Jupiter Scheme Particulars

Jupiter Merlin Portfolios

17 February 2020

JUPITER UNIT TRUST MANAGERS LIMITED

SCHEME PARTICULARS FOR:

Jupiter Merlin Balanced Portfolio
Jupiter Merlin Conservative Portfolio
Jupiter Merlin Growth Portfolio
Jupiter Merlin Income Portfolio
Jupiter Merlin Real Return
Jupiter Merlin Worldwide Portfolio

Valid as at 17 February 2020

SCHEME PARTICULARS

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SCHEME PARTICULARS

1 Introduction

This document is prepared in accordance with the Collective Investment Schemes Sourcebook (the "COLL Sourcebook") and the Investment Funds Sourcebook (the "FUND Sourcebook") contained in the FCA handbook. This document is based on information, law and practice as at the date stated on the front cover. Any investor or potential investor should check with the Manager to ensure that this document is the most recent version and that no revisions have been made to this document since this date.

The Jupiter Funds detailed in these Scheme Particulars (the "Funds") are authorised unit trust schemes under Section 237 of the Financial Services and Markets Act 2000 ("the Act") and each is a non-UCITS retail scheme as defined in the COLL Sourcebook and also an Alternative Investment Fund (AIF) as defined in the FUND Sourcebook.

The Jupiter Merlin Growth Portfolio and the Jupiter Merlin Income Portfolio were both established by Trust Deeds dated 27th August 1992 and authorised by the FCA on 28th August 1992. The Jupiter Merlin Worldwide Portfolio was established by a Trust Deed dated 11th May 1993 and authorised by the FCA on 10th June 1993. The Jupiter Merlin Balanced Portfolio was established by a Trust Deed dated 5th July 2002 and authorised by the FCA on the 5th July 2002. The Jupiter Merlin Conservative Portfolio was established by a Trust Deed dated 10th August 2012 and authorised by the FCA on 10th August 2012. The Jupiter Merlin Real Return was established by a Trust Deed dated 29 June 2018 and authorised by the FCA on 29 June 2018.

Each Fund is marketable to all UK retail investors. However, attention should be paid to the risk warnings set out in Section 25 of these Scheme Particulars. These Scheme Particulars have been prepared solely for, and are being made available to investors for the purposes of evaluating an investment in Units in the Funds. Investors should only consider investing in the Funds if they understand the risks involved, including the risk of losing all capital invested.

The Jupiter Funds are not available for investment by any US Person. A "US Person" is a national, citizen or resident of the United States of America or a corporation or partnership organized under the laws of the United States of America or having a principal place of business in the United States of America.

The Jupiter Funds have not been, and will not be, registered or qualified by prospectus under any applicable securities laws in Canada and therefore will not be publicly offered in Canada or offered on a private placement basis in Canada. Accordingly, investments will not be accepted from or on behalf of persons in Canada or with whom the Jupiter Funds or the Manager would have to deal from or into Canada (a "Canadian Person"). This may include a national, citizen or resident of Canada or a corporation, trust or partnership organised under the federal or provincial laws of Canada or having a principal place of business in Canada.

All communications with Jupiter Unit Trust Managers Limited in relation to these Scheme Particulars and the Funds shall either be in English, the language of the place where the Units in the relevant Fund are being distributed, or another language as determined by Jupiter Unit Trust Managers Limited where you consent to communicate in that other language.

<u>Profile of typical investor</u>

The Funds in these Scheme Particulars are likely to be suitable for all types of investors with basic investment knowledge, seeking to invest in an actively managed fund pursuing the relevant objective and investment policy as described for each Fund in these Scheme Particulars I. Investors should be willing to invest for at least five years (or less as referred to in the relevant Fund's objective) and should be aware that their capital will be at risk and that the value of their investment and any income therefrom may fall as well as rise. Investors should be comfortable with the general and specific risks set out in the Risk Factors in section 25 of these Scheme Particulars.

2 Objectives, Investment Policies and Benchmarks

Each Fund is actively managed. This means the Manager is taking investment decisions with the intention of achieving the Fund's investment objective; this may include decisions regarding asset selection, regional allocation, sector views and overall level of exposure to the market. The Manager is not in any way constrained by the benchmark in their portfolio positioning, and will not hold all, or indeed may not hold any, of the benchmark constituents.

JUPITER MERLIN BALANCED PORTFOLIO

Product Reference Number: 200109

Objective: To provide a return, net of fees, that is higher than the IA Mixed Investment 40%-85% Shares Sector average over the long term (at least five years).

Investment Policy:

> Summary: At least 70% of the Fund is invested in collective investment schemes. Up to 30% of the Fund may be invested in other assets, including shares of companies and cash and near cash.

To attain the objective by investing at least 70% of the Fund in collective investment schemes, such as unit trusts, OEICs, SICAVs, exchange traded funds (ETFs) and closed or open-ended funds (which may include funds managed or operated by Jupiter or an associate of Jupiter).

The Fund will invest in collective investment schemes, which may have exposure to shares of companies globally, fixed interest securities, derivatives for investment purposes, commodities or property.

The Fund may also invest directly in other transferable securities, cash, near cash, money market instruments and deposits.

The Fund may only enter into derivative transactions for the purposes of efficient portfolio management (including hedging), i.e. to reduce risk, minimise costs or generate additional capital and/or income The Fund may not enter into derivative transactions for investment (i.e. speculative) purposes.

The Investment Manager seeks to exercise appropriately its stewardship responsibilities on behalf of its clients in order to meet the Fund's investment objective. Stewardship entails engagement with the investment managers of the collective investment schemes in which the Fund invests to understand how they analyse and engage with their respective investee companies on material factors relating to the governance and long-term sustainability of the business models of such investee companies.

Target Benchmark:	IA Mixed Investment 40%-85% Shares Sector
	Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics. This Fund is classified in the IA Mixed Investment 40%-85% Shares Sector.

JUPITER MERLIN CONSERVATIVE PORTFOLIO

Product Reference Number: 583103

Objective:	To provide a return, net of fees, that is higher than the IA Mixed Investment 0%-35% Shares Sector average over the long term (at least five years).

Investment Policy:

> Summary: At least 70% of the Fund is invested in collective investment schemes, with at least 60 per cent of the Fund's assets invested directly or indirectly in fixed interest securities. Up to 30% of the Fund may be invested in other assets, including shares of companies, cash and near cash.

To attain the objective by investing at least 70% of the Fund in collective investment schemes, such as unit trusts, OEICs, SICAVs, exchange traded funds (ETFs) and closed or open-ended funds (which may include funds managed or operated by Jupiter or an associate of Jupiter) and/ or fixed interest securities.

The Fund will invest at least 60% of its assets either directly or indirectly in fixed interest securities, which may include collective investment schemes, investment grade bonds, high yield bonds, government bonds, preference, convertible bonds, as well as cash deposits and money market instruments.

The Fund will also invest in collective investment schemes, which may have exposure to shares of companies, derivatives for investment purposes, commodities or property.

The Fund may also invest in other transferable securities, as well as cash and near cash, money market instruments and deposits.

The Fund may only enter into derivative transactions for the purposes of efficient portfolio management (including hedging), i.e. to reduce risk, minimise costs or generate additional capital and/or income. The Fund may not enter into derivative transactions for investment (i.e. speculative) purposes.

The Investment Manager seeks to exercise appropriately its stewardship responsibilities on behalf of its clients in order to meet the Fund's investment objective. Stewardship entails engagement with the investment managers of the collective investment schemes in which the Fund invests to understand how they analyse and engage with their respective investee companies on material factors relating to the governance and long-term sustainability of the business models of such investee companies.

Target Benchmark: IA Mixed Investment 0%-35% Shares Sector

Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics.

This Fund is classified in the IA Mixed Investment 0%-35% Shares Sector.

JUPITER MERLIN GROWTH PORTFOLIO

Product Reference Number: 154008

Objective: To provide a return, net of fees, higher than the IA Flexible Investment Sector average over the long term (at least five years).

Investment Policy:

Summary: At least 70% of the Fund is invested in collective investment schemes. Up to 30% of the Fund may be invested in other assets, including shares of companies, cash and near cash.

To attain the objective by investing at least 70% of the Fund in collective investment schemes, such as unit trusts, OEICs, SICAVs, exchange traded funds (ETFs) and closed or open-ended funds (which may include funds managed or operated by Jupiter or an associate of Jupiter).

The Fund will invest in collective investment schemes, which will have exposure to shares of companies globally, fixed interest securities, derivatives for investment purposes, commodities or property.

The Fund may also invest in other transferable securities, cash, near cash, money market instruments and deposits.

The Fund may only enter into derivative transactions for the purposes of efficient portfolio management (including hedging), i.e. to reduce risk, minimise costs or generate additional capital and/or income. The Fund may not enter into derivative transactions for investment (i.e. speculative) purposes.

The Investment Manager seeks to exercise appropriately its stewardship responsibilities on behalf of its clients in order to meet the Fund's investment objective. Stewardship entails engagement with the investment managers of the collective investment schemes in which the Fund invests to understand how they analyse and engage with their respective investee companies on material factors relating to the governance and long-term sustainability of the business models of such investee companies.

Target Benchmark: IA Flexible Investment Sector

Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics. This Fund is classified in the IA Flexible Investment Sector.

JUPITER MERLIN INCOME PORTFOLIO

Product Reference Number: 154007

Objective:	To provide income together with the prospect of capital growth to provide a return, net of fees, that is higher than the IA Mixed Investment 20%-60% Shares Sector average over the long term (at least five years).
Investment Policy:	Summary: At least 70% of the Fund is invested in collective investment schemes. Up to 30% of the Fund may be invested in other assets, including shares of companies, cash and near cash. To attain the objective by investing at least 70% of the Fund in collective investment schemes, such as unit trusts, OEICs, SICAVs, exchange traded funds (ETFs) and closed or open-ended funds (which may include funds managed or operated by Jupiter or an associate of Jupiter). The Fund will invest in collective investment schemes, which may have exposure to shares of companies, fixed interest securities, derivatives for investment purposes, commodities and property. The Fund may also invest in other transferable securities, cash, near cash, money market instruments and deposits. The Fund may only enter into derivative transactions for the purposes of efficient portfolio management (including hedging), i.e. to reduce risk, minimise costs or generate additional capital and/or income The Fund may not enter into derivative transactions for investment (i.e. speculative) purposes. The Investment Manager seeks to exercise appropriately its stewardship responsibilities on behalf of its clients in order to meet the Fund's investment objective. Stewardship entails engagement with the investment managers of the collective investment schemes in which the Fund invests to understand how they analyse and engage with their respective investee companies on material factors relating to the governance and long-term sustainability of the business models of such investee companies.
Target Benchmark:	IA Mixed Investment 20%-60% Shares Sector Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics. This Fund is classified in the IA Mixed Investment 20%-60% Shares Sector.

JUPITER MERLIN REAL RETURN

Product Reference Number: 808048

Objective:	To achieve a return, net of fees, that is at least 3% per annum higher than the Consumer Price Index over 3-year rolling periods. Capital invested in the Fund is at risk and there is no guarantee that the investment objective will be achieved over 3-year rolling periods or in respect of any other time period. The Consumer Price Index is an inflationary indicator published monthly by the UK Office for National Statistics that measures the change in the cost of a fixed basket of products and services, including housing, electricity, food, and transportation.
Investment Policy:	Summary: At least 70% of the Fund is invested in collective investment schemes. Up to 30% of the Fund may be invested in other assets, including shares of companies, cash and near cash. To attain the objective by investing at least 70% of the Fund in unit trusts, OEICs, Exchange Traded Funds, and other collective investment schemes (which may include those managed or operated by Jupiter or an associate of Jupiter). The Fund will focus on underlying funds with absolute return strategies, including funds which have exposure to derivatives for investment purposes and may also invest in other funds which invest in equities, fixed interest stocks, commodities and property internationally. The Fund may also invest in other transferable securities, cash, near cash, money market instruments and deposits. The Fund may only enter into derivative transactions for the purposes of efficient portfolio management (including hedging), i.e. to reduce risk, minimise costs or generate additional capital and/or income. The Fund may not enter into derivative transactions for investment (i.e. speculative) purposes, although the underlying funds may do so. The Investment Manager seeks to exercise appropriately its stewardship responsibilities on behalf of its clients in order to meet the Fund's investment objective. Stewardship entails engagement with the investment managers of the collective investment schemes in which the Fund invests to understand how they analyse and engage with their respective investee companies on material factors relating to the governance and long-term sustainability of the business models of such investee companies. The Investment Manager is not in any way constrained by a benchmark in their portfolio positioning.
Target Benchmark:	CPI + 3% p.a. over rolling three years

The Consumer Price Index is an inflationary indicator published monthly by the UK Office for National Statistics that measures the change in the cost of a fixed basket of products and services, including housing, electricity, food, and transportation and is a good relative measure to assess real capital appreciation.

JUPITER MERLIN WORLDWIDE PORTFOLIO

Product Reference Number: 161226

Objective: To provide a return, net of fees, higher than the IA Global Sector average over the long term (five years).

