACD is at Marlborough House, 59 Chorley New Road, Bolton BL1 4QP. This is the address at which notices or other documents may be served on the Company. The amount of the ACD's issued and fully paid share capital is £10,000.

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

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

The directors of the ACD are listed in Appendix 3.

The ACD provides its services to the Company under the terms of a service agreement (the "**ACD Agreement**"). The ACD Agreement will terminate with immediate effect if the ACD ceases to hold office as such. The ACD's appointment may be terminated by the Company in a general meeting at any time. Otherwise, save by reason of certain events of default as specified in the ACD Agreement, the Company may terminate the ACD's appointment on 3 months' notice. No such notice shall take effect until the appointment of a successor ACD. The ACD Agreement contains an indemnity from the Company to the ACD in respect of losses, claims and similar liabilities incurred by the ACD as such, save where such losses, claims and similar liabilities arise from the negligence, default, breach of duty or breach of trust of the ACD.

The ACD is responsible for managing and administering the Company's affairs in compliance with COLL. The ACD may delegate its management and administration functions, but not responsibility for such functions, to third parties, including associates subject to COLL. The ACD has therefore delegated its investment management function to BNP Paribas Asset Management UK Limited. Further details in respect of the ACD's delegated functions are set out in section 7 below.

Remuneration Policy

The ACD has put in place a remuneration policy (the "Remuneration Policy") that is in accordance with the requirements of SYSC 19 E of the FCA. The Remuneration Policy is designed to ensure that the ACD's remuneration practices are consistent with and promote sound and effective risk management, do not encourage risk taking and are consistent with the risk profile of the Funds. The ACD considers the Remuneration Policy to be appropriate to the size, internal operations, nature scale and complexity of the Funds and in line with the risk profile, risk appetite and the strategy of the Funds.

The matters covered by the Remuneration Policy include:

- An assessment of the individual member of staff's performance;
- restrictions on the awarding of guaranteed variable remuneration;
- the balance between fixed and variable remuneration;
- any payment of remuneration in the form of units or shares in the Funds;
- any mandatory deferral periods for the payment of some or all of the variable remuneration component;
- the reduction or cancellation of remuneration in the case of under performance.

The Remuneration Policy will apply to the fixed and variable (if any) remuneration received by the identified staff.

The ACD will make details of its latest Remuneration Policy available on its website, www.ifslfunds.com, including a description of how remuneration and benefits are calculated and the identity of the persons responsible for awarding the remuneration and benefits. The ACD will provide paper copies free of charge upon written request to its operating address.

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In respect of any investment management delegates, the ACD requires that:(i) the entities to which such activities have been delegated are subject to regulatory requirements on remuneration that are equally as effective as those applicable under the European Securities and Market's (ESMA's) Guidelines on Sound Remuneration Policies under the UCITS Directive and AIFMD /

Article 14 of the UCITS Directive; or (ii) appropriate contractual arrangements are put in place with entities to which such activities have been delegated in order to ensure that there is no circumvention of the remuneration rules set out in the ESMA Guidelines or the FCA Handbook.

6 THE DEPOSITARY

NatWest Trustee and Depositary Services Limited is the Depositary of the Company. The Depositary is a private limited company incorporated in England. The ultimate holding company of the Depositary is The Royal Bank of Scotland Group plc which is incorporated in Scotland.

The Depositary's duties include the following:-

- (i) Safekeeping the assets of the Company, which includes (i) holding in custody all financial instruments that can be physically delivered to the Depositary; and (ii) verifying the ownership of other assets and maintaining records accordingly;
- (ii) Ensuring that the Company's cash flows are properly monitored and verified;
- (iii) Ensuring that issues and cancellations of the shares of the Company are carried out in accordance with the Instrument of the Company, this Prospectus and the applicable laws and regulations;
- (iv) Ensuring that in transactions involving the Company's assets any consideration is remitted to the Company within the usual time limits;
- (v) Ensuring that the value of the shares of the Company are calculated in accordance with the Instrument of the Company, this Prospectus and the applicable laws and regulations;
- (vi) Ensuring that the Company's income is applied in accordance with the Instrument of the Company, this Prospectus and the applicable laws and regulations; and
- (vii) Carrying out the instructions of the ACD, unless they conflict with the Instrument of the Company, this Prospectus or the applicable laws and regulations.

Registered Office and Head Office

The registered office and head office of the Depositary is 250 Bishopsgate, London, EC2M 4AA.

Principal Business Activity

The principal business activity of the Depositary is the provision of trustee and depositary services. The Depositary is authorised and regulated by the Financial Conduct Authority.

Terms of Appointment

The Depositary was appointed under a Depositary Agreement between the ACD, the Company and the Depositary (the "Depositary Agreement").

Under the Depositary Agreement, the Depositary will be liable to the Company for any loss of Financial Instruments held in Custody or for any liabilities incurred by the Company as a result of the Depositary's negligent or intentional failure to fulfil its obligations.

However, the Depositary Agreement excludes the Depositary from any liability except in the case of fraud, wilful default, negligence or failure to exercise due care and diligence in the performance or non-performance of its obligations. It also provides that the Company will indemnify the Depositary for any loss suffered in the performance or non-performance of its obligations except in the case of fraud, wilful default, negligence or failure to exercise due care and diligence on its part.

The Depositary Agreement may be terminated on three months' notice by the Company or the Depositary or earlier on certain breaches or the insolvency of a party. However, termination of the Depositary Agreement will not take effect, nor may the Depositary retire voluntarily, until the appointment of a new Depositary.

The powers, duties, rights and obligations of the Depositary, the Company and the ACD under the Depositary Agreement shall, to the extent of any conflict, be overridden by the FCA Rules.

The fees to which the Depositary is entitled are set out below under the heading "The Fees, Charges and Expenses of the Depositary".

Delegation of Safekeeping Functions

The Depositary is permitted to delegate (and authorise its delegate to sub-delegate) the safekeeping of Scheme Property.

The Depositary has delegated safekeeping of the Scheme Property to BNP Paribas Securities Services, London Branch ("the Custodian"). In turn, the Custodian has delegated the custody of assets in certain markets in which the Scheme may invest to various sub-delegates ("Sub-Custodians").

A list of Sub-Custodians is set out in Appendix 5. Investors should note that the list of Sub-Custodian is updated only at each Prospectus review.

Conflicts of Interest

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

It is possible that the Depositary and/or its delegates and sub-delegates may in the course of its or their business be involved in other financial and professional activities which may on occasion have potential conflicts of interest with the Scheme or a particular Sub-fund and/or other funds managed by the ACD or other funds for which the Depositary acts as the depositary, trustee or custodian. The Depositary will, however, have regard in such event to its obligations under the

Depository Agreement and the Regulations and, in particular, will use reasonable endeavours to ensure that the performance of its duties will not be impaired by any such involvement it may have and that any conflicts which may arise will be resolved fairly and in the best interests of Shareholders collectively so far as practicable, having regard to its obligations to other clients.

Nevertheless, as the Depository operates independently from the Company, Shareholders, the ACD and its associated suppliers and the Custodian, the Depository does not anticipate any conflicts of interest with any of the aforementioned parties.

Updated Information

The ACD will supply a Shareholder with up-to-date details of the above information, including an up-to-date list of Sub-Custodians, on written request to its operating address.

7 INVESTMENT MANAGER

BNP Paribas Asset Management UK Limited is the investment manager (the "**Investment Manager**") appointed by the ACD to the Company. The Investment Manager's principal activity is the provision of investment advisory services. The Investment Manager is authorised and regulated by the Financial Conduct Authority.

Prior to 1st June 2017 BNP Paribas Asset Management UK Limited was known as BNP Paribas Investment Partners UK Limited.

Pursuant to an Investment Management Agreement (the "**IMA**") between the Investment Manager and the ACD, the Investment Manager provides general discretionary investment management services in respect of the Sub-Funds. The Investment Manager has the authority to make decisions on behalf of the ACD in relation to the management, purchase, sale, retention, exchange or other dealings with assets, and has full discretion to make such investments on such markets as such times as the Investment Manager sees fit and otherwise to act as it shall deem appropriate, subject always to the provisions of the Instrument of Incorporation of the Company, this Prospectus and the Regulations and the investment objectives and policies of the Sub-Funds.

The IMA may be terminated:

- 7.1 in part or in whole within 6 months by the ACD giving written notice to the Investment Manager to expire at any time; or
- 7.2 by the Investment Manager to the ACD not less than 6 months' notice in writing to expire at any time; and
- 7.3 with immediate effect where it is in the interests of the shareholders to do so.

Under the Investment Manager Agreement, with the prior written consent of the ACD, the Investment Manager may delegate to an associate the performance of its duties and services

required to be performed by it under that Agreement. The Investment Manager shall remain liable to the ACD as stated in the IMA.

8 ADMINISTRATOR AND REGISTRAR

The ACD shall assume the administrative duties in relation to the Sub-funds.

The ACD is the Registrar to the Company. The ACD is authorised and regulated by the FCA.

9 THE AUDITORS

The auditors of the Company are Ernst & Young LLP whose address is at Atria One, 144 Morrison Street, Edinburgh, EH3 8EX.

10 REGISTER

The register of shareholders of the Company will be maintained by the Registrar at Marlborough House, 59 Chorley New Road, Bolton BL1 4QP where it can be inspected by shareholders during normal office hours. The Company has the power to close the register for any period or periods not exceeding thirty days in any one year.

11 NO LIABILITY TO ACCOUNT

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

- 11.1 dealings in the shares of the Company;
- 11.2 any transaction in the underlying property of the Company; or
- 11.3 the supply of services to the Company.

12 SHARES IN THE COMPANY

Under the Instrument of Incorporation, the Company is currently permitted to issue the following share classes in respect of the Sub-Funds:

- Class A Income Shares;
- Class A Accumulation Shares;
- Class B Income Shares;
- Class B Accumulation Shares;
- Class C Income Shares;
- Class C Accumulation Shares;

- Class D Income Shares; and
- Class D Accumulation Shares.

However, the IFSL Sinfonia Adventurous Growth Portfolio, the IFSL Sinfonia Balanced Managed Portfolio and the IFSL Sinfonia Cautious Managed Portfolio currently only issue Accumulation Shares.

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

Each share is deemed to represent one undivided unit of entitlement in the property of a Sub-Fund. Holders of Income shares are entitled to be paid the distributable income attributable to such shares on any relevant interim or annual allocation dates.

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

The Instrument of Incorporation also allows the Company to issue gross income and gross accumulation shares as well as net income and net accumulation shares. Net shares are shares in respect of which income allocated to them is distributed periodically to the relevant shareholder (in the case of income shares) or credited periodically to capital (in the case of accumulation shares), in either case in accordance with relevant tax law, net of any tax deducted or accounted for by the Company. Gross shares are income or accumulation shares where, in accordance with relevant tax law, distribution or allocation of income is made without any tax being deducted or accounted for by the Company.

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

Where the Company has different share 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 each of these classes, the proportion of a larger denomination share represented by a smaller denomination share shall be ten thousandths of the larger denomination.

No certificates will be issued in respect of a holding of shares. Ownership of shares will be evidenced by an entry in the Company's register of Shareholders. Should any shareholder require

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

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

Limited Issue Arrangements – IFSL Sinfonia Adventurous Growth Portfolio, IFSL Sinfonia Balanced Managed Portfolio and IFSL Sinfonia Cautious Managed Portfolio

On 10 May 2010, the ACD closed the Income Share classes in the IFSL Sinfonia Adventurous Growth Portfolio, the IFSL Sinfonia Balanced Managed Portfolio and the IFSL Sinfonia Cautious Managed Portfolio, to new investors under the limited issue arrangements permitted by the Regulations, on the basis that the Funds are essentially growth funds and the further issue of Income Shares is no longer appropriate. With effect from that date, no new Income Shares have been issued by these Funds, except in relation to existing Shareholders who continue to invest through a regular savings facility.

If in the future the ACD is satisfied that new Income Shares can be issued without compromising these Funds' investment objectives or materially prejudicing existing Shareholders, the ACD will notify all Shareholders and once again shall permit additional investment in the Funds via Income Shares.

13 VALUATIONS

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

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

Valuations are normally carried out on each Dealing Day (being each day which is a Business Day). The valuation point for each Sub-Fund is 12 noon (UK time) on each Business Day.

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

Determination of Net Asset Value

The property attributable to the Sub-Funds is, for all purposes, valued on the following basis (which is set out in full in the Instrument):

- Units or shares in collective investment schemes will be valued at their quoted price if a single buying and selling price is quoted or if separate bid and offer prices are quoted, the average is calculated by reference to prices before application of any initial or exit charges. Where no price (or no recent price) exists or the ACD considers that the price obtained is unreliable, the asset concerned will be attributed a value which in the ACD's opinion is fair and reasonable.
- Exchange traded derivatives will be valued at their quoted price if a single price for buying and selling the exchange-traded derivative is quoted, or if a separate buying and selling price are quoted, at the average of the two prices.
- Over-the-counter derivative contracts will be valued in accordance with the method of valuation as shall have been agreed between the ACD and the Depositary.
- Any other investment will be valued at their quoted price (if a single buying and selling price is quoted) or if separate buying and selling prices are quoted, at the average of the two prices, or if, in the opinion of the ACD, the price is unreliable or no recent traded price is available or if the most recent price available does not reflect the ACD's best estimate of fair value, at a value which, in the opinion of the ACD, is fair and reasonable.
- Property other than that described above will be valued at what the ACD considers a fair and reasonable mid-market price.
- Cash and amounts held in current, margin and deposit accounts and other time-related deposits are valued at their nominal value.
- On valuing assets, any fiscal charges, commissions (where permitted under the FCA Handbook), professional fees or other charges paid or payable on the acquisition or disposal of the asset are excluded.
- In determining the value of the scheme property, all instructions given to issue or cancel shares shall be assumed (unless the contrary is shown) to have been carried out and any cash payment made or received and all consequential action required by the OEIC Regulations, COLL or the Company's Instrument of Incorporation shall be assumed (unless the contrary has been shown) to have taken place.
- Subject to the following paragraph, agreements for the unconditional sale or purchase of property which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the valuation takes place and, in the opinion of the ACD, their omission shall not materially affect the final net

asset amount. All agreements are to be included under this paragraph which are, or ought reasonably to have been, known to the person valuing the property assuming that all other persons in the ACD's employment take all reasonable steps to inform it immediately of the making of any agreement.

- Futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options shall not be included under the previous paragraph.
- An estimated amount for anticipated tax liabilities (on unrealised gains where the liabilities have accrued and are payable out of the property of the Scheme; on realised capital gains in respect of previously completed and current accounting periods; and on income where liabilities have accrued) including (as applicable and without limitation) capital gains tax, income tax, corporation tax, value added tax, stamp duty and stamp duty reserve tax will be deducted.
- An estimated amount for any liabilities payable out of the scheme property and any tax thereon treating periodic items as accruing from day to day will be deducted.
- The principal amount of any outstanding borrowings whenever payable and any accrued but unpaid interest on borrowings will be deducted.
- An estimated amount for accrued claims for tax of whatever nature which may be recoverable; any other credits or amounts due to be paid into the scheme property, and a sum representing any interest or any income accrued due or deemed to have accrued but not received and any stamp duty reserve tax provision anticipated to be received, will be added.
- Currencies or values in currencies other than base currency or (as the case may be) the designated currency of a sub-fund shall be converted at the relevant valuation point at a rate of exchange that is not likely to result in any material prejudice to the interests of shareholders or potential shareholders.

The applicable Sub-Fund has credited to it the proceeds of all shares attributed to it, together with the assets in which such proceeds are invested or reinvested and all income, earnings, profits, or assets deriving from such investments. All liabilities and expenses attributable to the Sub-Fund are charged to the relevant Sub-Fund.

Where the ACD has reasonable grounds to believe that:

- 13.1 no reasonable price exists for a security at a valuation point; or
- 13.2 the most recent price available does not reflect the ACD's best estimate of the value of a security at a valuation point;

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

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

14 PRICES OF SHARES

The Company deals on a forward pricing basis. A forward price is the price calculated at the next valuation of the scheme property after the purchase, redemption or switch of shares is agreed. As noted above, shares in the Company are "single priced". Investors should bear in mind that on purchase, the ACD's initial charge is deducted from the investment proceeds at the outset and that any applicable redemption charge may be deducted from the price of a share on sale or from the sale proceeds. In addition, for both purchases and sales by investors, there may be a dilution levy as described below.

The price of a share is calculated at or about the valuation point each Dealing Day (to at least four significant figures) by:

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

Publication of Prices

The most recent share prices are published on the following websites:

- www.fundlistings.com
- www.sinfonia.com
- www.ifslfunds.com

Prices are also available by telephoning the ACD on 0808 178 9322.

The ACD is not responsible for any errors in publication or non-publication. 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.

15 DILUTION LEVY

Where a Sub-Fund buys or sells underlying investments in response to a request for the issue or redemption of shares, it will generally incur a cost, made up of dealing costs and any spread between the bid and offer prices of the investments concerned, which is not reflected in the issue or redemption price paid by or to the shareholder and which is referred to as "**dilution**".

To mitigate the effects of dilution the ACD has discretion to charge a dilution levy, based on historical data, on the purchase or redemption of shares in a Sub-Fund. A dilution levy is a separate charge of such amount or rate as determined by the ACD. Any dilution levy must be fair to all Shareholders and potential Shareholders.

The ACD's policy regarding the Dilution Levy – at its absolute discretion, the ACD may charge a dilution levy on the price of shares in the following circumstances:

- where a Sub-Fund experiences a large level of net sales or redemptions on any Business Day, relative to its size (i.e. net sales or redemptions equivalent to greater than 2% of the Net Asset Value of the Sub-Fund);
- where a Sub-Fund is in continuing decline, in terms of Net Asset Value, as a result of poor market conditions or continual net redemptions;
- on "large deals", which for this purpose is defined as a single purchase or redemption of shares equivalent to more than 2% of the Net Asset Value of the relevant Sub-Fund.

The amount is not retained by the ACD but is paid into the affected Sub-Fund.

How will it affect investors? - On the occasions when the dilution levy is not applied there may be an adverse impact on the total assets of the Sub-Fund. As dilution is directly related to the inflows and outflows of monies from the relevant Sub-Fund it is not possible to accurately predict whether dilution will occur at any point in time. Consequently it is also not possible to accurately predict how frequently the ACD will need to make such a dilution levy. However, the ACD believes that the likely effect of not charging a dilution levy, excluding such cases referred to in "The ACD's policy regarding the Dilution Levy" above, will be negligible.

Based on the number of Shareholders in each Sub-Fund and their average shareholding, as well as historic subscription and redemption volumes, the ACD does not currently envisage that a Dilution Levy will be applied to any "large redemption deals" in the Sub-Funds, as it is unlikely that any single holder will have control of greater than 2% of any single Sub-Fund. However, where it is applied, the ACD believes that the amount will not normally exceed 1% of the net asset value of shares being bought or sold.

16 STAMP DUTY RESERVE TAX

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

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

- Third party transfers of units

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

- Non-pro rata in specie redemptions

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

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

17 PURCHASE, REDEMPTION AND EXCHANGE OF SHARES

The ACD's own dealing

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

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

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

Purchase

Applications

Subject to restrictions applicable to certain classes of shares, applications for shares linked to the Sub-Funds may be made by any person. Shares to satisfy an application received before the valuation point of the Sub-Funds (see "Valuations" for details of the valuation points) on a Dealing Day will be sold at a price based on that day's valuation and shares to satisfy an application received after the valuation point, or on a day which is not a Dealing Day, will be sold at a price based on the valuation made on the next Dealing Day.

Applications may be made by completing an application form and delivering it to the Administrator marked for the attention of Investment Fund Services Ltd, Marlborough House, 59 Chorley New Road, Bolton, BL1 4QP. Applications may also be made through approved Independent Financial Advisers. The ACD may also, at its sole discretion, accept instructions by facsimile on such terms as it may specify. The ACD may also, at its sole discretion, accept instructions by telephone on 0808 178 9322 between 9.00am and 5.00pm on any Business Day on such terms as it may specify. The ACD does not currently accept initial applications for shares on the authority of electronic communications, however the ACD will accept electronic dealing instructions after application, however the ACD may decide to accept initial applications via electronic communications in the future and will update this Prospectus with the conditions that must be satisfied to effect electronic applications accordingly.