Investment Policy:

Summary: At least 70% of the Fund is invested in collective investment schemes. Up to 30% of the Fund may be invested in other assets, including shares of companies, cash and near cash.

To attain the objective by investing at least 70% of the Fund in collective investment schemes, such as unit trusts, OEICs, SICAVs, exchange traded funds (ETFs) and closed or open-ended funds (which may include funds managed or operated by Jupiter or an associate of Jupiter).

The Fund will invest in collective investment schemes, which may have exposure to shares of companies globally, fixed interest securities, derivatives for investment purposes, commodities and property.

The Fund may also invest in other transferable securities, cash, near cash, money market instruments and deposits.

The Fund may only enter into derivative transactions for the purposes of efficient portfolio management (including hedging), i.e. to reduce risk, minimise costs or generate additional capital and/or income The Fund may not enter into derivative transactions for investment (i.e. speculative) purposes.

The Investment Manager seeks to exercise appropriately its stewardship responsibilities on behalf of its clients in order to meet the Fund's investment objective. Stewardship entails engagement with the investment managers of the collective investment schemes in which the Fund invests to understand how they analyse and engage with their respective investee companies on material factors relating to the governance and long-term sustainability of the business models of such investee companies.

Target Benchmark: IA Global Sector

Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics. This Fund is classified in the IA Global Sector.

3 The Manager

The Manager and Alternative Investment Fund Manager ("AIFM") of each Fund is Jupiter Unit Trust Managers Limited, whose registered office and principal place of business is The Zig Zag Building, 70 Victoria Street, London, SW1E 6SQ. The Manager is a private limited company with issued share capital of £300,000 ordinary shares at £1 each fully paid. The company was incorporated in the United Kingdom as Levelgraphic Limited on 11th April 1986 and changed its name to Jupiter Unit Trust Managers Limited on 21st August 1986 and following subsequent name changes reverted back to Jupiter Unit Trust Managers Limited on 1st September 1994. The ultimate holding company of the Manager is Jupiter Fund Management Plc which is incorporated in England and Wales and whose registered office is The Zig Zag Building, 70 Victoria Street, London, SW1E 6SQ. The Manager is a member of The Investment Association ("IA") and is authorised and regulated by the Financial Conduct Authority ("FCA") with permission to carry on the activity of 'managing an AIF'. As such, the Manager has been appointed as the alternative investment fund manager of the Funds, each of which is an AIF.

In addition to the Funds which are the subject of these Scheme Particulars, the Manager is also the Manager of the authorised unit trusts named in Appendix 1 and separate Scheme Particulars in respect of these Funds are available on request.

The Directors of Jupiter Unit Trust Managers Limited are as follows:

P Wagstaff (Chairman)
K Baillie (Non-Executive Director)
P Moore
T Scholefield (Non-Executive Director)
J Singh

Details of any significant business activities of the Directors not connected with the business of the Managers are given in Appendix II.

The Manager has responsibility for management of the property of the Funds and the general administration of the Funds. As the alternative investment fund manager for the Funds, the Manager has responsibility for the portfolio management for each Fund, the risk management for each Fund, and for ensuring compliance with the Alternative Investment Fund Managers Directive ("AIFMD") for each Fund. The Manager also has responsibility for acting as registrar for the Funds. The register is maintained at DST House, St Nicholas Lane, Basildon, Essex, SS15 5FS, where it can be inspected during normal business hours.
Professional liability risks resulting from AIFMD activities are covered by the Manager holding additional 'own funds' at least equal to 0.01% of the value of the Funds.

Conflicts

The Manager and other companies within the Manager's group may, from time to time, act as investment managers or advisers to other funds which follow similar investment objectives to those of the Funds. It is therefore possible that the Manager may in the course of its business have potential conflicts of interest with the Fund or that a conflict exists between a Fund and other funds managed by the Manager. The Manager will, however, have regard, to its obligation to act in the best interests of each Fund so far as practicable, having regard to its obligations to other clients, when undertaking any investment business where potential conflicts of interest may arise. Where a conflict of interest cannot be avoided, the Manager will ensure that each Fund and other collective investment schemes it manages are fairly treated.

The Manager and the Investment Manager maintain written conflicts of interest policies. The Manager acknowledges that there may be some situations where the organisational or administrative arrangements in place for the management of conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the Manager or its Unitholders will be prevented. Should any such situations arise the Manager will, as a last resort if the conflict cannot be avoided, disclose these to Unitholders. Details of the Manager's conflicts of interest policy are available on its website at: www.jupiteram.com, specifically the institutional/professional websites.

4 Investment Manager

The Investment Manager to Jupiter Unit Trust Managers Limited is Jupiter Asset Management Limited, whose registered office is The Zig Zag Building, 70 Victoria Street, London, SW1E 6SQ. The Investment Manager is a body corporate in a group of which the Manager is a member. The principal activity of the Investment Manager is investment management. The duties of the Investment Manager includes advising the Manager as to the contents of the Funds and dealing on their behalf, subject always to the Fund's investment objectives and the terms of its Trust Deed. A fee, as is agreed from time to time, is payable to the Investment Manager. This fee is payable by the Managers and not out of the Fund. The arrangement is terminable by notice in writing to the Investment Manager by the Manager. In addition, the Manager can withdraw the arrangement with immediate effect when this is in the interests of Unitholders.

The Investment Manager is authorised and regulated by the FCA.

5 The Trustee

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

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

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

Duties of the Trustee

The Trustee is responsible for the safekeeping of Scheme Property, monitoring the cash flows of the Trust, and must ensure that certain processes carried out by the Manager are performed in accordance with the applicable rules and scheme documents.

Conflicts of interest

The Trustee 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 Trustee 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 Trust or a particular sub-fund and/or other funds managed by the Manager or other funds for which the Trustee acts as a depositary, trustee or custodian. The Trustee will, however, have regard in such event to its obligations under the Depositary Agreement and the FCA Rules 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 Unitholders collectively so far as practicable, having regard to its obligations to other clients.

Nevertheless, as the Depositary operates independently from the Unitholders, the Manager and its associated suppliers and the Custodian, the Depositary does not anticipate any conflicts of interest with any of the aforementioned parties.

Delegation of Safekeeping Functions

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

The Trustee has delegated safekeeping of the Scheme Property to The Northern Trust Company (London Branch) (the "Custodian"). In turn, the Custodian has delegated the custody of assets in certain markets in which the Unit Trusts may invest to various sub-delegates ("sub-custodians").

Additional Information

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

Terms of Appointment

Northern Trust Global Services SE (UK branch) was appointed as the trustee of the trust by virtue of the Deed of Appointment and Retirement dated 13 May 2019.

The Trustee was appointed as depositary under a Depositary Agreement dated 18 March 2019 between the Manager and the Trustee (the "Depositary Agreement"). Under the Depositary Agreement, the Trustee is free to render similar services to others and the Trustee and the Manager are subject to a duty not to disclose confidential information.

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

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

However, the Depositary Agreement excludes the Trustee 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 Trustee will be entitled to an indemnity from the Scheme Property 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 six months' notice by the Manager or the Trustee or earlier on certain breaches or the insolvency of a party. However, termination of the Depositary

Agreement will not take effect, nor may the Trustee retire voluntarily, until the appointment of a new depositary.

Details of the fees payable to the Trustee are given in Section 18.

6 The Auditors

The auditors of the Funds are PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT. The auditors are responsible for auditing and expressing an opinion on the financial statements of each Fund in accordance with applicable law and relevant auditing standards.

7 Delegated Functions

The Manager and the Trustee may retain the services of the other or third parties to assist them in fulfilling their respective roles. The exceptions to this are:

(a) the Trustee may not delegate oversight in respect of a Fund;

(b) any delegation by the Trustee of custody of the scheme property must be: (i) to a party eligible to act as a custodian under the FUND Sourcebook and subject to compliance with the requirements in the Depositary Agreement and the FUND Sourcebook in relation to delegation of custody and (ii) on arrangements which allow the custodian to release documents into the possession of a third party only with the Trustee's consent; and

(c) no mandate in relation to managing investments of the scheme property may be given to the Trustee; or any other person whose interests may conflict with those of the Manager or the Unitholders; or any other person who is not authorised or registered for managing of investments and is subject to prudential supervision (unless there is an agreement in place between the FCA and the overseas regulator of the delegate ensuring adequate co-operation).

Where functions are performed for the Manager by third parties, the responsibility which the Manager had in respect of such services prior to the delegation to a third party will remain unaffected. Where the Trustee delegates safekeeping of Fund assets, then the Trustee's liability in respect of those services shall, in general, remain unaffected.

The Trustee, as Depositary, has delegated the safekeeping function to The Northern Trust Company (London Branch), 50 Bank Street, Canary Wharf, London, E14 5NT.

The Trustee has confirmed that it is not aware of any conflict of interest arising from its delegation of the safekeeping function to The Northern Trust Company (London Branch). Should any such conflict arise, the Trustee shall make the Manager aware of the conflict and take necessary steps to address the conflict in accordance with the AIFMD.

Both the FUND Sourcebook and the COLL Sourcebook contains various requirements relating to transactions entered into between the Manager and Trustee, the Investment Manager or any of their associates which may involve a conflict of interest. These are designed to protect the interests of the Funds. Certain transactions between the Trustee and the Manager, or an associate of the Manager, may be voidable.

The Manager delegates the following functions to other parties:

- investment accounting for the Funds and calculation of daily Unit prices is delegated to Northern Trust Global Services SE (UK Branch), 50 Bank Street, London E14 5NT;

- all administration functions relating to dealings in the Funds including unit issues and redemptions, registration, contract settlement, distribution of income, record keeping and customer enquiries are delegated to DST Financial Services International Ltd, DST House, St Nicholas Lane, Basildon, Essex, SS15 5FS; and

- despatch of periodic statements, Manager's Reports and Accounts and documentation relating to income distributions is delegated to Paragon Customer Communications, Evolution House, Binary Park, 12 Choats Road, Dagenham, Essex, RM9 6BF.

Rights of Unitholders in relation to the Manager, Trustee and other service providers

In certain circumstances, Unitholders may have a right of action against the Manager or the Trustee for breach of obligations owed to them causing loss, Unitholders may be able to take action if the contents of these Scheme Particulars are inaccurate or incomplete. Unitholders have statutory and other legal rights including the right to complain and which may include the right to cancel an order or seek compensation.

However, Unitholders generally do not have a direct right of action against the Manager, Trustee and the service providers to the Funds to recover for losses arising from any breach of obligation by those parties in relation to the Funds. In general, where a service provider breaches its obligations, any losses suffered by the Funds may be recovered through an action by the Manager and/or Trustee on behalf of the Funds. If the Trustee or the Manager breach their obligations in relation to the Funds giving rise to losses, the Trustee or Manager as appropriate may be able to take an action on behalf of the Funds to recover such losses.

8 Investment powers and restrictions for each Fund

The assets of each Fund will be invested with the aim of achieving the investment objective and policy of the relevant Fund set out in Section 2 above. They must also be invested so as to comply with the investment and borrowing powers and restrictions set out in the COLL Sourcebook, the Trust Deed and these Scheme Particulars.

Prudent spread of risk

The Manager must ensure that, taking account of the investment objective and policy of the relevant Fund, the scheme property of the Fund aims to provide a prudent spread of risk. An aim of the restrictions on investment and borrowing powers set out in the COLL Sourcebook (which are summarised in Section 9 below) is to help protect Unitholders by laying down minimum standards for the investments that may be held by a Fund. There are requirements for the types of investments which may be held by a Fund. There are also a number of investment rules requiring diversification of investment of a Fund, and so providing a prudent spread of risk.

Types of investment

The property of each Fund must except where otherwise provided in the COLL Sourcebook, as outlined below, only consist of any one or more of:

(a) units in collective investment schemes;
(b) transferable securities;
(c) money market instruments;
(d) derivatives and forward transactions;

(e) deposits;
(f) immovables (real property); and
(g) gold (up to a 10% limit);

each as is permitted for a non-UCITS retail scheme under the provisions of the COLL Sourcebook.

Investment and borrowing powers and restrictions

Each Fund may, in principle, invest in up to 100% in any of the types of assets mentioned in paragraphs (a)-(g) above (subject to 10% limit in gold). Section 9 below therefore summarises the restrictions for non-UCITS retail schemes generally under the COLL Sourcebook. However, each Fund is managed subject to its investment objective, and this indicates the likely type of investments which will be held. Accordingly, each of the Funds other than Jupiter Merlin Conservative Portfolio will invest predominantly in units of collective investment schemes. Jupiter Merlin Conservative Portfolio will invest predominantly in units of collective investment schemes and fixed interest securities. The Manager does not intend to use derivatives for a Fund other than for the purposes of efficient management of the portfolio as explained further in Section 9 below.

9 Non-UCITS retail scheme investment powers and restrictions

The following paragraphs summarise the restrictions applicable to a non-UCITS retail scheme generally under the COLL Sourcebook.

Collective Investment Schemes

Investment by a Fund in units or shares of a collective investment scheme (the "second scheme") is subject to the following restrictions.

Relevant types of collective investment scheme

The second scheme must:

(a) satisfy the conditions necessary for it to enjoy the rights conferred by the UCITS Directive; or
(b) be a UK authorised fund which is a non-UCITS retail scheme; or
(c) be a scheme recognised under the provisions of the Financial Services and Markets Act 2000; or
(d) be constituted outside the United Kingdom and have investment and borrowing powers which are the same or are more restrictive than those of a non-UCITS retail scheme; or
(e) be a scheme which does not fall within any of the above categories and in respect of which no more than 20% in value of the scheme property (including any transferable securities which are not approved securities) is invested.

In each case:

- the second scheme must operate on the principle of prudent spread of risk;

- the second scheme must be prohibited from having more than 15% in value of the property of that scheme consisting of units in collective investment schemes; and

- the participants in the second scheme must be entitled to have their units redeemed in accordance with the scheme at a price which is related to the net value of the property to which the units relate and which is determined in accordance with the scheme.

Spread restriction

As mentioned below, no more than 35% in value of the scheme property of a Fund is to consist of units or shares in any one collective investment scheme. For the purposes of this spread requirement, if investment is made in sub-funds of an umbrella scheme, each sub-fund is treated as if it were a separate scheme.

Investment in associated collective investment schemes

A Fund may invest in associated collective investment schemes (other collective investment schemes which are managed or operated by the Manager or an associate of the Manager) provided there is no double charging of the preliminary charge on investment, or redemption charge on disinvestment, on the basis set out in the COLL Sourcebook. In this connection, where an investment or disposal of units in such an associated collective investment scheme is made and there is a charge in respect of such investment or disposal, the Manager must pay certain amounts within four business days following the date of the agreement to invest or dispose, namely:

- when an investment is made, any preliminary charge; and

- when a disposal is made, any charge made for the account of the operator of the second scheme or an associate of any of them in respect of the disposal.

Transferable securities

What is a transferable security?

A transferable security is an investment which is any of the following: a share, a debenture, an alternative debenture, government and public security, a warrant or a certificate representing certain securities. An investment is not a transferable security if title to it cannot be transferred, or can be transferred only with the consent of a third party (although, in the case of an investment which is issued by a body corporate and which is a share or debenture, the need for any consent on the part of the body corporate or any members or debenture holders of it may be ignored). An investment is not a transferable security unless the liability of the holder of it to contribute to the debts of the issuer is limited to any amount for the time being unpaid by the holder of it in respect of the investment.

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

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

- its liquidity does not compromise the ability of the Manager to comply with its obligation to redeem Units at the request of any qualifying Unitholder;

- a reliable valuation is available for it as follows: (i) for a transferable security admitted to or dealt in on an eligible market, there are accurate reliable and regular prices which are either market prices or prices made available by valuation systems independent from issuers; and (ii) for a transferable security not admitted to or dealt in on an eligible market, 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;

- appropriate information is available for it as follows: (i) for a transferable security admitted to or dealt in on an eligible market, there is regular accurate and comprehensive information available to the market on that security or, where relevant on the portfolio of the transferable security; and (ii) for a transferable security not admitted to or dealt in on an eligible market, there is regular and accurate information available to the Manager on the transferable security or, where relevant, on the portfolio of the transferable security;

- it is negotiable; and

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

Unless there is information available to the Manager that would lead to a different determination, a transferable security which is admitted to, or dealt in on, an eligible market is presumed not to compromise the ability of the Manager to comply with its obligation to redeem Units at the request of any qualifying Unitholder and to be negotiable.

Note that a unit in a closed ended fund is taken to be a transferable security provided it fulfils the above criteria and either:

- where the closed ended 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 purpose of investor protection; or
- where the closed ended fund is constituted under the law of contract:
    - it is subject to corporate governance mechanisms 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.

Shares in UK investment trusts are classified as transferable securities.

Transferable securities linked to other assets

A Fund may invest in any other investment which shall be taken to be a transferable security for the purposes of investment by a Fund provided that the investment fulfils the criteria set out above and is backed by or linked to the performance of other assets which may differ from those in which a UCITS scheme can invest.

Where such an investment contains an embedded derivative component, the requirements with respect to derivatives and forwards will apply to that component.

What are "approved securities"?

Each Fund will generally invest in "approved securities", which are transferable securities which are admitted to, or dealt in on, an eligible market as defined for the purposes of the COLL Sourcebook.

Limited investment in unapproved securities

Not more than 20% in value of a Fund's property is to consist of transferable securities which are not such approved securities or recently issued transferable securities as explained below (together with any money market instruments which are not within any of the three paragraphs under the heading 'Eligible money market instruments' below).

Eligible Markets

An Eligible Market for the purpose of the COLL Sourcebook is:

- a regulated market, (as the term is defined in the Glossary to the FCA Handbook);

- a market in an EEA state which is regulated, operates regularly and is open to the public; or

- a market which the Manager, after consultation with, and notification to, the Trustee, determines is appropriate for the purpose of investment of, or dealing in, the property of a Fund. In accordance with the relevant criteria in the COLL Sourcebook, such a market must be regulated; operate regularly; recognised as a market or exchange or as a self regulating organisation by an overseas regulator; open to the public; be adequately liquid; and have adequate arrangements for unimpeded transmission of income and capital to, or to the order of, investors.

The eligible securities markets for the Funds (in addition to those established in EEA member states) are as set out in Appendix III.

Recently issued transferable securities

Recently issued transferable securities may be held by a Fund 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.

Money market instruments

What is an "approved money market instrument"?

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.

- normally dealt in on the money market

  A money market instrument shall be regarded as normally dealt in on the money market if it:

  (a) has a maturity at issuance of up to and including 397 days;

  (b) has the residual maturity of up to and including 397 days;

  (c) undergoes regular yield adjustments in line with money market conditions at least every 397 days; or

  (d) has a risk profile including credit and interest rate risks corresponding to that of the instrument which is a maturity as set out in (a) or (b) or is subject to yield adjustment as set out in (c).

- regarded as liquid

A money market instrument shall be regarded as liquid if it can be sold at limited cost in an adequately short time frame taking into account the obligation of the Manager to redeem Units at the request of any qualifying Unitholder.

- has a value which can be accurately determined at any time

  A money market instrument shall be regarded as having a value which can be accurately determined at any time if accurate and reliable valuation systems, which will fulfil the following criteria, are available:

  - they enable the Manager to calculate a net asset value in accordance with the value at which the instrument held in the portfolio could be exchanged between knowledgeable willing parties in an arm's length transaction; and

  - they are based either on market data or on valuation models including systems based on amortised costs.

Eligible money market instruments

Generally investment may be made in the following types of money market instruments:

(1) Money market instruments admitted to/dealt in on an Eligible Market

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

(2) Money market instruments with certain regulated issuers

In addition to instruments admitted to or dealt in on an eligible market, a Non-UCITS retail scheme may invest in an approved money market instrument provided:

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

  This is regarded as being the case if:

  - the instrument is an approved money market instrument (as explained above);

  - appropriate information is available for the instrument (including information which allows an appropriate assessment of credit risks related to investment in it);

    Generally, the following information must be available:

    (i) information on both the issue or the issuance programme, and the legal and financial situation of the issuer prior to the issue of the instrument, verified by appropriately qualified third parties not subject to instructions from the issuer;

    (ii) updates of that information on a regular basis and whenever a significant event occurs; and

    (iii) available and reliable statistics on the issue or the issuance programme, or where appropriate, other data enabling an appropriate assessment of the credit risks related to investment in those instruments.

In the case of an approved money market instrument issued or guaranteed by a central authority of an EEA state or, if the EEA state is a federal state, one of the members making up the federation, the European Union or the European Investment Bank or a non EEA state or, in the case of a federal state, one of the members making up the federation, or which is issued by a regional or local authority of an EEA state or a public international body to which one or more EEA states belong and is guaranteed by a central authority of an EEA state or, if the EEA state is a federal state, one of the members making up the federation, information must be available on the issue or the issuance programme, or on the legal and financial situation of the issuer prior to the issue of the instrument;

and

- the instrument is freely transferable.

- the instrument is:

  - issued or guaranteed by any one of the following: a central authority of an EEA state or, if the EEA state, is a federal state, one of the members making up the federation; a regional or local authority of an EEA state; the European Central Bank or a central bank of an EEA state; the European Union or the European Investment Bank; a non EEA state or, in the case of federal state, one of the members making up the federation; a public international body to which one or more EEA member states belong; or

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

  - issued or guaranteed by an establishment which is: (i) subject to prudential supervision in accordance with the criteria defined by EU law or (ii) subject to and complies with prudential rules considered by the FCA to be at least as stringent as those laid down by EU law.

    (This latter condition is considered satisfied if it is subject to and complies with prudential rules and fulfils one or more of the following criteria: it is located in the EEA; it is located in an OECD country belonging to the Group of Ten; it has at least investment grade rating or, on the basis of an in depth analysis of the issuer, it can be demonstrated that prudential rules applicable to that issuer are at least as stringent as those laid down by EU law.)

(3) Other money market instruments with a regulated issuer

In addition to instruments admitted to or dealt in an eligible market, a non-UCITS retail scheme may also, with the express consent of the FCA (which takes the form of a waiver under Section 138A and 138B of the Financial Services and Markets Act 2000), invest in an approved money market instrument provided:

- the issue or issuer is itself regulated for the purpose of protecting investors and savings on the basis explained above;

- investment in that instrument is subject to investor protection equivalent to that provided by instruments which satisfy the requirements explained above; and

- the issuer is a company whose capital and reserves amount to at least €10 million and which presents and publishes its annual accounts in accordance with Directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

A securitisation vehicle is a structure, whether in corporate, trust or contractual form, set out for the purpose of securitisation operations.

A banking liquidity line is a banking facility secured by a financial institution which is an establishment subject to prudential supervision in accordance with criteria defined by EU law or in an establishment which is subject to, and complies with, prudential rules considered by the FCA to be at least a stringent as those laid down by EU law.

Limited investment in unapproved money market instruments

Not more than 20% in value of the scheme property of a Fund may consist of money market instruments which are not within any of the three paragraphs under the heading 'Eligible money market instruments' above (together with any transferable securities which are not approved securities or recently issued transferable securities as explained above).

Derivatives

Under the COLL Sourcebook provisions, derivatives (a contract for difference, a future or an option) are permitted for non-UCITS retail schemes for investment purposes. Derivative transactions may, under the COLL Sourcebook provisions, be used for the purposes of efficient portfolio management (including hedging) or meeting the investment objectives or both. A transaction in a derivative must not cause a Fund to diverge from its investment objectives.

Permitted underlying assets for derivative transactions

The underlying of any transaction in a derivative must consist of any one or more of the following to which the scheme is dedicated:

- transferable securities;
- money market instruments;
- deposits;
- permitted derivatives;
- units in a collective investment scheme;
- immovables (real property);
- gold;
- financial indices which satisfy certain criteria;
- interest rates;
- foreign exchange rates; and

- currencies.

A Fund may not undertake a transaction in derivatives on commodities.

The financial indices mentioned above are those which satisfy the following criteria:

- the index is sufficiently diversified.

  A financial index is sufficiently diversified if it is composed in such a way that price movements or trading activities regarding one component do not unduly influence the performance of the whole index; where it is composed of assets in which a non-UCITS retail scheme is permitted to invest, its composition is at least diversified in accordance with the requirements with respect to spread and concentration set out for non-UCITS retail schemes; and, where it is composed of assets in which a non-UCITS retail scheme cannot invest it is diversified in a way which is equivalent to the diversification achieved by the requirements with respect to spread and concentration applicable to non-UCITS retail schemes;

- the index represents an adequate benchmark.

  A financial index represents an adequate benchmark for the market to which it refers if it measures the performance of a representative group of underlyings in a relevant and appropriate way; it is revised or rebalanced periodically to ensure that it continues to reflect the market to which it refers, following criteria which are publicly available; and the underlying is sufficient liquid, allowing users to replicate it if necessary; and

- the index is published in an appropriate manner.

  An index is published in an appropriate manner if its publication process relies on sound procedures to collect prices and calculate and subsequently publish the index value, including pricing procedures for components where a market price is not available; and material information on matters such as index calculation, rebalancing methodologies, index changes or any operational difficulties in providing timely or accurate information is provided on a wide and timely basis.

Where the composition of underlyings of a transaction in a derivative does not satisfy the requirements for a financial index, the underlyings for that transaction shall, where they satisfy the requirements with respect to any other underlyings which are permitted underlyings for a transaction in derivatives mentioned above, be regarded as a combination of those underlyings.

Note that an index based on derivatives on commodities or an index on property may be regarded as a financial index provided it satisfies these criteria.

If the composition of an index is not sufficiently diversified in order to avoid undue concentration, its underlying assets should be combined with the other assets of the scheme when assessing compliance with the requirements on cover for transactions in derivatives and forwards transactions and also the spread requirements.