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

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

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

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

Applicants who have received advice may have the right to cancel their application to buy Shares at any time during the 14 days after the date on which they receive a cancellation notice from the ACD. If an applicant decides to cancel the contract, and the value of the investment has fallen at the time the ACD receives the completed cancellation notice, they will not receive a full refund as an amount equal to any fall in value will be deducted from the sum originally invested.

Money laundering prevention

The Company is subject to the United Kingdom's anti-money laundering regulations and the ACD may in its absolute discretion require verification of identity from any Applicant including, without limitation, any Applicant who:

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

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

Until satisfactory proof of identity is provided, the ACD reserves the right to refuse to issue shares, pay the proceeds of redemption of shares, or pay income on shares to investors. In the case of a purchase of shares where the Applicant is not willing or is unable to provide the information request within a reasonable period, the ACD also reserves the right to sell the shares purchased and return the proceeds to the account from which the subscription was made. These proceeds may be less than the original investment. The ACD will not be liable for any share price movements occurring during delays while money laundering checks are carried out.

The ACD may use external credit reference agencies to verify your identity and/or bank details. This should not have any effect on your credit history.

Deferred Redemption

Subject to COLL the ACD may refuse any application for the purchase of shares in the Company, or any request for redemption of shares in the Company, if it has reasonable ground to do so. If

requested redemptions in respect of a Sub-Fund on a particular Dealing Day exceed 10% of a Sub-Fund's value, the ACD may defer redemptions to the next valuation point in accordance with COLL. Any such deferral would only be undertaken in such manner as to ensure consistent treatment of all Shareholders who had sought to redeem shares at the Valuation Point at which redemptions were deferred, and so that all deals relating to the earlier Valuation Point were completed before those relating to a later Valuation Point were considered.

The intention of the deferred redemption power is to reduce the impact of dilution on the Sub-Funds. In times of high levels of redemption, deferred redemption provisions would enable the ACD to protect the interests of continuing shareholders by allowing it to match the sale of property of a Sub-Fund to the level of redemptions of shares in that Sub-Fund.

In Specie Application

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

Minimum Purchase

In respect of each share class the minimum value which any one person may purchase initially is £1,000. The minimum value which may be the subject of any subsequent purchase is £1,000 in respect of each share class. However, the ACD may, by special arrangement and at its discretion, either agree on an individual basis a lower amount in relation to the minimum value requirements, or waive such requirements at its discretion.

Redemption

Shares in each Sub-Fund may be redeemed on any Dealing Day. Dealings are on a forward price basis as explained in the paragraph headed "Prices of Shares" above. Shares to be redeemed pursuant to a redemption request received before the valuation point of the relevant Sub-Fund on a Dealing Day will be redeemed at a price based on that day's valuation and shares to be redeemed pursuant to a redemption request received after that time, or on a day which is not a Dealing Day, will be redeemed at a price based on the valuation made on the next Dealing Day. Redemption instructions may be given by delivery to the Administrator of written instructions for redemption (by letter marked for the attention of Investment Fund Services Limited, Marlborough House, 59 Chorley New Road, Bolton BL1 4QP or by fax on 01204 533045). Redemption instructions given by fax must be confirmed in writing to the ACD prior to redemption proceeds being remitted. Redemption instructions may be given by telephone on 0808 178 9322 between 9.00am and 5.00pm on any Business Day. Redemption instructions given by telephone must be confirmed in writing to the ACD prior to redemption proceeds being remitted, except in

instances where a coverall agreement is already in place for the account. Redemption instructions are irrevocable.

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

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

However, neither the Company nor the ACD is required to make payment in respect of a redemption of shares where the money due on the earlier issue of those shares has not yet been received or where the ACD considers it necessary to carry out or complete identification procedures in relation to the holder or another person pursuant to the United Kingdom's anti-money laundering regulations.

In Specie Redemption

Where a shareholder requests redemption of a number of shares, the ACD at its discretion may, by serving a notice of election on the shareholder not later than the close of business on the second Business Day following the day of receipt of the request, elect that the shareholder shall not be paid the redemption price of his shares but instead there shall be a transfer to that holder of property of the relevant Sub-Fund having the appropriate value. Where such a notice is so served on a shareholder, the shareholder may serve a further notice on the ACD not later than the close of business on the fourth Business Day following the day of receipt by the shareholder of the first mentioned notice requiring the ACD, instead of arranging for a transfer of property, to arrange for a sale of that property and the payment to the shareholder of the net proceeds of that sale.

The selection of scheme property to be transferred (or sold) is made by the ACD in consultation with the Depositary. The Depositary may pay out of the scheme property assets other than cash for the redemption of shares in a Sub-Fund only if the Depositary has taken reasonable care to ensure that the property concerned would not be likely to result in any material prejudice to the interests of shareholders or potential shareholders of the Sub-Fund concerned. The Company may retain out of the property to be transferred (or the proceeds of sale) property or cash of value or amount equivalent to any SDRT to be paid in relation to the cancellation of the shares.

Minimum Redemption and Holding

If a redemption request is in respect of only some of the shares held, the minimum value of shares which may be the subject of redemption is £1,000 in respect of each share class. Where the value of an individual holding of shares would, in consequence of a request for redemption/cancellation, fall below £1,000 in respect of each share class, such request may be treated as a request for redemption/ cancellation of all the shares held by such shareholder.

The value of shares for this purpose is calculated by reference to the current price, net of any initial charge. However the ACD may, by special arrangement on a case by case basis and at its discretion, agree a lower amount in relation to the minimum redemption size.

With regard to regular savings plans the minimum values shown above will only apply where regular monthly contributions have been discontinued.

18 SWITCHING AND CONVERSIONS

Conversions

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

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

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

Conversions will be effected at the next valuation point. The number of shares to be issued in the new class will be calculated relative to the price of shares being converted from. The ACD will notify shareholders once the conversion has been effected.

In certain circumstances the ACD may mandatorily convert a shareholder's investment from one share class into another share class. The ACD will only undertake such a conversion where the proposed share class has identical or preferential terms and the ACD will provide shareholders with no less than 60 days' notice.

Conversions will not generally be treated as a disposal for capital gains tax purposes and no stamp duty reserve tax will be payable usually on the conversion.

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

Switches

Subject to the qualifications below, shareholders may exchange shares in a Sub-Fund for the appropriate number of shares of another Sub-Fund.

The right to exchange is subject to the following:

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

Exchanges between classes of shares limited to different Sub-Funds may be subject to a charge (see "**Switching Charge**") below.

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

In no circumstances will a shareholder who exchanges shares in one Sub-Fund for shares in any other Sub-Fund (or who converts between classes of shares) be given a right by law to withdraw from or cancel the transaction.

Instructions for switching shares may be given by writing to the Registrar at Marlborough House, 59 Chorley New Road, Bolton BL1 4QP.

Application

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

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

19 SUSPENSION OF DEALINGS

The ACD may with the prior agreement of the Depositary, and must without delay, if the Depositary so requires, temporarily suspend the issue, cancellation, sale, redemption and

exchange of any shares in a Sub-Fund ("dealing") where due to exceptional circumstances it is in the interests of all shareholders in the Sub-Fund.

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

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

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

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

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

The ACD may agree, during the suspension, to deal in shares in which case all deals accepted during, and outstanding prior to, the suspension will be undertaken at a price calculated at the first valuation point after restart of dealing in shares, provided that if the ACD operates limited redemption arrangements, and the event leading to the suspension of dealing has affected a valuation point, the ACD shall declare an additional valuation point as soon as possible after the restart of dealing in shares.

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

20 MANDATORY REDEMPTION OF SHARES

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

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

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

21 DISTRIBUTION

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

With the exception of the IFSL Sinfonia Income Portfolio, allocations and, if relevant distributions of income, will be made in respect of the Sub-Funds on or before 30 November and 31 May each year.

Quarterly income allocations will be made in respect of the IFSL Sinfonia Income Portfolio on 30 November, 28 February, 31 May and 31 August each year.

Distribution statements and tax certificates will be sent to shareholders. Payments will be made by bank automated credit system. Cheques will not be sent for new investors who invest after 1st January 2018. Where new investor's bank details are not known or are inaccurate, accumulation shares will be purchased, where available, otherwise any income from income shares will be reinvested.

Where relevant, any distributions unclaimed for a period of six years after having become due for payment shall be forfeited and shall become part of the capital property of the Sub-Fund for the benefit of all Shareholders. The payment of any unclaimed distribution, interest or other sum payable by the Company on or in respect of a share into a separate account shall not constitute the Company a trustee thereof.

Determination of Distributable Income

As at the end of each annual accounting period, the ACD must arrange for the Depositary to transfer the income available for distribution attributable to a Sub-Fund to the distribution account.

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

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

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

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

In relation to income shares, on or before each relevant income distribution date, the ACD will instruct the Depositary to enable it to distribute the income allocated to income shares among the

holders of such shares and the ACD in proportion to the number of such shares held, or treated as held, by them respectively at the end of the relevant period.

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

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

22 INCOME EQUALISATION

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

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

Equalisation applies only to shares purchased during the relevant accounting period.

23 THE AUTHORISED CORPORATE DIRECTOR'S CHARGES

The price per share at which shares are bought, redeemed or switched is calculated in accordance with the Regulations. Any initial charge or redemption charge is payable in addition to the price or deducted from the proceeds and is taken from the gross subscription or redemption monies.

Initial Charge

The ACD may impose a charge payable by the Shareholder on the issue of shares (the "**initial charge**"). The initial charge is deducted from the investment proceeds at the outset and is calculated as a percentage of the price of a Share. The current initial charge applicable to the share classes are:-

Share Class	Current Initial Charge
Class A Shares	0%
Class B Shares	5.5%
Class C Shares	5.5%
Class D Shares	5.5%

The ACD may waive or discount the initial charge at its discretion.