In order to avoid undue concentration, where derivatives of an index composed of assets in which a Non-UCITS retail scheme cannot invest are used to track or gain high exposure to the index, the index should at least be diversified in a way which is equivalent to the diversification achieved by the requirements with respect to spread and concentration explained below.

Permitted derivative transactions for non-UCITS retail schemes

Subject to certain detailed restrictions, a transaction in derivatives or a forward transaction may be effected for a Fund if it is:

- a permitted transaction; and
- the transaction is covered;

in each case on the basis explained below.

For any derivative transaction, there are requirements specified if that transaction will or could lead to the delivery of property, and there must be an appropriate risk management process in place.

Permitted transactions

A transaction in a derivative must be either:

- in an approved derivative, i.e. a transaction effected on or under the rules of an eligible market.

  As discussed above, an eligible market for a Fund is:

  - a regulated market (as defined for the purposes of the COLL Sourcebook);
  - a market in an EEA state which is regulated, operates regularly and is open to the public; or
  - the eligible derivatives markets set out in Appendix III, which are the markets that the Manager, after consultation with the Trustee, has decided are appropriate for the purpose of investment of, or dealing in, the property of the Fund in question with regard to the relevant criteria set out in the COLL Sourcebook.

or

- subject to restrictions, an OTC derivative transaction.

  Any transaction in an OTC derivative must be:

  - with an approved counterparty.

    A counterparty to a transaction in derivatives is approved only if the counterparty is:

    - an Eligible Institution or an Approved Bank; or
    - a person whose permission permits it to enter into transactions as principal off-exchange.

  - on approved terms.

    The terms of the transaction in derivatives are approved only if the Manager:

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

- can enter into a further transaction to close out that transaction at any time at its fair value.

- capable of reliable valuation.

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

- on the basis of an up to date market value which the Manager and the Trustee have agreed is reliable; or

- if the value referred to above is not available, on the basis of a pricing model which the Manager and the Trustee have agreed uses an adequate recognised methodology.

and

- subject to verifiable valuation.

A transaction in derivatives is subject to verifiable valuation only if, throughout the life of the derivative (if the transaction is entered into), verification of the valuation is carried out by:

- an appropriate third party which is independent from the counterparty of the derivative, at an adequate frequency and in such a way that the Manager is able to check it; or

- a department within the Manager which is independent from the department in charge of managing the scheme property and which is adequately equipped for such a purpose.

In this connection, the Manager has arrangements and procedures designed to ensure appropriate, transparent and fair valuation of the exposures of each Fund to OTC derivatives, and to ensure that the fair value of OTC derivatives is subject to adequate, accurate and independent assessment. These arrangements and procedures are intended to be adequate and proportionate to the nature and complexity of the OTC derivative concerned and adequately documented. Where the arrangements and procedures referred to above involve the performance of certain activities by third parties, the Manager must comply with the requirements in SYSC 8.1.13 R (Additional requirements for a management company) and COLL 6.6A.4 R (4) to (6) (Due diligence requirements of AFMs of UCITS schemes).

The arrangements and procedures referred to in this rule must be:

1.1.1 adequate and proportionate to the nature and complexity of the OTC derivative concerned; and

1.1.2 adequately documented.

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

Any forward transaction must be made with an Eligible Institution or an Approved Bank.

A derivative includes an instrument which fulfils the following criteria:

- it allows the transfer of the credit risk of the underlying independently from the other risks associated with that underlying;

- it does not result in the delivery or the transfer of assets other than those referred to regarding permitted types of scheme property for a UCITS scheme including cash;

- in the case of an OTC derivative, it complies with the requirements for OTC transactions in derivatives explained above; and

- its risks are adequately captured by the risk management process of the Manager, and by its internal control mechanisms in the case of risks of asymmetry of information between the Manager and the counterparty to the derivative, resulting from potential access of the counterparty to non-public information on persons whose assets are used as the underlying by that derivative.

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

- a true and fair view of the types of derivatives and forward transactions to be used within a Fund together with their underlying risks and any relevant quantitative limits;

- the methods for estimating risks in derivative and forward transactions.

The Manager must notify the FCA in advance of any material additions to the details above.

Determination of Leverage

The requirements for cover are intended to ensure that a Fund is not exposed to the risk of loss of the property, including money, to an extent greater than the net value of the scheme property. Leverage is defined as any method by which an AIFM increases the exposure of an AIF it manages whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means.

In accordance with Article 6 of the Level 2 text of the AIFMD:

'Leverage of an AIF shall be expressed as the ratio between the exposure of an AIF and its net asset value'.

The Manager will ensure that the exposure relating to derivatives and forward transactions held by a Fund does not exceed the net value of the scheme property of that Fund.

Cash obtained from borrowing, and borrowing which the Manager reasonably regards an Eligible Institution or Approved Bank to be committed to provide, is not available for cover unless the Trustee for the account of the Fund borrows an amount of currency from an Eligible Institution or

Approved Bank and keeps an amount in another currency at least equal to the borrowing for the time being in the initial amount of currency on deposit with the lender (or his agent and nominee) in which case the requirements for cover applies if the borrowed currency and not the deposited currency were part of the scheme property.

Calculation of exposure

In determining the maximum level of leverage of each AIF, the investment strategy, risk profile of each fund and the sources of leverage are taken into account. The exposure gained through leverage is calculated using both the Commitment method and the Gross method.

The Gross method gives the overall exposure of the AIF whereas the commitment method gives insight into the hedging and netting strategies used by a manager. Employing both of these approaches, the leverage for each of the funds is calculated on a daily basis, with disclosure made on a periodic basis to i) investors by means of inclusion within the interim and annual report and accounts, and ii) the regulator through prescribed reporting.

Commitment Method

Under the Commitment method the Manager will convert each derivative or forward transaction into the market value of an equivalent position in the underlying asset of that derivative or forward. This would apply to all derivative and forward transactions, including embedded derivatives, whether used as part of the Fund’s general investment policy, for the purposes of risk reduction or for the purposes of efficient portfolio management in accordance with the rules explained in these Scheme Particulars. Netting and hedging arrangements are then applied.

Where the commitment method is used:

- temporary borrowing arrangements entered into on behalf of the Fund need not form part of the global exposure calculation; and
- where the use of derivatives or forward transactions does not generate incremental exposure for a Fund, the underlying exposure need not be included in the commitment calculation for the Fund.

Gross Method

In accordance with the AIFMD as detailed in Article 7 of the Level 2 text, the following methodology is applied for the calculation of the gross exposure:

- The value of any cash and cash equivalents which are highly liquid investments held in the base currency of the Fund, that are readily convertible to a known amount of cash, are subject to an insignificant risk of change in value and provide a return no greater than the rate of a three-month high quality government bond, are excluded.
- Derivative instruments are converted into the equivalent position in their underlying assets using the conversion methodologies set out in Article 10 of the Level 2 text.
- Cash borrowings that remain in cash or cash equivalents and where the amounts payable are known, are excluded.
- Exposure resulting from the reinvestment of cash borrowings is included.
- Positions within repurchase or reverse repurchase agreements and securities lending or borrowing are included.

Transactions for the purchase of property

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

- that property can be held for the account of the Fund; and
- the Manager, having taken reasonable care, determines that delivery of the property under that transaction will not occur or will not lead to a breach of the applicable restrictions.

Requirement to cover sales

No agreement by or on behalf of a Fund to dispose of property or rights may be made unless:

- the obligation to make the disposal and any other similar obligation could immediately be honoured by the Fund by delivery of property or the assignment (or, in Scotland, assignation) of rights; and
- such property and rights are attributable to the Fund at the time of the agreement.

However this requirement can be met where:

- the risks of the underlying financial instrument of a derivative can be appropriately represented by another financial instrument and the underlying financial instrument is highly liquid; or
- the Manager or the Trustee has the right to settle the derivative in cash, and cover exists within the scheme property which falls within one or more of the following asset classes: (i) cash; (ii) liquid debt instrument (e.g. government bonds of first credit rating) with appropriate safeguards; or (iii) other highly liquid assets having regard to their correlation with the underlying of the financial derivative instruments (subject to appropriate safeguards).

  (For this purpose an asset may be considered as liquid where the instrument can be converted into cash in no more than seven business days at a price precisely corresponding to the current valuation of the financial instrument on its own market.)

The requirement to cover sales does not apply to a deposit.

Exposure to underlying assets

Where a Fund invests in derivatives, the exposure to the underlying assets must not exceed the spread limits explained in "Spread Requirements" below, save that where a Fund invests in an index based derivative, provided the relevant index falls within the definition of "relevant index", the underlying constituents of the index do not have to be taken into account for the purposes of the spread requirements. Such relaxation in respect of index based derivatives is subject to the requirement for the Manager to maintain a prudent spread of risk.

Transferable securities and money market instruments embedding derivatives

Where a transferable security or money market instrument embeds a derivative, this must be taken into account for the purposes of complying with the restrictions on derivatives.

A transferable security or a money market instrument will embed a derivative if it contains a component which fulfils the following criteria:

- by virtue of that component some or all of the cash flows that otherwise would be required by the transferable security or money market instrument which functions as host contract can be modified according to a specified interest rate, financial instrument price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, and therefore vary in a way similar to a standard alone derivative;

- its economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract; and

- it has a significant impact on the risk profile and pricing of the transferable security or money market instrument.

A transferable security or a money market instrument does not embed a derivative where it contains a component which is contractually transferable independently of the transferable security or the approved money market instrument. That component shall be deemed to be a separate instrument.

Collateralised debt obligations (CDOs) or asset backed securities using derivatives, with or without an active management will generally not be considered as embedding a derivative except if: (i) they are leveraged (i.e. the CDOs or asset backed securities are not limited recourse vehicles and the investors' loss can be higher than their initial investment); or (ii) they are not sufficiently diversified.

Where a transferable security or money market instrument embedding a derivative is structured as an alternative to an OTC derivative, the requirements with respect to transactions in OTC derivatives will apply. This will be the case for tailor-made hybrid instruments such as a single tranche CDO structured to meet the specific needs of a scheme, which should be considered as embedding a derivative. Such a product offers an alternative to the use of an OTC derivative for the same purpose of achieving a diversified exposure with a pre-set credit risk level to a portfolio of entities.

The following list of transferable securities and approved money market instruments (which is illustrative and non-exhaustive) could be assumed to embed a derivative:

- credit linked notes;

- transferable securities or money market instruments whose performance is linked to the performance of a bond index;

- transferable securities or money market instruments whose performance is linked to the performance of a basket of shares, with or without active management;

- transferable securities or money market instruments with a fully guaranteed nominal value whose performance is linked to the performance of a basket of shares with or without active management;

- convertible bonds; and

- exchangeable bonds.

A Fund cannot use transferable securities or money market instruments which embed a derivative to circumvent the restrictions regarding use of derivatives.

Transferable securities and money market instruments which embed a derivative are subject to the rules applicable to derivatives as outlined in this section. It is the Manager's responsibility to check that these requirements are satisfied. The nature, frequency and scope of checks performed will depend on the characteristics of the embedded derivatives and on their impact on the Fund, taking into account its stated investment objective and risk profile.

Proposed use of derivatives by the Funds

It is intended that derivatives will be used for a Fund only for the purposes of efficient management of the Fund, and not for investment purposes. Transactions for efficient management of a Fund are transactions which are reasonably regarded by the Manager as economically appropriate, and which are permitted by the COLL Sourcebook to be effected, in order to achieve a reduction in certain risks or costs or the generation of additional capital or income for the Fund with an acceptably low level of risk. There is no limit on the amount or value of the property of the Fund which may be used for such efficient management purposes, but the Manager will only enter into the transaction if it reasonably believes the transaction to be economically appropriate. The types of transactions in which the Funds may engage include a transaction which merely closes out another; the reduction of risk or cost in terms of fluctuations in prices, interest rates or exchange rates; or sensible cash flow management; or the generation of additional capital growth or income for the Funds: by taking advantage of gains to be made as a result of pricing imperfections in the market; or by writing options on property which the Funds hold or may properly hold on a congruent index. A closing out transaction may be of any kind which achieves the purpose. Other transactions may be a forward transaction in a currency or a derivatives transaction (i.e. an option, or a future or a contract for difference). The following types of risk are relevant in relation to efficient management of a Fund:

- market risk;
- interest rate risk;
- credit risk; and
- foreign exchange (FX) risk.

The use of derivatives described above is not expected to have a material effect on the risk profile of the Funds.

Deposits

A Fund may invest in deposits only if it is with an approved bank and is re-payable on demand or has the right to be withdrawn and matures in no more than 12 months.

Spread Requirements

There are limitations on the proportion of the value of a Fund which may be held in certain forms of investment.

General spread requirements

The general spread requirements for a non-UCITS retail scheme are as follows:

(a) not more than 20% in value of the Fund's property is to consist of deposits with a single body;

(b) not more than 10% in value of the Fund's property is to consist of transferable securities or money market instruments issued by a single body (although this limit is raised to 25% in respect of covered bonds);

(c) the exposure to any one counterparty in an OTC derivative transaction must not exceed 10%; and

(d) not more than 35% in value of the Fund is to consist of units or shares in any one collective investment scheme.

In applying the spread requirements, a single body is:

- in relation to transferable securities and money market instruments, the person by whom they are issued; and

- in relation to deposits, the person with whom they are placed.

Government and public securities

The above restrictions do not apply to government and public securities. Government and public securities are, essentially, securities issued by certain governments, local authorities and public international bodies.

For the Funds other than Jupiter Merlin Conservative Portfolio, no more than 35% of the Fund's property will be invested in transferable securities or approved money-market instruments issued or guaranteed by a single state, local authority or public international body. Apart from this restriction, there is no limit on the amount which may be invested in such securities or in any one issue.

For Jupiter Merlin Conservative Portfolio, more than 35% of the Fund's property may be invested in transferable securities or approved money-market instruments issued or guaranteed by a single state, local authority or public international body, provided at least six different issues are held and only up to 30% of the Fund's property is invested in any one issue and provided that the issuer or issuers, or guarantor are amongst the following:

- The following bodies:
  - The Council of Europe
  - The European Bank for Reconstruction and Development
  - The European Coal and Steel Community
  - The European Investment Bank
  - Eurofima
  - International Finance Corporation
  - International Bank for Reconstruction and Development

- The Governments of the United Kingdom, Austria, Belgium, Bulgaria, Croatia, Republic of Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Liechtenstein, Luxembourg, Malta, The Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain or Sweden, the Scottish Administration; the Executive Committee of the Northern Ireland Assembly; or the National Assembly of Wales.

- The Governments of Australia, Brazil, Canada, India, Japan, New Zealand, Norway, Switzerland or the United States of America.

(Also includes any investment which would have been such an investment had it been issued as opposed to merely guaranteed by a government or body specified above.)

Exposure to OTC derivatives

For the purposes of calculating the limits mentioned above in relation to OTC derivatives, the exposure in respect of an OTC derivative may be reduced to the extent that collateral is held in respect of it if the collateral meets each of the following conditions:

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

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

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

- it can be fully enforced by the Fund at any time.

For the purposes of calculating the spread limits, OTC derivative positions with the same counterparty may be netted provided that the netting procedures:

- comply with the conditions in Part 7 (Contractual Netting (Contracts for Novation and Other Netting Agreements)) of Annex III to the Banking Consolidation Directive; and

- are based on legally binding agreements.

In applying the spread requirements, all derivatives transactions are deemed to be free of counterparty risk if they are performed on an exchange where the clearing house meets each of the following conditions:

- it is backed by an appropriate performance guarantee; and

- it is categorised by daily marked to market valuation of the derivatives positions and at least daily margining.

Use of index based derivatives

Where a scheme invests in an index based derivative, provided the relevant index complies with the above criteria, the underlying constituents of the index do not need to be taken into account for the purposes of the spread requirements provided the Manager takes into account the requirement to provide a prudent spread of risk.

Collateral

Where a Fund enters into OTC derivative transactions and Efficient Portfolio Management techniques, all collateral used to reduce counterparty risk exposure shall comply with the following criteria at all times:

(i) Any collateral received other than cash shall be highly liquid and traded on a Regulated Market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received shall also comply with the provisions of COLL 5.2.27R, 5.2.28R and 5.2.29R.

(ii) Collateral received shall be valued on at least a daily basis. Assets that exhibit high price volatility shall not be accepted as collateral unless suitably conservative haircuts are in place.

(iii) Collateral received shall be of high quality.

(iv) The collateral received shall be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.

(v) Collateral shall be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the Fund receives from a counterparty of Efficient Portfolio Management and OTC derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of its NAV. When a Fund is exposed to different counterparties, the different baskets of collateral shall be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation, a Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a member state of the Organisation for Economic Co-Operation and Development, Singapore, members of the G20, or a public international body to which one or more Member States belong. In that case the Fund shall receive securities from at least six different issues, but securities from any single issue shall not account for more than 30% of the net asset value of the Fund.

(vi) Where there is a title transfer, the collateral received shall be held by the Trustee. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

(vii) Collateral received shall be capable of being fully enforced by the Manager at any time without reference to or approval from the counterparty.

(viii) Non-cash collateral received shall not be sold, re-invested or pledged.

(ix) Cash collateral shall only be:

a. placed on deposit with entities as prescribed under “Deposits” in Section 9 headed “Non-UCITS retail scheme investment powers and restrictions” above;

b. invested in high-quality government bonds;

c. used for the purpose of reverse repurchase transactions provided the transactions are with credit institutions subject to prudential supervision and the Fund is able to recall at any time the full amount of cash on accrued basis;

d. invested in short-term money market funds as defined in the "ESMA Guidelines on a Common Definition of European Money Market Funds".

(x) Re-invested cash collateral shall be diversified in accordance with the diversification requirements applicable to non-cash collateral.

Collateral Policy

Collateral received shall be wholly in cash.

Haircut Policy

The following haircuts for collateral in OTC transactions are applied by the Manager (the Manager reserves the right to vary this policy at any time in which case these Scheme Particulars will be updated accordingly):

Eligible Collateral	Remaining Maturity	Valuation Percentage
Cash	N/A	100%

Use of the aforesaid techniques and instruments involves certain risks and there can be no assurance that the objective sought to be obtained from such use will be achieved.

EMIR

In addition, each Fund is required to comply with the Regulation (EU) No 648/2012 on OTC derivatives, central counterparties and trade repositories (EMIR) including all delegated regulations and other rules made under EMIR from time to time. In particular, each Fund also complies with the initial and variation margin rules that apply under EMIR.

Warrants

A "warrant" for the purposes of the COLL Sourcebook is:

(a) a warrant or other instrument entitling the holder to subscribe for a share, debenture or government and public security; and

(b) any other transferable security (not being a nil paid or partly paid security) which is listed on an eligible securities market; and akin to an investment within (a) in that it involves a down payment by the then holder and a right later to surrender the instrument and pay more money in return for a further transferable security.

A warrant falls within any power of investment if it is reasonably foreseeable that the right conferred by the proposed warrant could be exercised by the Manager without contravening the investment restrictions in the COLL Sourcebook (assuming that there is no change in a Fund's property between the acquisition of the proposed warrant and its exercise and that the rights conferred by the proposed warrants and all other warrants forming part of the Fund's property at the time of acquisition of the proposed warrant will be exercised, whether or not it is intended that they will be).

Where a Fund invests in a warrant, the exposure created by the exercise of the right conferred by that warrant must not exceed the spread requirements set out above.
The Manager does not intend to invest in warrants.

Nil and Partly Paid Securities

A transferable security or a money market instrument on which any sum is unpaid falls within a power of investment only if it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by a Fund, at the time when payment is required, without contravening the COLL Sourcebook as it is applicable to a Fund.

Stock lending

Stock lending covers techniques relating to transferable securities and approved money market instruments which are used for the purpose of efficient portfolio management.

(For this purpose efficient portfolio management means techniques and instruments which relate to transferable securities and approved money market instruments and which:

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

(b) are entered into for one or more of the following specific aims: reduction of risks; reduction of costs; general of additional capital or income for the scheme with a risk level which is consistent with the risk profile of the scheme and the risk diversification rules laid down in the COLL Sourcebook.)

It permits the generation of additional income for the benefit of the Fund and hence its investors, by entering into stock lending transactions for the account of the Fund.

Stock lending involves a lender transferring securities to a borrower otherwise than by way of sale and the borrower is to transfer those securities, or securities of the same type and amount, back to the lender at a later date. In accordance with good market practice, a separate transaction by way of transfer of assets is also involved for the purposes of providing collateral to the "lender" to cover him against the risk that the future transfer back of the securities may not be satisfactorily completed.

A stock lending arrangement or repo contract may be entered into in respect of a Fund when it is appropriate with a view to generating additional income with an acceptable degree of risk. The Trustee, at the Manager's request, may enter into a repo contract or a stock lending arrangement in respect of a Fund of a kind described in section 263B of the Taxation of Chargeable Gains Act 1992 (without extension by section 263C) on certain terms specified in the COLL Sourcebook. There is no limit on the value of the property of a Fund which may be the subject of stock lending transactions.

Where a stock lending arrangement is entered into, the scheme property remains unchanged in terms of value. The securities transferred cease to be part of the scheme property but there is obtained in return an obligation on the part of the counterparty to transfer back equivalent securities. The Trustee will also receive collateral to set against the risk of default and transfer and that collateral is equally irrelevant to the value of the scheme property. The COLL Sourcebook makes provision for treatment of collateral in that context. Where the Fund generates leverage through the re-investment of collateral, this should be taken into account in the calculation of the scheme's global exposure.

As of the date of these Scheme Particulars, no Fund currently enters into securities lending transactions, repurchase agreements and margin lending transactions within the meaning of Regulation (EU/2015/2365) on transparency of securities financing transactions and of reuse (the "SFT Regulation").

Power to underwrite or accept placings

Underwriting and sub-underwriting contracts and placings may be entered into for the account of the Scheme, subject to certain conditions set out in the COLL Sourcebook.

Guarantees and indemnities

The Trustee (on account of a Fund) must not provide any guarantee or indemnity in respect of the obligation of any person. None of the property of a Fund may be used to discharge any obligation arising under any guarantee or indemnity with respect to the obligation of any person. This is subject to exceptions in the case of any indemnity or guarantee given for margin requirements where the derivatives or forward transactions are being used in accordance with the COLL Sourcebook provisions (summarised above) or an indemnity given to a person winding up a body corporate or other scheme in circumstances where those assets are becoming part of the property of the Fund by way of a unitisation.

Borrowing

The Trustee (on the instruction of the Manager) may borrow money for the use of a Fund on terms that the borrowing is to be repayable out of the property of a Fund from an Eligible Institution or an Approved Bank (e.g. a bank or building society). Borrowings may be arranged with the Trustee. The Manager must ensure that any such borrowings comply with the COLL Sourcebook.
The Manager must ensure that borrowing does not exceed 10% of the value of the property of a Fund on any business day.

These borrowing restrictions do not apply to "back to back" borrowing for currency hedging purposes, i.e. borrowing permitted to reduce or eliminate risk arising by reason of fluctuations in exchange rates.

Restrictions on lending

None of the money in the scheme property of a Fund may be lent and, for the purposes of this prohibition, money is lent by a Fund if it is paid to a person (the payee) on the basis that it should be repaid whether or not by the payee. (This restriction does not prevent the acquiring of a debenture, nor the placing of money on deposit or in a current account.)

The scheme property of a Fund other than money must not be lent by way of deposit or otherwise, although stock lending transactions are not regarded as lending for this purpose. This rule does not however prevent the Trustee at the request of the Manager from lending, depositing, pledging or charging the scheme property for margin requirements where transactions in derivatives or forward transactions are used for the account of the Fund in accordance with the COLL Sourcebook.

Immovable property

Investments may include immovables (real property), where such real property shall be located in the United Kingdom. However, the Manager does not currently intend to make any investment in such assets.

Gold

A Fund may invest up to 10% in value of the scheme property in gold, but the Manager does not currently intend to make any investment in gold.

Cash and Near Cash

The Manager’s investment policy may mean that at times it is appropriate for the property of a Fund not to be fully invested and for cash or “near cash” to be held. A Fund may hold cash or “near cash” (meaning, essentially, certain types of deposits) where this may reasonably be regarded as necessary in order to enable:

(a) the pursuit of the Fund’s investment objectives; or

(b) redemption of Units; or

(c) efficient management of the Fund in accordance with its investment objectives; or

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

Risk management

The Manager must use a risk management process enabling it to monitor and measure as frequently as appropriate the risk of the Fund’s positions and their contribution to the overall risk profile of the Fund.

This process must take into account the investment objectives and policy of the Fund. The Manager has taken reasonable care to establish and maintain systems and controls which are appropriate to its business in this connection. The risk management process enables the analysis required to be undertaken at least daily or at each valuation point (whichever is the more frequent).

The Manager should undertake the risk assessment with the highest care when the counterparty to a derivative is an associate of the Manager or the credit issuer. The Trustee is obliged to take reasonable care to review the appropriateness of the risk management process in line with its duties.

Breaches of the investment and borrowing powers and limits

The Manager must immediately upon becoming aware of any breach of any of the investment and borrowing powers and limits, at its own expense, rectify that breach unless:

(a) the reason for the breach is beyond the control of the Manager and the Trustee; or

(b) there is a transaction (a subsequent transaction) deriving from a right such as the right to convert stock or subscribe to a rights issue, attributable to an investment if, at the time of acquisition, of the original investment, it was reasonable for the Manager to expect that a breach would not be caused by the subsequent transaction;

in which event, the Manager must take the steps necessary to rectify the breach as soon as reasonably practicable, having regard to the interests of Unitholders, and, in any event, within six months or, if it is a transaction in derivatives or a forward transaction, generally five business days.