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

The initial charge is exclusive of VAT which shall, if applicable, be payable in addition.

Redemption Charge

The ACD currently makes no charge on a redemption of shares although the ACD is permitted to charge a dilution levy and/or SDRT provision if applicable (as explained above). The ACD has the right to introduce a charge on redemption of shares in the future (subject to COLL), but this will not affect shares issued prior to its introduction.

Switching Fee

The ACD does not currently impose a charge on conversions, or on switches between Sub-Funds within the same share class.

Annual Charge

The ACD is entitled to an annual charge which accrues daily and is payable monthly. The charge for each day is calculated by reference to the value of the Sub-Fund on the preceding day and is payable out of the property attributable to the Sub-Fund. It is paid within seven days of the month end. The annual charge is payable by the Company from the scheme property attributable to the Sub-Fund and is paid to the ACD by way of remuneration for its duties and responsibilities to the Company as ACD. The charge is calculated separately in relation to each share linked to the Sub-Fund as a percentage rate per annum of the total value of the units of entitlement in the property of the Sub-Fund on the relevant valuation date.

The current annual charge in respect of the share classes is as follows:

Share Class	Current Annual Management Charge
Class A Shares	0.65%
Class B Shares	1.5%
Class C Shares	2.0%
Class D Shares	1.75%

The annual charge is exclusive of VAT which shall, if applicable, be payable in addition. The ACD may waive or discount the annual charge at its discretion. Any increase in the above rates requires not less than 60 days' prior notice in writing to the shareholders before such increase may take effect. Also, the ACD is required to revise the Prospectus to reflect the new current rate and the date of its commencement.

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

24 THE FEES, CHARGES AND EXPENSES OF THE DEPOSITARY

The Depositary receives for its own account a periodic fee which will accrue daily based on the value of the sub fund on the immediately preceding day and is payable as soon as practicable after the month end (and in any event within seven days after the month end). The first accrual is calculated by reference to the first valuation point of the Sub-Fund. The fee is payable out of the property attributable to the Sub-Fund.

The rate of the periodic fee is agreed between the ACD and the Depositary and in relation to the Sub-Funds is subject to a minimum fixed amount of £7,500 per annum. Subject to this minimum, the charge is otherwise calculated on a sliding scale for the Sub-Funds on the following basis:

- 0.0275% per annum of the first £50 million of the scheme property;
- 0.025% per annum of the next £150 million of the scheme property;
- 0.02% per annum of the next £50 million of the scheme property;
- 0.0175% per annum of the balance.

Any increase in the above rate shall be effected in accordance with the provisions of COLL 4.3.

The total remuneration payable to the Depositary out of the property attributable to the Sub-Funds for its services also includes transaction charges and custody charges. Transaction charges vary from country to country, dependent on markets and the value of the stock involved and range

from £10 to £175. The transaction charges accrue at the time the transactions are effected and are payable as soon as is reasonably practicable, and in any event not later than the last Business Day of the month when such charges arose or as otherwise agreed between the Depositary and the ACD. Custody charges again vary from country to country depending on the markets and the value of stock involved. Custody charges currently range between 0.01% and 0.7% of the net asset value, and accrue and are payable as agreed from time to time by the ACD and the Depositary.

The Depositary will also be reimbursed out of the property attributable to the Sub-Fund, expenses properly incurred in the performance of, or arranging the performance of, functions conferred on it by the Depositary Agreement, COLL, the OEIC regulations or by the general law, referable to (but not limited to):

- 24.1 custody of assets (including overseas custody services);
- 24.2 the acquisition, holding and disposal of property;
- 24.3 the collection of dividends, interest and any other income;
- 24.4 the maintenance of distribution accounts;
- 24.5 the conversion of foreign currencies;
- 24.6 registration of assets in the name of the Depositary or its nominees or agents;
- 24.7 borrowings, stock lending or other permitted transactions;
- 24.8 communications with any parties (including facsimile and SWIFT);
- 24.9 taxation matters;
- 24.10 insurance matters;
- 24.11 dealing in derivatives; and
- 24.12 the Depositary's report as set out in annual reports of the Company

Ranges of Charges

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

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

On a winding up of the Company, the termination of the Sub-Fund or the redemption of a class of shares, the Depositary will be entitled to its pro rata fees, charges and expenses to the date of the commencement of the winding up the termination or the redemption (as appropriate) and any additional expenses necessarily realised in settling or receiving any outstanding obligations. No compensation for loss of office is provided for in the Depositary Agreement. Any VAT on any fees, charges or expenses payable to the Depositary will be added to such fees, charges or expenses.

25 OTHER PAYMENTS OF THE COMPANY

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

- transaction costs, including (without limitation) the fees and/or expenses incurred in acquiring, registering and disposing of investments, such as (for example) broker's commissions (where permitted under the FCA Handbook), fiscal charges and other disbursements which are necessarily incurred in effecting transactions for the Company and normally shown on contract notes, confirmation notes and difference accounts as appropriate;
- the direct and indirect transaction and the 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 1);
- any costs incurred in producing or dispatching a payment made by the Company;
- any costs incurred in taking out and maintaining an insurance policy in relation to the Company;
- any expenses incurred in relation to any secretarial duties, such as maintaining any necessary documentation;
- any costs in relation to the publication of share prices or the NAV of the Company;
- any amount payable by the Company under any indemnity provisions;
- interest on borrowings permitted under the Instrument of Incorporation and this Prospectus and all charges incurred in negotiating, entering into, varying, carrying into effect with or without variation, maintaining and terminating the borrowing arrangements;
- taxation and other duties payable in respect of the Company and its Sub-Fund, the Instrument of Incorporation or the issue of shares;

- any costs incurred in respect of convening and holding any meetings of shareholders, including meetings convened on a requisition by holders not including the ACD or an associate of the ACD;
- any costs in modifying the Instrument of Incorporation, the Prospectus and Key Investor Information Document of the Company, including costs incurred in respect of meetings of shareholders convened for the purpose, where the modification is:
 - necessary to implement any change in the law including changes to the regulations; or
 - necessary as a direct consequence of any change in the law including changes to the regulations; or
 - expedient having regard to any fiscal enactment and which the ACD and the Depositary agree is in the interest of shareholders; or
 - to remove obsolete provisions from the Instrument of Incorporation, the Prospectus and Key Investor Information Document of the Company
- any costs incurred in respect of any other meeting of shareholders convened on a requisition by holders not including the ACD or an associate of the ACD in relation to a scheme of arrangement where the property of a body corporate (such as an investment company) or of another collective investment scheme is transferred to the Company in consideration of the issue of shares in the Company to shareholders in that body corporate or to participants in that other scheme, and any liability arising after the transfer which, had it arisen before the transfer, could properly have been paid out of that other property provided the ACD is of the opinion that proper provision was made for meeting such liabilities as were known or could reasonably have been anticipated at the time of the transfer;
- the expenses of the Depositary in the convening a meeting of shareholders convened by the Depositary alone;
- any audit fees of the Auditor and VAT thereon and any proper expenses of the Auditor;
- any fees and any proper expenses of any professional advisers retained by the Company or by the Company in relation to the ACD;
- the cost of printing and distributing literature required or necessary for the purpose of complying with COLL, the OEIC Regulations, the FCA's Conduct of Business Rules or any other law or regulation, (excluding the cost of dissemination of the Key Investor Information Document and any successor document);

- the costs of printing and distributing annual, half yearly and quarterly reports and any other reports or information provided for shareholders;
- any costs of listing the prices of the Sub-Fund in publications and information services selected by the ACD;
- the fees and any proper expenses of any professional advisers incurred by the ACD and the Depositary in relation to the establishment of the Company and its Sub-Fund(s);
- the fees of the Registrar for providing administration services for the Sub-Fund and maintaining the register, being £12.50 per shareholder per annum;
- the Registrar will also maintain sub-registers in respect of New Individual Savings Accounts entitlements, the fees for maintaining the sub-registers will be equivalent to those shown above;
- the fees of the FCA under Schedule 1, Part III of the Act or the 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;
- any sum due by virtue of any provision of COLL such as cancellation proceeds and reasonable stock lending expenses;
- value added tax in respect of any of the costs, expenses, fees and charges payable by the company;
- any other charges/expenses that may be taken out of the Company's property in accordance with COLL;

Set-up costs

Subject to COLL, the ACD and the Depositary are permitted to be reimbursed for the set-up costs incurred in relation to the authorisation and establishment of the Company, its Sub-Fund and any new Sub-Funds.

Treatment of charges

Expenses may be payable out of the capital property or the income property of the Sub-Funds at the discretion of the ACD. Charges made to the capital property may constrain capital growth.

Any fees, liabilities, expenses, costs or charges not attributable to a particular Sub-Fund will generally be allocated between the Sub-Funds pro rata to the value of the Net Asset Value of the Sub-Funds. However, the ACD has the discretion to allocate these fees and expenses in a manner which it considers fair to the Shareholders generally. In each such case such expenses and disbursements may also be payable if incurred by any person (including the ACD or an

associate or nominee of the Depositary or of the ACD) who has had the relevant duty delegated to it pursuant to COLL by the Depositary.

Charges to Capital

In relation to the Sub-Funds all or part of the remuneration of the ACD may be treated as a capital charge, which may result in a constraint of capital growth. The maximum amount of the charge which may be so treated for the Sub-Funds is the periodic charge payable to the ACD for that sub-fund, as detailed above. In relation to the Sub-Funds, subject to and in accordance with COLL, all or part of the charges and expenses of the Company may be treated as a capital charge if agreed by the ACD and the Depositary.

The ACD's standard policy is to charge all expenses, except those that are capital in nature, to the income accounts of the individual Sub-Funds. However, where a Sub-Fund has an objective of producing income, or a combination of income and capital growth, some or all of the ACD's annual charge may be charged against the capital account of the individual Sub-Fund. The current policy is as follows:

Sub-Fund	ACD's Annual Charge Charged to Income Account	ACD's Annual Charge Charged to Capital Account
IFSL Sinfonia Income Portfolio	-	100% of the ACD's annual charge payable out of the property of the Sub-Fund
IFSL Sinfonia Income and Growth Portfolio	-	100% of the ACD's annual charge payable out of the property of the Sub-Fund

26 TAXATION

THE FOLLOWING SUMMARY IS BASED ON CURRENT UK LAW AND HM REVENUE & CUSTOMS' PRACTICE. THE RELEVANT FISCAL RULES, INCLUDING LEVELS AND BASES OF, AND RELIEFS FROM TAXATION, THEIR INTERPRETATION AND HM REVENUE & CUSTOMS' PRACTICE, MAY CHANGE IN THE FUTURE.