Immediately upon the Trustee becoming aware of any breach of any of the investment and borrowing powers and limits, it must ensure that the Manager takes such appropriate action.

10 Base Currency

The base currency of all of the Funds is pounds sterling.

11 Characteristics of Units in the Funds

The Units in the Funds are all denominated in pounds sterling. All Units are registered Units.

The Manager may carry out a compulsory conversion of some or all of the Units of one class into another class (a "Conversion") where it reasonably believes it is in the best interests of Unitholders (for example, to merge two existing unit classes) or, for Jupiter Merlin Real Return only, where the holding would be less than the minimum investment level for the relevant Unit class (as specified below under the heading "Minimum investment levels" in Section 12). The Manager will give Unitholders written notice as required before any compulsory Conversion is carried out.

Each Unitholder in a Fund is entitled to participate in the property of the Fund and its income in the proportion that the value of the holding of Units bears to the value of the property of the Fund. If more than one class of Units is in issue in a Fund, the holder of Units will participate in the property of the Fund in accordance with his proportionate unit entitlements calculated in accordance with the terms of the Trust Deed of that Fund.

A Unitholder's right in respect of a Fund as represented by his Units is that of a beneficial interest under a trust. Unitholders are not liable for the debts of a Fund.

By buying Units in a Fund, the Unitholder is deemed to be bound by the terms of these Scheme Particulars (as updated from time to time) and the relevant Trust Deed for the Fund (in addition to any terms set out in the Manager's application documents for the purchase of Units).

A Unitholder in a Fund is entitled to participate in the Fund on the basis set out in these Scheme Particulars (as amended from time to time). Unitholders have a number of rights arising from their participation in the Trust and these include:

- the right to sell their Units in accordance with the terms and procedures set out in Section 13 "Selling Units" and Section 15, "Dealing";
- the right to receive their proportionate entitlement to income arising in respect of their Units by way of either a payment to them, a reinvestment in further Units or in an accumulation in the price of Units, depending on the nature of the Units concerned. (See Section 19, "Determination and Distribution of Income) whether the Units are accumulation or income Units class concerned, as set out below under "Unit classes".
- the right to vote on fundamental changes to a Fund and to receive notice of certain types of other changes not requiring Unitholder approval. This is further described in Section 20, "Approvals and notifications to Unitholders"; and
- the right to receive certain information and documents in relation to a Fund. (For instance Section 16, "Valuation and pricing of Units", sets out where Unitholders can obtain the latest prices of Units. Section 24, "General Information", gives information on obtaining and inspecting copies of Fund documents and outlines how and when Unitholders will receive short reports for a Fund.)

The title to Units is evidenced by entries on the register of Unitholders.

Six monthly statements will be issued during April and October which will detail transactions for the preceding six month period together with the balance and value of your holding.

Unit classes

The Trust Deed for each Fund provides for the issue of income and/or accumulation Units which may be net paying or gross paying Units. The classes of Units available from time to time, and their respective requirements as to eligibility, availability, minimum investment and holding levels, and other differentiating features, are set out below in these Scheme Particulars.

The Unit classes which are available for each Fund are set out below. The specific charges which apply to each of these Unit classes are set out at Section 17 below. Details of the minimum investment levels which apply to each of the Unit classes are set out below under the heading 'Minimum investment levels'. The Manager may create further classes of Unit in respect of a Fund in the future.

Income attributable to income Units is distributed to income Unitholders. Income is paid to Unitholders within two months of the end of each interim accounting period and within four months of the end of each annual accounting period.

Income attributable to a class of accumulation Units is automatically added to (and retained as part of) the capital assets of the relevant Fund and is reflected in the Unit price of those accumulation Units.

Currently:

- All Funds offer income Units and/or accumulation Units which are generally available to all types of investors. In these Scheme Particulars, these Units are referred to simply as "income Units" and "accumulation Units".

- "I-Class" Units may be available to investors who invest over a certain minimum investment level. These Units are intended to be available to all investors who invest in excess of these minimum investment levels but are principally designed to be made available to institutional investors, such as pension schemes, fund supermarkets, fund platforms and nominee services. (In these Scheme Particulars, these Units are referred to simply as "I-Class" Units to reflect the fact that they are designed for "I" or "institutional" investors.) We may offer I-Class accumulation Units and I-Class income Units. At present, we offer I-Class Units in the following Funds:

  - I-Class accumulation Units: All of the Funds.

  - I-Class income Units: All of the Funds, except for Jupiter Merlin Real Return.

  F-Class: Units may be available, for a limited period as explained below, to investors who invest over a certain minimum investment level. These Units are intended to be available to all investors who invest in excess of these minimum investment levels but are principally designed to be made available to institutional investors, such as pension schemes, fund supermarkets, fund platforms and nominee services. F-Class Units will only be issued if the total value of Units in the class (as at their respective dates of issue and not taking into account any subsequent sales of such Units) is less than £100 million. If the applications received for F-Class Units on any particular business day would mean that this total is exceeded when Units are issued as at the valuation point on that day, then the Manager will still issue all the F-Class Units applied for. At present, we offer F-Class Units in the following Fund:

  - F-Class accumulation Units: Jupiter Merlin Real Return.

12 Buying Units

Units may be bought direct from the Manager (requests will be accepted in writing or by telephone) or through intermediaries, at not more than the single price applicable at the time instructions are received, as calculated in accordance with the COLL Sourcebook. A contract note confirming the transactions will be sent and as no Unit certificate is issued it is important that this is retained in a safe place. All written applications should be accompanied by a personal cheque in respect of any lump sum investment, or a completed Direct Debit instruction in respect of regular contributions. Applications by telephone must be settled at the time of the deal by Switch/Delta card or, for existing Unitholders only, by personal cheque.

Minimum investment levels

The minimum investment levels for each class of Unit, except for I-Class Units and F-Class Units, in the Funds are as follows:

- The minimum initial lump sum payment is £500.

- The minimum value of Units which may be the subject of any subsequent purchase is £250. Payment below £250 will be accepted to bring a year's ISA contribution up to the permitted maximum.

- For regular monthly savings, the minimum payment is £50 per month.

The minimum investment levels for I-Class Units are as follows:

- The minimum initial lump sum payment is £5 million.

- The minimum value of Units which may be the subject of any subsequent purchase is £50,000.

The minimum investment levels for F-Class Units are as follows:

- The minimum initial lump sum payment is £10 million.

- The minimum value of Units which may be the subject of any subsequent purchase is £250,000.

The Manager may waive the minimum investment levels in its discretion.

Market Timing

The Funds are intended for long term investment purposes only. The Manager will take steps to seek to prevent short term trading as such practices may adversely affect the interests of Unitholders. Excessive, short term trading (or market timing) into and out of a Fund or other abusive trading practices may disrupt portfolio investment strategies, may increase expenses, and may adversely affect investment returns for all Unitholders, including long term Unitholders who do not generate these costs. To minimise harm to a Fund and its Unitholders the Manager reserves the right to reject any application for Units (including any switch request between Funds) by any investor or group of investors for any reason without prior notice, including, in particular, if it believes that a Fund would be adversely affected due to the frequency of trading. The trading history of accounts under common ownership or control may be considered in enforcing this policy.

Disclosures

The United Kingdom has entered into an intergovernmental agreement with the United States which was implemented in the United Kingdom through regulations made by HM Treasury in exercise of the powers conferred to it by the Finance Act 2013 (currently the International Tax Compliance Regulations 2015). In addition the United Kingdom has implemented the Common Reporting Standard ("CRS") with effect from 1st January 2016 (contained within the International Tax Compliance Regulations 2015).

As part of the process of buying Units, and at various points throughout ownership of Units, Unitholders will be required to provide the Manager (or its delegate) with any information that the Manager considers necessary to enable the Funds to comply with their domestic (and any overseas) obligations relating to the Foreign Account Tax Compliance Act ("FATCA") and CRS. This may be in addition to information required for anti-money laundering purposes.

FATCA aims to prevent US tax evasion by requiring foreign financial institutions to report certain information in relation to any Unitholder who is a "Specified U.S. Person" as defined in FATCA to the Internal Revenue Service of the US ("IRS"). Similarly the CRS regulations aim to identify those investors who are "reportable persons" as defined by the relevant regulations. As a result of the UK regulations referred to above, the Manager may be required to disclose information relating to Unitholders (and their investments in the Funds) to HM Revenue & Customs (HMRC), who will in turn exchange this information with the IRS or other relevant competent tax authority.

By signing the application form to subscribe for Units in a Fund, each Unitholder is agreeing to provide such information upon request from the Manager or its delegate.

Please note that the Funds may treat a Unitholder as a Specified U.S. Person for FATCA purposes where the Manager is unable to establish that this is not the case.

13 Selling Units

The Manager normally will buy back Units from registered holders free of commission, at not less than the single price applicable at the time instructions are received, as calculated in accordance with the COLL Sourcebook. They may also be sold back through an authorised intermediary who may charge commission. Instructions for sale may be given in writing or may be telephoned to the Manager's dealing department. A contract note will be issued to confirm the transaction. Payment normally is made within four working days of the Manager receiving satisfactory renunciation. The form of renunciation, which may need to be completed following a telephone or fax deal, before the proceeds are released, is issued with the Unit purchase contract note. Alternatively, additional forms are available on request. In all cases payment will only be made to the registered Unitholder(s). Payment will normally be made by personal cheque but if the Unitholder(s) instructs us to forward the money to their bank account, we will accept this as an instruction to remit the monies by Telegraphic Transfer. A set charge will be levied for this service and details of the charge are available from the Manager.

Partial disposals are permitted, but the Manager may refuse to accept an instruction to redeem part of a holding if by doing so the residual value of the Units remaining in the holding would be less than the minimum initial investment level for the relevant Unit class (as specified under the heading "Minimum investment levels" in Section 12).

Deferred redemptions of Units

If requested redemptions of Units on a particular day exceed 10% of a Fund's value, redemptions of Units may be deferred to the next valuation point. Any such deferral would only be undertaken in such manner as to ensure consistent treatment of all Unitholders who had sought to redeem Units at the valuation point at which redemptions were deferred. The Manager does not currently intend to employ deferred redemptions.

Compulsory redemptions of Units

The Manager may impose such restrictions as it thinks necessary to ensure that no Units of a Fund are acquired or held by any person in breach of law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory. The Manager may reject any application for, or sale of, Units. If the Manager becomes aware that:

- any Units are owned directly or beneficially in breach of any law or governmental regulation;

- the Unitholder in question is not eligible to hold such Units or if the Manager reasonably believes this to be the case;

- a holding of Units constitutes a breach of the Trust Deed or these Scheme Particulars as to eligibility or entitlement to hold any Units;

then the Manager may give notice requiring the transfer, repurchase or exchange of such Units.

If any person does not take such steps within 30 days, he shall then be deemed to have given a written request for the redemption of all of his Units.

A person who becomes aware that he is holding or owning Units in breach of any law or governmental regulation or is not eligible to hold those Units must either:

- transfer all those Units to a person qualified to own them; or
- give a request in writing for the redemption of all such Units unless he has already received such a notice from the Manager to transfer the Units or for them to be repurchased.

14 In Specie Cancellation

If a Unitholder gives an instruction to sell Units representing 5% or more in value of the total scheme property of the Fund, the Manager is entitled to give notice to the Unitholder that he intends to transfer a proportionate share of the scheme property to the Unitholder instead of payment for the Units.

The notice must be served by the Manager on the Unitholder no later than close of business on the second business day following the day of receipt of the instruction to sell.

If such a notice is served, the Unitholder can, if he wishes, serve a notice on the Manager asking the Manager to sell the relevant proportionate share of the property and to transmit the net proceeds to the Unitholder. Such notice must be served no later than close of business on the fourth business day following the day of receipt of the original notice served by the Manager.

15 Dealing

Units normally may be bought and sold on any working day between 9.00 am and 5.30 pm. (A working day, throughout these Scheme Particulars, is a date on which the London Stock Exchange is open, unless the Manager determines otherwise, such as public holidays in countries in which the Funds invest ("non-dealing days"). A list of all non-dealing days for the Funds is available on Jupiter's website in the document library: https://www.jupiteram.com/UK/en/Individual-Investors/Document-library). Instructions can be sent by post to Jupiter Customer Services, PO Box 10666, Chelmsford, CM99 2BG or given by telephone on 0800 561 4000 or if calling from outside the UK, +44 (0)1268 448 642.

The Managers deal at forward prices.

Telephone transactions received between 12.00 pm and 5.30 pm on any working day normally will be dealt at the first price calculated on the following working day unless the Managers are otherwise instructed.

Postal instructions received prior to 12.00 pm on any working day normally will be dealt at the first price calculated for that day unless the Manager is otherwise instructed. Postal instructions received after 12.00 pm on any working day or if they are received on a day which is not a working day normally will be dealt at the price resulting from the next valuation of the Funds after receipt of those instructions.