IT IS INTENDED TO OFFER SOME GUIDANCE TO PERSONS (OTHER THAN DEALERS IN SECURITIES) ON THE UK TAXATION OF THE COMPANY AND ITS SHAREHOLDERS. IT SHOULD NOT BE REGARDED AS DEFINITIVE OR EXHAUSTIVE LEGAL OR TAX AND PROSPECTIVE INVESTORS SHOULD SEEK THEIR OWN PROFESSIONAL ADVICE ON THE TAXATION AND EXCHANGE CONTROL CONSEQUENCES OF INVESTING IN THE COMPANY. IF PROSPECTIVE INVESTORS ARE IN ANY DOUBT AS TO THEIR TAXATION POSITION, THEY SHOULD CONSULT THEIR PROFESSIONAL ADVISER.

IN PARTICULAR, THIS SUMMARY DOES NOT TAKE ACCOUNT OF PARTICULAR INVESTORS' INDIVIDUAL CIRCUMSTANCES, DOES NOT ADDRESS THE TAXATION CONSEQUENCES FOR INVESTORS WHO MAY BE SUBJECT TO TAXATION OR EXCHANGE CONTROL IN A JURISDICTION OTHER THAN THE UK AND DOES NOT ADDRESS INVESTORS FALLING INTO PARTICULAR CATEGORIES (SUCH AS LIFE INSURANCE COMPANIES OR EMPLOYEES OF ENTITIES CONNECTED TO THE COMPANY) WHICH MAY BE SUBJECT TO SPECIAL RULES.

Taxation of the Company

The UK tax regime applicable to the Company is primarily set out in Chapter 2 of Part 13 of the Corporation Tax Act 2010 and in the Authorised Investment Funds (Tax) Regulations 2006 SI 2006/964 (the "Tax Regulations"). Each Sub-Fund is regarded as a separate taxable entity in its own right, and the Company as a whole is not so regarded.

Income

Each Sub-Fund is liable to UK corporation tax on most sources of income, net of allowable expenses of management (and, in relevant cases, interest distributions made by the Fund). Corporation tax will be payable at a rate equal to the lower rate of income tax, currently 20%.

However, Sub-Funds will not be liable to UK corporation tax on, inter alia, dividends treated as exempt from tax under Chapter 9A of the Corporation Tax Act 2009 (the "**CTA 2009**") and the franked portion of dividends from UK authorised unit trusts and other UK open-ended investment companies. Very broadly, the franked portion of a dividend is the proportion of the dividend distribution which corresponds to the part of the payer's gross income which derives from franked investment income. Franked investment income broadly means dividends from UK resident companies.

Income from overseas sources may be taxed in that overseas jurisdiction as well as in the UK. Depending on the exact circumstances, some or all of that overseas tax may be offset under double taxation relief arrangements against UK corporation tax payable by the Sub-Fund.

Chargeable gains

Sub-Funds will not be subject to UK corporation tax on chargeable gains arising on the disposal of their investments, or entitled to corporation tax relief on losses which are treated as capital in nature.

Each Sub-Fund will not be subject to corporation tax on any profits or gains (or be entitled to corporation tax relief for any losses) derived from creditor loan relationships or derivative contracts, to the extent that those profits, gains or losses are treated as "capital profits, gains or losses". Capital profits, gains or losses for this purpose are those profits, gains or losses arising from such creditor loan relationships or derivative contracts which fall to be dealt with under the

heading "net capital gains/losses" in the Sub-Fund's statement of total return for the accounting period in question.

Stamp taxes

There is no specific exemption from stamp duty or stamp duty reserve tax ("SDRT") for authorised investment Funds such as the Company. Consequently, the Company will be liable to pay such taxes as normal when it purchases underlying investments.

Broadly speaking, stamp duty is paid on a transaction involving stock or marketable securities, and the rate is 0.5% of the value of the stock or securities. SDRT is paid on an agreement to transfer chargeable securities, and the rate is 0.5% of the value of the stock or securities.

The Company may incur similar taxes in another jurisdiction if it carries out transactions involving that jurisdiction.

Taxation of the shareholder

Individual Shareholders

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

Non Residents

Dividend distributions will be made gross to shareholders who are not UK resident. Non resident shareholders who are individuals are not liable to UK income tax on the dividend distribution. Non-UK resident shareholders are recommended to seek professional advice as to the tax consequences of receiving a dividend distribution under the law of the jurisdiction of their residence.

Non resident trusts may be chargeable to UK income tax on distributions made by the Company and are recommended to seek professional advice.

Corporate Shareholders

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

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

Chargeable Gains

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

Shareholders who are non UK resident will not normally be liable to UK tax on capital gains arising on a sale, disposal or other chargeable event unless the shareholding is connected with a trade carried on by the Shareholder through a UK branch or agency or certain anti-avoidance provisions relating to temporary non-UK residence apply

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

Exchanges

An exchange of shares in one Sub-Fund for shares in any other Sub-Fund is treated as a redemption and sale and will for persons subject to United Kingdom taxation be a disposal for the purposes of capital gains taxation.

An exchange of one class of shares in one Sub-Fund for another class of shares in the same Fund (i.e. an exchange of income shares for accumulation shares in the same Sub-Fund and vice versa) will generally not constitute a disposal for the purposes of capital gains taxation.

Income Equalisation

Since the Sub-Funds operate income equalisation, the first allocation made after the acquisition of the shares may include a sum ("equalisation") representing that part of the acquisition price of the shares which was attributable to income accrued up to the time of acquisition.

This is treated for the purposes of both UK income tax and UK tax on chargeable gains as a refund of capital rather than a receipt of income.

As such it is not liable to income tax. It should however be deducted from the cost of the shares when computing the base cost for any chargeable gain realised on the subsequent disposal of the shares. This is the case regardless of whether the shares in question are Accumulation shares or Income shares, and despite the fact that for Accumulation shares the equalisation amount is re-invested.

A shareholder who sells shares part way through a distribution period will receive a price which includes an equalisation element. This equalisation element is taxable as income in the normal way.

EU Savings Directive

The European Union Directive on the Taxation of Savings Income (2003/48/EC) (the "EU Savings Directive") provides that "paying agents" established in a member state of the EU (or certain prescribed dependent or associated territories of member states) which pay "savings income" to individuals resident in another member state (or, depending on the state in which the paying agent is established, possibly also to individuals resident in the prescribed dependent or associated territories) are obliged, depending on the state in which the paying agent is established, either to disclose details of the payment and payee to taxation authorities or to withhold tax from the payment.

For the purposes of the UK's implementation of the EU Savings Directive, the proceeds of a sale, refund or redemption of shares in the Company and/or the proceeds represented by a distribution from the Company may be classed as "savings income". Sale, refund or redemption proceeds will be savings income if more than 25% of the Company's assets are invested in money-debts. Distribution proceeds will be savings income if more than 15% of the Company's assets are invested in money-debts.

Under the UK's implementation, where savings income is paid by a paying agent established in the UK to an individual resident in another member state or prescribed territory, the paying agent is obliged to disclose details of the payment to the HM Revenue & Customs. The identity of the

relevant paying agent depends on how a shareholder purchases and holds shares. For investors who purchase shares directly, the paying agent is likely to be the ACD.

Consequently, it may be necessary or desirable for the Company, the ACD or any other person or entity connected to the Company to collect certain additional information from shareholders or to take other action connected to the EU Savings Directive to enable disclosures to be made to tax authorities or, where applicable, tax to be withheld.

Inheritance Tax

Shares held in the Sub-Funds will generally form part of an individual's estate and will therefore potentially be subject to inheritance tax (IHT). Shares held by trustees are potentially subject to special rules which may charge IHT periodically. IHT is chargeable on the death of a person, on gifts made within the seven years before an individual's death and (immediately) on gifts to most types of trusts.

NISAs

It is intended that shares in the Sub-Funds will satisfy the eligibility requirements to be qualifying investments for a stocks and shares component of an NISA.

27 REPORTS AND ACCOUNTS

The annual accounting period of the Company ends on 30 September.

The annual report of the Company (the "**long report**") will be published on or before the 31 January and the half-yearly long report on or before the 31 May in each year. Copies of these long reports may be viewed on our website at www.ifslfunds.com or obtained free of charge from the ACD at its operating address. These reports may also be inspected at the Depositary's office during normal office hours.

28 ANNUAL GENERAL MEETING

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

29 VOTING

The convening and conduct of Shareholder's meetings and the voting rights of Shareholders at those meetings are governed by the Company's Instrument of Incorporation and COLL, which are summarised below.

Notice and Quorum

Entitlement to receive notice of a particular meeting or adjourned meeting and to vote at such a meeting is determined by reference to those persons who are holders of shares in the Company on the date seven days before the notice is sent ("**the cut-off date**"), but excluding any persons who are known not to be holders at the date of the meeting or other relevant date. Shareholders will be given at least 14 days' prior notice of a general meeting.

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

Voting Rights

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

An instrument appointing a proxy may be in any usual or common form or in any other form approved by the ACD. It should be in writing under the hand of the appointor or his attorney or, if the appointor is a corporation, either under the common seal, executed as a Deed or under the hand of a duly authorised officer or attorney. A person appointed to act as a proxy need not be a holder.

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

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

Except where the COLL or the Instrument of Incorporation of the Company require an extraordinary resolution (which needs 75% of the votes cast at the meeting to be in favour if the

resolution is to be passed), any resolution required by the COLL will be passed by a simple majority of the votes validly cast for and against the resolution (an ordinary resolution).

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

Powers of a Shareholders' Meeting

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

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

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

30 INVESTMENT AND BORROWING POWERS

A description of the types of property the Company may invest in and a summary of the applicable limits is set out in Appendix 1. A list of the eligible securities and derivatives markets is set out in Appendix 2.

31 TRANSFER OF SHARES

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

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

32 WINDING UP OF THE COMPANY AND TERMINATION OF THE SUB-FUNDS

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

Subject to the foregoing, the Company or a Sub-Fund will be wound up or terminated (as appropriate) under COLL:

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

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

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

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

On completion of the winding up, 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.

33 OTHER INFORMATION

Delegation

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

Conflicts of Interest

- The Depositary or any associate of the Depositary, may (subject to COLL) hold money on deposit from, lend money to, or engage in stocklending transactions in relation to the Company, so long as the services concerned are provided on arm's length terms.
- The Depositary, the ACD, or any investment manager or any associate of any of them may sell or deal in the sale of property to the Company or purchase property from the Company, provided the applicable provisions of the COLL apply and are observed.
- Subject to compliance with COLL the ACD may be party to or interested in any contract, arrangement or transaction to which the Company is a party or in which it is interested.
- The ACD and the Investment Manager (and other companies within their respective groups) may, from time to time, act as managers to other funds or sub-funds which follow similar investment objectives to that of the Sub-Funds. It is therefore possible that the ACD and/or Investment Manager may in the course of their business have potential conflicts of interest with the Company or the Sub-Funds. The Depositary may act as the depositary of other open-ended investment companies and as trustee or custodian of other collective investment schemes.
- The Depositary, the ACD, or any investment manager or any associate of any of them will not be liable to account to the Company or any other person, including the holders of shares or any of them, for any profit or benefit made or derived from or in connection with:
 - 33.1 their acting as agent for the Company in the sale or purchase of property to or from a Sub-Fund; or
 - 33.2 their part in any transaction or the supply of services permitted by the COLL; or
 - 33.3 their dealing in property equivalent to any owned by (or dealt in for the account of) the Company.

Liability and Indemnity

With the exception mentioned below:

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

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

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

Rebate of Fees

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

34 GENERAL

Market timing and short-term trading

The ACD does not permit a Sub-Fund to be used for the purposes of 'market timing' and short-term trading. For these purposes market timing is defined as a trading strategy with the intention of taking advantage of short term changes in market prices. Short-term trading in a Fund may harm performance in particular in respect of portfolio management strategies, and may increase costs such as brokerage and administration costs. The ACD will undertake monitoring activities to ensure that market timing is not taking place in a Sub-Fund.

Although there can be no assurance that such practices will be identified or prevented, the ACD will undertake monitoring activities with the aim of ensuring that market timing and short term trading is not taking place in relation to any Sub-Funds, and may take such decisions as it deems appropriate to prevent such practices.

Complaints procedure

Any complaint about any aspect of the ACD's service should in the first instance be made in writing to the ACD's Compliance Officer at: Marlborough House, 59 Chorley New Road, Bolton BL1 4QP. If a complaint cannot be resolved satisfactorily with the ACD it may be referred to the Financial Ombudsman Service, Exchange Tower, London E14 9SR. More details about the Financial Ombudsman Service are available from the ACD on request.

Cancellation Rights

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

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

Notices, Remittances or Service of Other Documents

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

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

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

The Financial Services Compensation Scheme

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

Documents and information available

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

- Latest version of the Prospectus;
- Latest version of the Instrument of Incorporation which constitutes the Company and the Sub-Funds;
- Latest annual and half-yearly long reports applying to the Sub-Funds;

- Supplementary information relating to the quantitative limits which apply to the risk management of the Company and the Sub-Funds, the methods used for the purposes of such risk management and any recent developments which relate to the risk and yields of the main categories of investment which apply to the Company and the Sub-Funds;
- The ACD Agreement.

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

Governing Law

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

Historical Performance

Please see Appendix 4.

Appendix 1

Investment and Borrowing Powers

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

In accordance with the investment policies of the Sub-Funds, it is anticipated that the Sub-Funds shall mainly invest in collective investment schemes. The capital property attributable to the Sub-Funds is therefore required to consist of such investments although investment in other asset classes is also permitted as set out in the relevant Sub-Fund's investment policy and in COLL as it applies to UCITS Schemes and as summarised below. Therefore, the capital property of the Sub-Funds may at any time consist entirely of such assets or a mixture of such assets as well as investments of other asset classes described below.

Collective investment schemes

Up to 100% of the scheme property attributable to the Sub-Funds may consist of units in collective investment schemes.

Not more than 20% in value of the property of a Sub-Fund may consist of units or shares in any one collective investment scheme.

A Sub-Fund must not invest in units or shares of a collective investment scheme (the "**second scheme**") unless the second scheme satisfies the conditions referred to below and provided that no more than 30% of the value of the scheme property attributed to the relevant Sub-Fund is invested in second schemes within categories (b) to (d) below.

- 1 The second scheme must fall within one of the following categories:
 - 1.1 A scheme which satisfies the conditions necessary for it to enjoy the rights conferred by the UCITS Directive; or
 - 1.2 A scheme which is recognised under the provisions of section 270 of the Financial Services and Markets Act 2000 (schemes authorised in designated countries or territories); or
 - 1.3 A scheme which is authorised as a non-UCITS retail scheme (as defined in COLL) and in respect of which the requirements of article 50(1)(e) of the UCITS Directive are met;
 - 1.4 A scheme which is authorised in another EEA State (and in respect of which the requirements of article 50(1)(e) of the UCITS Directive are met);

- 1.5 Be authorised by the competent authority of an OECD member country (other than an EEA state) which has:
- (a) signed the IOSCO Multilateral Memorandum of Understanding; and
 - (b) approved the ACD's rules and depositary/custody arrangements (provided the requirements of article 50(1)(e) of the UCITS Directive are met).
- 2 The second scheme must comply, where relevant, with those COLL provisions regarding investment in other group schemes and associated schemes (referred to below).
- 2.1 The second scheme must have terms which prohibit more than 10% in value of the scheme property consisting of units in collective investment schemes.

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

- (a) the Second Fund does not hold Shares in any other Fund of the Company; ; and
- (b) the investing or disposing Fund must not be a feeder UCITS to the Second Fund.

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

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

Where a Sub-Fund invests in another collective investment scheme, the maximum annual management charge that may be charged to that collective investment scheme is 2.5%.

Transferable securities and Money Market Instruments

The Sub-Funds may invest up to 100% of the scheme property in transferable securities and money market instruments which are:

- 3 admitted to or dealt in on an eligible market (as defined in COLL);

- 4 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; or
- 5 approved money-market instruments not admitted to or dealt in on an eligible market provided the issue or issuer is regulated for the purposes of protecting investors and savings and the instrument is issued or guaranteed by any one of the following in accordance with the requirements in COLL:
 - 5.1 a central authority of an EEA state or, if the EEA State is a federal state, one of the members making up the federation;
 - 5.2 a regional or local authority of an EEA state;
 - 5.3 the European Central Bank or a central bank of an EEA state;
 - 5.4 the European Union or the European Investment Bank;
 - 5.5 a non-EEA-state or, in the case of a federal state, one of the members making up the federation;
 - 5.6 a public international body to which one or more EEA states belong; or
 - 5.7 issued by a body, any securities of which are dealt in on an eligible market; or
 - 5.8 issued or guaranteed by an establishment which is subject to prudential supervision in accordance with criteria defined by Community law, or subject to and complies with prudential rules considered by the FCA to be at least as stringent as those laid down by Community law.

The Sub-Funds may invest up to 10% of the scheme property in transferable securities and approved money market instruments other than those referred to in (1), (2) or (3) above.

Not more than 5% in value of the scheme property attributable to the Sub-Funds may consist of transferable securities or approved money market instrument issued by any single body. This limit may be raised to 10% in respect of up to 40% in value of the scheme property attributable to a Sub-Fund. Covered Bonds need not be taken into account for the purpose of applying the limit of 40%. The limit of 5% is raised to 25% in value of the scheme property in respect of Covered Bonds, provided that when a Sub-Fund invests more than 5% in Covered Bonds issued by a single body, the total value of Covered Bonds held must not exceed 80% in value of the scheme property.

Not more than 20% in value of the scheme property attributable to the Sub-Funds is to consist of transferable securities and approved money market instruments issued by the same group.

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.

Transferable securities

The Sub-Funds may invest in a transferable security only to the extent that the transferable security fulfils the following criteria:

- 5.9 the potential loss which the Sub-Funds may incur with respect to holding the transferable security is limited to the amount paid for it;
- 5.10 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;
- 5.11 reliable valuation is available for it as follows:
 - (a) 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;
 - (b) 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;
- 5.12 appropriate information is available for it as follows:
 - (a) 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;
 - (b) 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;
 - (i) it is negotiable; and
 - (ii) its risks are adequately captured by the risk management process of the ACD.

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:

- (iii) not to compromise the ability of the ACD to comply with its obligation to redeem shares at the request of any qualifying shareholder; and
- (iv) to be negotiable.

Closed end funds constituting transferable securities

A unit in a closed end fund shall be taken to be a transferable securities in the event it fulfils the criteria for transferable securities set out above, and either:

- (v) where the closed end fund is constituted as an investment company or a unit trust it is subject to corporate governance mechanisms applied to companies, and where another person carries out asset management activity on its behalf, that person is subject to national regulation for the purposes of investor protection; or
- (vi) where the closed end fund is constituted under the law of contract, it is subject to corporate governance mechanism equivalent to those applied to companies, and it is managed by a person who is subject to national regulation for the purposes of investor protection.

Covered bonds

In general a covered bond is a bond that is issued by a credit institution which has its registered office in an EEA State and is subject by law to special public supervision designed to protect bondholders and in particular protection under which sums deriving from the issue of the bond must be invested in conformity with the law in assets which, during the whole period of validity of the bond, are capable of covering claims attaching to the bond and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest, and which may be collateralised.

Warrants

Not more than 5% in value of the scheme property attributable to the Sub-Funds may consist of warrants. Warrants may only be held if it is reasonably foreseeable that the exercise of the rights conferred by the warrants will not contravene COLL. 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 relevant Sub-Fund at the time when the payment is required without contravening COLL.