The Manager will accept renunciation of title to Units on the basis of an authority communicated by electronic means and delivered on behalf of the Unitholder by a person that is authorised by the FCA or regulated in another jurisdiction by an equivalent supervisory authority, subject to:

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

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

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

(b) assurance from the person that they will have obtained the required appointment in writing from the Unitholder.

Suspension of dealings in Units

The sale or redemption of Units may be temporarily suspended by the Manager with the prior agreement of the Trustee or, if the Trustee so requires, at any time, if the Manager or the Trustee as appropriate is of the opinion that there is good and sufficient reason to do so having regard to the interests of Unitholders. The Manager and the Trustee shall review any suspension at least every 28 days. A suspension shall only continue for as long as it is justified having regard to the interests of the Unitholders. If such a suspension occurs, the recalculation of the price of the Units will recommence on the next business day following the resumption of dealing.

16 Valuation and pricing of Units

The Funds are single priced authorised funds. All deals will be on a forward pricing basis – i.e. by reference to the next following valuation after dealing instructions are agreed.

Valuation

The property of the Funds is valued for the purpose of determining prices at which Units in the Funds may be purchased or redeemed by the Manager as at midday on every working day (the "Valuation Point"), but may be valued more frequently if the Manager so decides. The Manager reserves the right to revalue the Funds at any time, at its discretion, subject to the provisions of the COLL Sourcebook and the Trust Deed.

All Fund property shall be valued at the most recent prices which it is practicable to obtain. However, if in the opinion of the Manager the price obtained is unreliable, or no recent traded price is available, or if no recent price exists, the Manager will value at a price which it believes is fair and reasonable. In determining the value of the Fund property, all agreements for the unconditional sale or purchase of property shall be assumed to have taken place and all consequential action required to have been taken (except that such agreements entered into shortly before the valuation point may be omitted if in the opinion of the Manager their omission will not materially affect the final net asset value). In addition, all instructions given to issue or cancel Units shall be assumed to have been carried out, and currencies or values in currencies other than the base currency shall be converted at the relevant time of valuation at a rate of exchange which is not likely to result in any material prejudice to the interests of Unitholders or potential Unitholders.

As the Funds are single priced authorised funds, the value of Units in each of the Funds is calculated on a single mid-market pricing basis, in accordance with the COLL Sourcebook and Trust Deed.

For all Funds the valuation of the assets of each Fund at each Valuation Point shall be calculated on the following basis:

- Investments with a single price (whether a transferable security or units or shares in a collective investment scheme) shall be valued at that price.

- Investments for which different buying and selling prices are quoted will be valued at the mid-market price.

- Other scheme property shall be valued at a fair and reasonable mid-market value.

- Derivative and forward transactions shall be valued as agreed between the Manager and the Trustee.

- Adjustments will be made for tax, outstanding borrowings and dealing expenses.

Price of Units

The price of a Unit is the value of the assets of the Fund attributable to the relevant class of Units of that Fund divided by the number of Units of that class in issue.

Special provisions apply in the case of an initial offer of Units, where the Manager sets the initial offer price.

Dilution policy

The basis on which the Funds' investments are valued for the purpose of calculating the buying and selling price of Units as stipulated in the COLL Sourcebook and the Trust Deed of each Fund is summarised above. This is subject to the application of the dilution policy.

Dealing costs in, and spreads between, the buying and selling prices of a Fund's underlying investments mean that the buying and selling prices of Units calculated for each Fund may differ from the value of the proportionate interests those Units represent in that Fund, and dealing at those prices could lead to a reduction in the value of the scheme property of the Fund and so disadvantage other Unitholders. The effect of this is known as "dilution".

The Manager may therefore make a dilution adjustment to the Unit price (which means that the price of a Unit will be above or below that which would have resulted from the mid-market valuation) on the sale, redemption, issue or cancellation of Units for the purposes of reducing dilution in a Fund (or to recover an amount which it has already paid or reasonably expects to pay in the future). This policy is known as "swing pricing". Where applied, the dilution adjustment to the price is therefore applied for the benefit of the Fund and its Unitholders and the Manager will not benefit.

The level of any such dilution adjustment for each Fund will be calculated by reference to the estimated costs of dealing in the underlying investments of the Fund, including any dealing spreads, commission and transfer taxes in accordance with the COLL Sourcebook.

The need to make a dilution adjustment will depend on the volume of sales or redemption of Units on any given day. The Manager may make a discretionary dilution adjustment if, in its opinion, the existing Unitholders (prior to sales) or remaining Unitholders (following redemptions) are likely to be economically adversely affected. In particular, a dilution adjustment may be made where:

(a) the Fund is, in the opinion of the Manager, experiencing a period of continued net outflows;

(b) the Fund is, in the opinion of the Manager, experiencing a period of continued net inflows;

(c) the Fund experiences a level of net redemptions or net sales on any given day which exceed a pre-determined level ("the Swing Threshold") for each Fund determined by the Manager as reasonably necessary in order to avoid dilution to that Fund. The Swing Threshold will be reviewed on an annual basis for each Fund and the amount of the dilution adjustment for each Fund will be reviewed on a quarterly basis by way of a Pricing and Valuation Group and will depend upon the predicted level of dilution within a Fund as a result of its likely dealing costs; or

(d) in any other case, the Manager is of the opinion that the interests of Unitholders require the imposition of a dilution adjustment and subject to the agreement of the Trustee.

Where a dilution adjustment is made, it will increase the dealing price when there are net inflows into a Fund and decrease the dealing price when there are net outflows.

As dilution is directly related to the value of inflows and outflows of money from a Fund, it is not possible to predict accurately whether dilution will occur at any future point in time. Consequently, it is also not possible to accurately predict how frequently the Manager will impose a dilution adjustment.

Because the dilution adjustment for a Fund will be calculated by reference to the costs of dealing in the underlying investments of that Fund, including any dealing spreads (which can vary with market conditions), the amount of any dilution adjustment can vary over time. The Manager will regularly monitor the rate and frequency of dilution adjustments made in respect of each Fund. The latest estimated rate of the dilution adjustment for the period ending 31 December 2019 (using historical data, and presented as a percentage of each Fund's NAV) is as follows for each Fund:

Fund	Estimated dilution adjustment applicable to redemptions as at 01/01/2020	Estimated dilution adjustment applicable to purchases as at 01/01/2020
Jupiter Merlin Balanced Portfolio	-0.08%	0.24%
Jupiter Merlin Conservative Portfolio	-0.11%	0.13%
Jupiter Merlin Growth Portfolio	-0.05%	0.10%
Jupiter Merlin Income Portfolio	-0.12%	0.46%
Jupiter Merlin Real Return	-0.04%	0.07%
Jupiter Merlin Worldwide Portfolio	-0.05%	0.05%

The price of each class of Units in a Fund will be calculated separately, but any dilution adjustment which is made will in percentage terms affect the price of Units of each class identically.

Calculation of dilution adjustment

In applying a dilution adjustment the Manager intends to use the following basis of valuation:

(a) when by reference to any valuation point the aggregate value of the Units of all classes of a Fund issued exceeds the aggregate value of Units of all classes cancelled (a net inflow), any adjustment will be upwards. The dilution adjustment shall not exceed the Manager's reasonable estimate of the difference between what the price would have been had the dilution adjustment not been taken into account and what the price would have been if the assets of the Fund had been valued on the best available market offer basis (plus dealing costs); and

(b) when by reference to any valuation point the aggregate value of the Units of all classes of a Fund cancelled exceeds the aggregate value of Units of all classes issued (a net outflow), any adjustment will be downwards. The dilution adjustment shall not exceed the Manager's reasonable estimate of the difference between what the price would have been had the dilution adjustment not been taken into account and what the price would have been if the assets of the Fund had been valued on the best available market bid basis (less dealing costs).

Although the Manager will regularly monitor the rate and frequency of dilution adjustments made in respect of each Fund, it is not possible to predict accurately whether dilution will occur at any future point in time as it is related to the inflows and outflow of monies. Consequently, it is also not possible to accurately predict how frequently the Manager will need to make dilution adjustment. However, for illustrative purposes, the Manager applied a dilution adjustment over a period of 12 months to 31 December 2018 as follows:

Fund	Frequency of occasions on which dilution adjustment was applied
Jupiter Merlin Balanced Portfolio	239
Jupiter Merlin Conservative Portfolio	239
Jupiter Merlin Growth Portfolio	239
Jupiter Merlin Income Portfolio	239
Jupiter Merlin Real Return	68
Jupiter Merlin Worldwide Portfolio	239

Publication of Prices

The most recent prices of Units in each Funds are available online at www.jupiteram.com and prices are also obtainable by calling the Manager on 0800 561 4000 or if calling from outside the UK, +44 (0)1268 448 642.

The Manager reserves the right to revalue the Funds at any time if it considers it desirable to do so.

The last cancellation price notified to the Trustee is available on request.

17 Manager's remuneration

Initial charge

The Trust Deed for each Fund permits the Manager to take an initial charge. The Manager does not currently impose an initial charge for its own account. Persons or entities investing through a distributor should, however, note that the distributor may, in purchasing Units in a Fund on behalf of its clients, levy its own initial charge.

Redemption charge

The Manager may charge a fee on the redemption of Units, but currently there is no redemption charge applying to Units of any of the Funds and any such charge could only be introduced in the future in respect of Units issued after the time of its introduction (and not in respect of existing Units).

Periodic charge

In addition, the Manager is entitled under the Trust Deed for each Fund to take remuneration out of the property of the Funds as disclosed in these Scheme Particulars.

The current rates of annual charge for the Unit classes in each of the Jupiter Merlin Balanced Portfolio; Jupiter Merlin Growth Portfolio; Jupiter Merlin Income Portfolio; and Jupiter Merlin Worldwide Portfolio are as follows:

Income and Accumulation Units:	1.5% per annum
I-Class Income Units and I-Class Accumulation Units:	0.75% per annum

The current rates of annual charge for the Unit classes in Jupiter Merlin Conservative Portfolio are as follows:

Income and Accumulation Units:	1.25% per annum
I-Class Income Units and I-Class Accumulation Units:	0.5% per annum

The current rates of annual charge for the Unit classes in Jupiter Merlin Real Return are as follows:

Accumulation Units:	1.25% per annum
I-Class Accumulation Units:	0.5% per annum
F-Class Accumulation Units:	0.25%

The annual charge for each Fund is calculated and accrued on a daily basis, with payment being made from the Fund for each accrual period on the last business day of the month. The daily charge is calculated with reference to the mid-market valuation of the property of the Fund in respect of each Unit class at the valuation point on the preceding business day. The first accrual period for any Fund will commence on the business day after the first valuation of the Fund is made and will end on the sixth business day prior to the next month end date. Subsequent accrual periods will commence on the calendar day immediately following the end of the previous accrual period and will end on the sixth business day prior to the following month end date. On the winding up of a Fund the last accrual period will end on the date of winding up.

As the objectives of Jupiter Merlin Conservative Portfolio, Jupiter Merlin Income Portfolio and Jupiter Merlin Balanced Portfolio include the generation of income with either higher or equal priority to the generation of capital growth, the Manager and the Trustee have agreed that, all or part of the Manager's periodic charge is to be treated as a capital charge although this may accordingly restrict capital growth. The maximum amounts which may be so treated in any accounting period will be the full amount of the Managers' periodic charge which has accrued due and been paid out of the Fund in respect of the period covered by such accounting period.

Registration Fee

Also the Manager is entitled to receive fees and expenses relating to the maintenance of the register. The fee for all of the Unit classes in each of the Funds except Jupiter Merlin Conservative Portfolio is currently 0.21% per annum. The fee for all of the Unit classes in Jupiter Merlin Conservative Portfolio is currently 0.10% per annum. The registration fee is calculated, accrued and paid in the same manner as the Manager's periodic charge described above. The actual amount of ongoing costs for register maintenance may be more or less than the registration fee charged, meaning the Manager may make a profit or incur a loss. The Manager is not under any obligation to account to the Trustee or the unitholders for any surplus or deficit.

18 Expenses payable out of the Funds' Property

In addition to the Manager's remuneration, the following charges and expenses are payable out of the property of the Funds. It should be noted that for the Jupiter Merlin Balanced Portfolio, Jupiter Merlin Conservative Portfolio and Jupiter Merlin Income Portfolio, the Manager and the Trustee have agreed that all of these charges and expenses will be treated as a capital expense (with the exception of interest on borrowing and taxation on income) and this will accordingly restrict capital growth.

a) (a) Trustee's remuneration

The Trustee receives for its own account a periodic fee which is agreed between the Manager and the Trustee. The fee is calculated, accrued and paid in the same manner as the Manager's periodic charge described above. The rate of the periodic fee payable to the Trustee in respect of each Fund is 0.005% of the scheme property.

The rate of the periodic fee payable to the Trustee can be varied from time to time in accordance with the COLL Sourcebook.