Government and public securities

Up to 100% of the scheme property attributable to the Sub-Funds may consist of government and public securities provided no more than 35% in value of the scheme property attributable to a

Sub-Fund is invested in such securities issued by any one body. There is no limit on the amount which may be invested in such securities or in any one issue.

Cash and near cash

The Sub-Funds' investment policies may mean that at times it is appropriate for the scheme property of a Sub-Fund not to be fully invested and for cash or "near cash" (meaning, essentially, certain types of deposits) to be held. In accordance with COLL, up to 100% of the scheme property attributable to the Sub-Funds may consist of cash or near cash to enable:

- (A) the pursuit of a Sub-Fund's investment objectives;
- (B) the redemption of shares; or
- (C) the efficient management of a Sub-Fund in accordance with its objectives; or
- (D) any other purposes which may reasonably be regarded as ancillary to the objectives of the relevant Sub-Fund.

During the initial offer period for any new Sub-Fund, the scheme property of the Sub-Funds may consist of cash and near cash without limitation.

Cash forming part of the property of a Sub-Fund may be placed in any current or deposit account with the Depositary, the ACD or any investment manager or any associate of any of them provided it is an eligible institution or approved bank and the arrangements are at least as favourable to the Sub-Fund concerned as would be those of any comparable arrangements effected on normal commercial terms negotiated at arm's length between two independent parties.

Derivatives

In accordance with COLL, derivatives may be used by UCITS schemes for efficient portfolio management purposes (such as hedging) or for achieving a scheme's investment objectives, or both. Whilst the Company may utilise derivatives for investment purposes, the Sub-Funds may only use derivatives for efficient portfolio management (including hedging). **Where derivatives are used for hedging, or in accordance with efficient portfolio management techniques, this will not alter or change the risk profile of the Sub-Funds.**

Efficient portfolio management enables the Sub-Funds to invest in derivatives and forward transactions in accordance with COLL using techniques which relate to transferable securities and approved money market instruments and which fulfil the following criteria:

- 5.13 they are economically appropriate in that they are realised in a cost effective way;
- 5.14 they are entered into for one or more of the following specific aims;

- (a) reduction of risk;
- (b) reduction of cost;
- (i) generation of additional capital or income for the Funds with a risk level that is consistent with the risk profile of the relevant Fund and the risk diversification rules in COLL.

Pursuant to the Regulations, the Sub-Funds may enter into a transaction which is:

- (A) a permitted transaction;
- (B) for the purpose of exposure and hedging the portfolio;
- (C) (alone or in combination with one or more others) believed by the Investment Manager to be economically appropriate for the Company; and
- (D) fully covered in accordance with the Regulations.

Permitted transactions are derivatives transactions (i.e. options, futures or contracts for differences) and forward transactions in a currency. A derivatives transaction must be in an approved derivative (i.e. one which is traded or dealt in on an eligible derivatives market as set out in Appendix 2) and effected on or under the rules of an eligible derivatives market, or an over the counter derivative with an approved counterparty. Further derivatives markets may be added to the list in Appendix 2 following consultation with the depositary.

A counterparty to a transaction in an OTC derivative is approved only if the counterparty is an eligible institution or an approved bank or a person whose permission (including any requirements or limitations) as published in the FCA register, or whose home state authorisation, permits it to enter into such transactions as principal off exchange. A transaction in an approved derivative must be effected on or under the rules of an eligible derivatives market.

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

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

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

- (A) transferable securities;
- (B) approved money market instruments;
- (C) deposits;
- (D) derivatives;
- (E) units/shares in collective investment schemes;
- (F) financial indices;
- (G) interest rates;
- (H) foreign exchange rates; and
- (I) currencies.

A transaction in a derivative must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more transferable securities, approved money market instruments, units/shares in collective investment schemes or derivatives. A transaction in a derivative must not cause the Sub-Funds to diverge from their investment objective. Any forwards transaction must be made with an eligible institution or an approved bank in accordance with COLL.

Deposits

Up to 100% of the scheme property attributable to the Sub-Funds may consist of deposits (as defined in COLL) but only if it:

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

Not more than 20% in value of the scheme property may consist of deposits with a single body.

Immovable and movable property

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

Spread – general

In applying any of the restrictions referred to above, not more than 20% in the value of the scheme property is to consist of any combination of two or more of the following:

- transferable securities (including Covered Bonds) or approved money market instruments issued by; or
 - deposits made with; or
 - exposures from over the counter derivatives transactions made with;
- a single body.

In applying the limit to investment in transferable securities or approved money market instruments issued by any single body, certificates representing certain securities are to be treated as equivalent to the underlying security.

The exposure to any one counterparty in an over the counter derivative transaction must not exceed 5% in value of the scheme property. This limit may be raised to 10% where the counterparty is an approved bank as defined in COLL. Exposure in respect of an over the counter derivative may be reduced to the extent that collateral is held in respect of or in accordance with COLL.

Concentration

The Company must not at any time hold:

- (A) 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;
- (B) more than 10% of the debt securities issued by one issuer;
- (C) more than 25% of the units in a collective investment scheme;
- (D) more than 10% of the money market instrument issued by a single body.

But need not comply with the limits in (b), (c), and (d) if, at the time of acquisition, the net amount in issue of the relevant investment cannot be calculated.

Significant Influence

The Company may only acquire transferable securities issued by a body corporate carrying rights to vote (whether or not on substantially all matters) at a general meeting of that body corporate provided that immediately before the acquisition the aggregate number of such securities held by the Company does not allow it to exercise 20% or more of the votes cast at a general meeting of that body and the acquisition will not give the Company such power.

Borrowing

Subject to the Company's Instrument of Incorporation and COLL (as it relates to UCITS Schemes), the Company may borrow money for the purposes of achieving the objectives of the Sub-Funds on terms that such borrowings are to be repaid out of the scheme property of the relevant Sub-Fund.. Such borrowing may only be made from an eligible institution or approved bank (as defined in COLL) and must be on a temporary basis only.

No period of borrowing may exceed 90 days without the prior consent of the Depositary (which may give such consent only on conditions as appear to the Depositary appropriate to ensure that the borrowing does not cease to be on a temporary basis). The borrowing of a Sub-Fund must not, on any Business Day, exceed 10% of the value of the property of the relevant Sub-Fund. As well as applying to borrowing in a conventional manner, the 10% limit applies to any other arrangement designed to achieve a temporary injection of money into the property of the Sub-Fund in the expectation that such will be repaid. For example, by way of a combination of derivatives which produces an effect similar to borrowing.

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

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

Risk Management

The ACD uses a risk management process which enables it to monitor and measure at any time as appropriate the risk of the Company's positions and their impact on the overall risk profile of the Company.

The following details of the risk management process must be regularly notified to the FCA (and at least on an annual basis):

- the methods for estimating risks in derivative and forwards transactions; and
- a true and fair view of the types of derivatives and forward transactions that will be used within the Sub-Funds together with their underlying risks and any relevant quantitative limits.

Any material alteration of the above details of the risk management procedures will be notified by the ACD in advance to the FCA.

In addition, in accordance with COLL the ACD maintains a written risk management policy which identifies the risks which the Company is or might be exposed to, and contains procedures which are intended to enable the ACD to assess and manage the exposure of the Company to material risks.

Stock lending

The Sub-Funds or the Depositary 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 but only if:

- (A) all the terms of the agreement under which securities are to be reacquired by the Depositary for the account of the relevant Sub-Fund are in a form which is acceptable to the Depositary and are in accordance with good market practice;
- (B) the counterparty is an authorised person, a person authorised by a home state regulator or otherwise acceptable in accordance with COLL; and
- (C) collateral is obtained to secure the obligation of the counterparty under the terms referred to in (a) above, and is acceptable to the Depositary and must also be adequate and sufficiently immediate as set out in COLL. These requirements do not apply to a stock lending transaction made through Euroclear Bank SA/NV's Securities Lending and Borrowing Programme.

Restrictions on lending of money

None of the money in the scheme property of the Sub-Funds may be lent and, for the purposes of this prohibition, money is lent by a Sub-Fund if it is paid to a person (a "payee") on the basis that it should be repaid, whether or not by the payee. Acquiring a debenture is not lending for these purposes, nor is the placing of money on deposit or in a current account.

The restriction on lending of money does not prevent the Company from providing an officer of the Company with funds to meet expenditure to be incurred by him for the purposes of the Company (or for the purposes of enabling him properly to perform his duties as an officer of the Company) or from doing anything to enable an officer to avoid incurring such expenditure.

Restrictions on the lending of property other than money

The scheme property of the Company other than money must not be lent by way of deposit or otherwise. Stock lending transactions permitted by COLL are not to be regarded as lending for these purposes. The scheme property of the Company is not permitted to be mortgaged.

The restriction on the lending of property other than money does not prevent the Company or the Depositary at the request of the Company, from lending, depositing, pledging or charging scheme property for margin requirements where transactions in derivatives or forward transactions are used for the account of the Company in accordance with COLL.

General power to accept or underwrite placings

The Company's ability to invest in transferable securities may be used for the purposes of entering into underwriting transactions in accordance with COLL, subject to any restriction in the Instrument of Incorporation. The exposure of the Company to such arrangements must be covered, 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.

Guarantees and indemnities

In accordance with COLL the Company or the Depositary are not permitted to provide any guarantee or indemnity in respect of the obligation of any person, in addition the scheme property of the Company may not be used to discharge any obligation arising under a guarantee or indemnity with respect to the obligation of any person. The above restrictions do not apply in respect of any indemnity or guarantee for margin requirements in the event the Sub-Funds enter into derivative or forward transactions in accordance with COLL, and in respect of certain indemnities permitted under COLL.

Appendix 2

Eligible Markets

Set out below are the securities markets through which the Company may invest or deal in approved securities on account of the Sub-Funds (subject to the investment objectives and policies of the Sub-Funds):

- 1** a "regulated market" as defined in COLL;
- 2** a securities market established in any EEA State (which as at the date of this Prospectus includes Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Republic of Cyprus, Romania, Slovakia, Slovenia, Spain, Sweden and the UK) which is regulated, operates regularly and is open to the public;
- 3** a stock exchange located within the US, Canada, Japan, Switzerland, Australia, New Zealand or Hong Kong; and
- 4** The alternative investment market (AIM) of the International Stock Exchange of the United Kingdom and the Republic of Ireland Limited is also an eligible securities market for the purposes of the Sub-Fund.

Eligible Derivatives Markets

Eligible derivatives markets are those which are regulated as defined in the FCA Handbook or markets in EEA states which are regulated, operate regularly and are open to the public. Markets not falling within either of these definitions are eligible if the ACD, after consultation with the Depositary, has decided that such markets are appropriate for the purposes of investment of or dealing in the property of a Sub-Fund with regard to the relevant criteria set out in COLL and the formal guidance on eligible markets issued by the FCA as amended from time to time. The eligible derivatives markets for the Sub-Funds are as follows:

Country	Market
France	Eurolist Paris
Spain	MEFF
Netherlands	Eurolist Amsterdam
Sweden	NASDAQ Stockholm
Hong Kong	Hong Kong Futures Exchange
Europe	Euronext Eurex Exchange

Italy	The Italian Derivatives Market (Part of Borsa Italiana)
Korea	Korea Exchange
Malaysia	Malaysia Derivatives Exchange
New Zealand	New Zealand Exchange
UK	Euronext ICE Futures Europe
USA	NYSE NYSE ARCA Options NASDAQ PHLX Chicago Board Options Exchange Chicago Mercantile Exchange ICE Futures US New York Mercantile Exchange NASDAQ OMX Futures Exchange NYSE/NYSE AMEX Options
Australia	Australian Securities Exchange
Japan	Tokyo Financial Exchange Tokyo Stock Exchange Osaka Securities Exchange
Canada	Toronto Stock Exchange Montreal Exchange
Singapore	Singapore Exchange

Appendix 3

Further Information

Investment Fund Services Limited acts as authorised corporate director or authorised unit trust manager in respect of the following OEICs and unit trusts:

- Acumen OEIC
- IFSL AMR OEIC
- IFSL Avellemy OEIC
- IFSL Beaufort Investment Funds
- IFSL Brooks Macdonald Fund
- IFSL Brunsdon OEIC
- IFSL Equilibrium OEIC
- IFSL James Hambro Umbrella Fund
- IFSL Ravenscroft Huntress OEIC
- IFSL Sanlam OEIC
- IFSL Select Investment Funds
- IFSL Sinfonia OEIC
- IFSL Tilney Bestinvest Multi Asset Portfolio
- IFSL Tilney Bestinvest Multi Asset Portfolio Series II
- IFSL Trade Union Unit Trust
- Mazarin OEIC
- The Galatea Fund

Directors of Investment Fund Services Limited

The directors of Investment Fund Services Limited are:

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

Nicholas FJ Cooling - In addition to his role as director of the Manager, Mr Cooling also acts as the investment director of Marlborough Investment Management Limited and is a director of Marlborough Investment Management (UK) Limited, Marlborough Unit Trust Managers Limited, Marlborough Group Holdings Limited, Marlborough Fund Managers Limited, MFM Unit Trust

Managers Limited, UFC Fund Management PLC, My Continuum Financial Limited, Continuum DFM Limited, UK Travel Limited and Spinney Lodge Freehold Management Limited.

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

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

Helen Redmond - Also a director of IFSL Professional Services Limited.

Helen Derbyshire – Also a director of Marlborough Group Holdings Limited, Marlborough Fund Managers Limited and IFSL Administration Limited.

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

Richard Goodall – Also a director of Marlborough Group Holdings Limited, Novia Global Limited and Marlborough Fund Managers Limited.

Guy Sears – non-executive director – Also a non-executive director of Marlborough Fund Managers Limited.

David Kiddie – non-executive director – Also a non-executive director of Marlborough Fund Managers Limited.

Appendix 4

Historical Performance

Past performance is not necessarily a guide to future performance. The value of investments and the income from them is not guaranteed and can go down as well as up. Investors may not get back the full amount invested.

Updated past performance figures can be obtained from the ACD.

Performance – Percentage growth from 1st July 2013 to 30th June 2018

			01-Jul-14 to 30-Jun-15	01-Jul-15 to 30-Jun-16	01-Jul-16 to 30-Jun-17	01-Jul-17 to 30-Jun-18	01-Jul-18 to 30-Jun-19
IFSL Sinfonia Adventurous Growth	A	Acc	7.37%	0.07%	22.03%	4.72%	2.95%
IFSL Sinfonia Adventurous Growth	B	Acc	6.46%	-0.79%	20.94%	3.87%	2.12%
IFSL Sinfonia Adventurous Growth	C	Acc	5.87%	-1.26%	20.30%	3.36%	1.57%
IFSL Sinfonia Adventurous Growth	D	Acc	6.17%	-1.09%	20.78%	3.59%	1.88%
IFSL Sinfonia Adventurous Growth	D	Inc	6.17%	-1.09%	20.81%	3.60%	1.85%
IFSL Sinfonia Balanced Managed	A	Acc	7.44%	1.10%	19.19%	4.32%	3.11%
IFSL Sinfonia Balanced Managed	B	Acc	6.45%	0.21%	18.71%	3.06%	2.50%
IFSL Sinfonia Balanced Managed	B	Inc	6.43%	0.22%	18.64%	3.23%	2.44%

IFSL Sinfonia Balanced Managed	C	Acc	5.88%	-0.30%	18.41%	2.26%	2.21%
IFSL Sinfonia Balanced Managed	D	Acc	6.24%	-0.07%	18.93%	2.26%	2.56%
IFSL Sinfonia Balanced Managed	D	Inc	6.17%	-0.07%	18.94%	2.36%	2.46%
IFSL Sinfonia Cautious Managed	A	Acc	4.54%	6.37%	11.91%	2.29%	3.62%
IFSL Sinfonia Cautious Managed	B	Acc	3.82%	5.34%	11.10%	1.66%	2.79%
IFSL Sinfonia Cautious Managed	B	Inc	3.77%	5.35%	11.15%	1.59%	2.76%
IFSL Sinfonia Cautious Managed	C	Acc	3.40%	4.71%	10.56%	1.29%	2.68%
IFSL Sinfonia Cautious Managed	D	Acc	3.57%	5.06%	10.82%	1.32%	2.55%
IFSL Sinfonia Cautious Managed	D	Inc	3.56%	5.08%	10.82%	1.40%	2.55%
IFSL Sinfonia Income and Growth	A	Acc	6.57%	1.81%	16.71%	3.49%	2.89%
IFSL Sinfonia Income and Growth	A	Inc	6.20%	1.80%	16.72%	3.60%	2.86%
IFSL Sinfonia Income and Growth	B	Acc	5.74%	0.97%	15.78%	2.62%	1.97%
IFSL Sinfonia Income and Growth	B	Inc	5.53%	1.00%	15.76%	2.74%	1.99%
IFSL Sinfonia Income and Growth	C	Acc	5.22%	0.43%	15.19%	2.11%	1.40%
IFSL Sinfonia Income and Growth	C	Inc	5.19%	0.51%	15.11%	1.70%	1.09%
IFSL Sinfonia Income and Growth	D	Acc	5.435	0.71%	15.49%	2.37%	1.72%
IFSL Sinfonia Income and Growth	D	Inc	5.26%	0.71%	15.39%	2.78%	1.60%
IFSL Sinfonia Income Portfolio	A	Acc	4.16%	8.67%	6.18%	1.05%	3.36%
IFSL Sinfonia Income Portfolio	A	Inc	3.93%	8.70%	6.17%	1.07	3.31%
IFSL Sinfonia Income Portfolio	B	Acc	3.46%	7.70%	5.56%	0.27%	2.86%
IFSL Sinfonia Income Portfolio	B	Inc	3.20%	7.82%	5.33%	-0.16%	2.91%
IFSL Sinfonia Income Portfolio	C	Acc	2.97%	7.21%	4.93%	-0.21%	2.50%
IFSL Sinfonia Income Portfolio	C	Inc	2.96%	7.27%	4.76%	-1.37%	1.93%
IFSL Sinfonia Income Portfolio	D	Acc	3.18%	7.52%	5.08%	0.00%	2.80%
IFSL Sinfonia Income Portfolio	D	Inc	2.84%	7.54%	5.01%	-0.45%	3.49%

Appendix 5

List of Depositary Delegates and Sub-delegates

Depositary Delegate (The Custodian)	
BNP Paribas Securities Services	
Depositary Sub-delegates (Sub-Custodians)	
Australia	HSBC Bank Australia Limited
Austria	UniCredit Bank Austria AG
Belgium	BNP Paribas Securities Services
Bulgaria	UniCredit Bulbank AD
Canada	RBC
Croatia	UniCredit Bank Austria AG
Cyprus	HSBC Bank plc
Czech Republic	UniCredit Bank Czech Republic and Slovakia, a.s.
Denmark	Danske Bank A/S

Estonia	Swedbank AS
Finland	Nordea Bank Finland plc
France	Deutsche Bank AG
Germany	Deutsche Bank A.G.
Greece	HSBC Bank PLC Greece
Hong Kong	Standard Chartered Bank
Hungary	UniCredit Bank Hungary Zrt.
Ireland	RBC Investor Services Trust
Japan	CitiBank Japan Ltd
Latvia	Swedbank AS
Lithuania	Swedbank AB
Luxembourg	Euroclear Bank
Malaysia	Standard Chartered Bank Malaysia Berhad
Netherlands	BNP Paribas Securities Services
New Zealand	The Hongkong and Shanghai Banking Corporation Limited
Norway	DNB Nor Bank ASA
Poland	Bank Polska Kasa Opieki S.A
Portugal	BNP Paribas Securities Services
Romania	UniCredit Bank S.A.
Singapore	DBS Bank Ltd
Slovakia	UniCredit Bank Slovakia a.s.
Slovenia	UniCredit Bank Austria AG
South Korea	The Hongkong and Shanghai Banking Corporation Limited
Spain	RBC Investor & Treasury Services
Sweden	Skandinaviska Enskilda Banken AB (publ)
Switzerland	Credit Suisse AG
United Kingdom	(1) RBC Investor & Treasury Services (2) Deutsche Bank A.G
United States	The Bank of New York Mellon