In addition to the periodic fee referred to above, the Trustee shall also be entitled to be paid transaction and custody charges in relation to transaction handling and safekeeping of the scheme property as follows:

Item	**Range**
Transaction Charges	£3 to £200
Custody Charges	0.008% to 0.6%

The range of charges listed above represents the full range of transaction and custody charges that could apply to a Fund. The actual transaction and custody charges that will apply to a Fund will vary from country to country depending on the markets and the type of transaction involved. 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 Trustee and the Manager. Custody charges accrue and are payable as agreed from time to time by the Manager and the Trustee.

Where relevant, the Trustee may make a charge for its services including, but not limited to, those in relation to: collections of income, submission of tax returns, handling tax claims, preparation of the Trustee's annual report, distributions, the provision of banking services, holding money on deposit, lending money, or engaging in stock lending or derivative transactions in relation to the Fund and may purchase or sell or deal in the purchase or sale of scheme property, provided always that the services concerned and any such dealing are in accordance with the provisions of the COLL Sourcebook.

The Trustee will also be entitled to payment and reimbursement of all costs, liabilities and expenses properly incurred in the performance of, or arranging the performance of, functions conferred on it by the Trust Deed, the Depositary agreement, the COLL Sourcebook or by the general law.

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

Any VAT on any fees, charges or expenses payable to the Trustee will be added to such fees, charges or expenses.

In each such case such payments, expenses and disbursements may be payable to any person (including the Manager or any associate or nominee of the Trustee or of the Manager) who has had the relevant duty delegated to it pursuant to the COLL Sourcebook by the Trustee.

b) Other Expenses of the Funds

The following other expenses will be reimbursed out of the property of the Funds:-

(i) broker's commission, fiscal charges and other disbursements which are necessary to be incurred in effecting transactions for the Funds, and normally shown in contract notes, confirmation notes and difference accounts as appropriate;

(ii) interest in permitted borrowing and related charges;

(iii) taxation and duties in respect of property of the Funds, the Trust Deeds or the issue of Units;

(iv) any costs incurred in modifying the Trust Deeds, including costs incurred in respect of meetings of holders convened for purposes which include the purpose of modifying the Trust Deeds, where the modification is necessary or expedient by reason of changes in the law or to remove obsolete provisions;

(v) any costs incurred in respect of meetings of holders convened on a requisition by holders not including the Manager or an associate of the Manager;

(vi) unanticipated liabilities on unitisation, amalgamation or reconstruction where the property of a body corporate or of another collective investment scheme is transferred to the Trustee in consideration of the issue of Units in the Funds to shareholders in that body or to participants in that other Funds;

(vii) the audit fees of the Auditor and any expenses of the Auditor;

(viii) the fees of the FCA under Schedule 1, Part III of the Act and the corresponding periodic fees of any regulatory authority in a country or territory outside the United Kingdom in which Units of the Funds are or may be marketed; and

(ix) value added tax payable in connection with any of the above.

Any third party research received in connection with investment management services that the Investment Manager provides to the Funds will be paid for by the Investment Manager.

19 Determination and Distribution of Income

On the income allocation dates, an amount, as determined by the Manager in accordance with the Trust Deed, is either paid, reinvested or accumulated to those Unitholders who are entitled to the distribution by evidence of their holding on the Register at the previous accounting date. Payments will be made by means of direct credit to the Unitholders nominated bank account. If the income allocation date is a non-business day, payment will be made on the previous business day.

If, in respect of a particular accounting period, the average income allocation to Unitholders (disregarding for the purpose any Units held by the Manager or the Trustee of their associates) would be less than £25, the Manager reserves the right (with the agreement of the Trustee) not to make any income allocation and, in such an event, the amount of income for that period will be credited to capital (and reflected in the value of Units).

Any distribution payment that remains unclaimed after six years will be transferred to and become part of the capital property of the trust. Therefore neither the payee nor Unitholder will have any right except as part of the capital property.

The Accounting Reference Dates and income allocation dates for the Funds are as shown below:

Fund	Accounting Date	Income Allocation Date	Interim / Annual
Jupiter Merlin Balanced Portfolio	31 May	31 July	Annual
	30 November	31 January	Interim
Jupiter Merlin Conservative Portfolio	30 November	31 January	Annual
	28 February	30 April	Interim
	31 May	31 July	Interim
	31 August	31 October	Interim
Jupiter Merlin Growth Portfolio	31 August	31 October	Annual
	28 February (29 February in a leap year)	30 April	Interim
Jupiter Merlin Income Portfolio	15 October	15 December	Annual
	15 January	15 March	Interim
	15 April	15 June	Interim
	15 July	15 September	Interim
Jupiter Merlin Real Return	30 June	31 August	Annual
	31 December	N/A	Interim
Jupiter Merlin Worldwide Portfolio	31 May	31 July	Annual
	30 November	N/A	Interim

Grouping for equalisation is permitted by the Trust Deeds. This means that Units purchased during an accounting period (group 2 Units; Units purchased during a previous period are group 1 Units) contain in their purchase price an amount called equalisation which represents a proportion of the net income of the Fund already accrued up to the date of purchase. This is refunded to holders of group 2 Units as part of their first accumulation but for tax purposes is treated as a return of capital. The amount of income equalisation is the amount arrived at by taking the aggregate of the amounts of income included in the issue price or the sale price of Units of the type in question issued or re-issued in the relevant period for grouping of Units, and dividing that aggregate by the number of those Units and applying the resultant average to each of the Units in question. Being capital it is not liable to income tax but must be deducted from the cost of Units for capital gains tax purposes. Grouping periods shall be equivalent to accounting periods in respect of which each distribution is made.

20 Approvals and notifications to Unitholders

Under the COLL Sourcebook, the Manager is required to seek Unitholder approval to, or notify Unitholders of, various types of changes to a Fund.

Fundamental changes

A fundamental change is a change or event which changes the purposes or nature of a Fund, or may materially prejudice a Unitholder or alters the risk profile of the Fund or introduces any new type of payment out of the Fund's scheme property. The Manager must, by way of an extraordinary resolution (which needs 75% of the votes cast at the meeting to be in favour if the resolution is to be passed), obtain prior approval from Unitholders for any such change. An extraordinary resolution is required, for example, for a change of investment objective or policy of a Fund, unless the change does not affect the risk profile of the Fund, the nature of purpose of the Fund and Unitholders are not materially prejudiced. In such circumstances a change of investment objective or policy could be treated as significant or notifiable as further explained below.

The convening and conduct of meetings of Unitholders and the voting rights of Unitholders at those meetings is governed by the provisions of the COLL Sourcebook and the Trust Deed of the Fund.

The Manager may convene a meeting at any time. Unitholders registered as holding at least 1/10th in value of all the Units then in issue may require that a meeting be convened. A requisition by Unitholders must state the objects of the meeting, and be dated and signed by those Unitholders and deposited at the head office of the Trustee. The Manager must convene a meeting no later than eight weeks after receipt of such requisition by the Trustee.

Unitholders will receive at least 14 days' written notice of a meeting (including the day of service of the notice and the day of the meeting). The notice will specify the day, hour and place of the meeting and the reductions to be put to the meeting. They are entitled to be counted in the quorum and vote at a meeting either in person or by proxy. The quorum for a meeting is two Unitholders, present in person or by proxy. If, at an adjourned meeting, a quorum is not present after a reasonable time from the time appointed for the meeting, one person entitled to be counted in a quorum present at the meeting shall constitute a quorum.

The Manager will not be counted in the quorum for a meeting. The Manager and its associates are not entitled to vote at any meeting, except in respect of Units which the Manager or an associate holds on behalf of or jointly with a person who, if himself the registered Unitholder, would be entitled to vote and from whom the Manager or associate has received voting instructions.

Every Unitholder who (being an individual) is present in person or (being a corporation) by its properly authorised representative shall have one vote on a show of hands.

A Unitholder may vote in person or by proxy (a person appointed by the Unitholder to attend and vote in place of the Unitholder) on a poll vote. A poll may be demanded by the chairman of the meeting (who shall be a person appointed by the Trustee, or in the absence of such a person, a person nominated by the Unitholders), the Trustee or any two Unitholders.

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

Significant changes

A significant change is a change or event which is not fundamental but which affects the Unitholder's ability to exercise his rights in relation to his investment; or would reasonably be expected to cause the Unitholder to reconsider his participation in the Fund; or results in any increased payments out of the Fund's property to the Manager or an associate of the Manager; or materially increases any other type of payments out of the Fund's property. The Manager must give reasonable prior notice (of not less than sixty days) in respect of any such significant change.

Notifiable changes

A notifiable change is a change or event of which a Unitholder must be made aware, but, although considered by the Manager not to be insignificant, it is not a fundamental change or a significant change. The Manager must inform Unitholders of a Fund in an appropriate manner and time scale of any notifiable changes that are reasonably likely to affect or have affected the operation of the Fund.

21 Winding up

(a) A Fund shall be wound up upon the happening of any of the following events or dates:

(i) the authorisation order of the Fund is revoked;

(ii) the passing of an extraordinary resolution winding up the Fund, provided the FCA's prior consent to the resolution has been obtained by the Manager or the Trustee;

(iii) in response to a request to the FCA by the Manager or the Trustee for the revocation of the authorisation order, the FCA has agreed, subject to there being no material change in any relevant factor that upon the conclusion of the winding up of the Fund the FCA will agree to that request; and

(iv) the effective date of a duly approved scheme of arrangement which is to result in the Fund that is subject to the scheme of arrangement being left with no property.

(b) If any of the events set out above occurs, the provisions of the FCA's rules concerning pricing and dealing and investment and borrowing powers will cease to apply. The Trustee shall cease the issue and cancellation of Units and the Manager will stop redeeming and selling Units. The procedure for winding up the Funds will be as follows:

(i) if an extraordinary resolution at a meeting of Unitholders in the Fund is passed approving a scheme of arrangement for the Fund, the Trustee will wind up the Fund in accordance with that scheme of arrangement;

(ii) in any other case, the Trustee will as soon as practicable after the Funds fall to be wound up, realise the property of the Funds and, after paying out of it all liabilities properly so payable and retaining provision for the costs of the winding up, distribute the proceeds to the holders and the Manager (upon production by them of evidence as to their entitlement) proportionately to their respective interests in the Funds; and

(iii) any unclaimed net proceeds or other cash held by the Trustee after the expiry of twelve months from the date on which the same became payable will be paid by the Trustee into Court subject to the Trustee having a right to receive out of it any expenses incurred by him in making that payment into Court.

22 Taxation

The following summary is intended to provide some general guidance to investors other than dealers in securities, on the current UK taxation of the Funds and their Unitholders. Please note that the tax treatment of investors depends on their individual circumstances and may be subject to change in the future. Investors should, therefore, always seek advice from a UK based professional adviser if they are in any doubt as to their taxation position. Always remember that the existing legislation on which these guidance notes are based could change in the future.

Taxation of the Funds

The Funds are taxed broadly as a company except that they do not suffer UK tax on capital gains. Unfranked income received (i.e. income other than tax exempt dividend income from companies) will attract corporation tax on this amount after deduction of allowable expenses which includes management expenses. For distributions received from UK authorised investment funds, the dividend distribution must be split between franked and unfranked portions. The unfranked portion is treated as an annual payment whereas the balance is treated as franked interest income. The Fund will be exempt from tax on the franked part. The unfranked part is treated as an annual payment received after deduction of tax at the basic rate of income tax. Any dividends received from companies will not suffer UK tax in the Fund unless the Fund elects to pay tax on particular dividend receipts. This may be beneficial in relation to overseas dividends where a reduced rate of overseas tax is available if the receipt is taxable in the UK. Such an election would only be made if it reduced the Fund's overall taxation costs.

The current rate of corporation tax for authorised unit trusts is 20%.

Foreign Account Tax Compliance Act ('FATCA') and other exchange of information agreements

The Hiring Incentives to Restore Employment Act (the "Hire Act") was signed into US law in March 2010. It includes provisions generally known as FATCA. The intention of these is that details of US investors holding assets outside the US will be reported by financial institutions to the IRS, as a safeguard against US tax evasion. As a result of the Hire Act, and to discourage non-US financial institutions from staying outside this regime, all US securities held by a financial institution that does not enter and comply with the regime will be subject to a US tax withholding of 30% on gross sales proceeds as well as income. The Manager intends to disclose all information required by the UK regulations relating to FATCA to avoid this US withholding tax.

For the purpose of compliance with FATCA, the Manager is appointed by the Jupiter Funds to act as the Sponsoring Entity. As a Sponsoring Entity, the Manager undertakes to perform the due diligence and reporting obligations for each Sponsored Entity to comply with FATCA and to register on the IRS website as a Sponsoring Entity. Each of the Funds is registered by the Manager with the IRS as a Sponsored Entity for FATCA purposes.

The International Tax Compliance Regulations 2015 came into force in the UK on 15 April 2015 and as well as re-enacting the requirements under FATCA above, also required information to be exchanged relating to all EU Member States under the Directive on Administrative Co-operation ('DAC') and all countries signed up to the Common Reporting Standard ('CRS') from 1st January 2016. The Manager intends to fully comply with the obligations imposed under these regulations.

In addition to exchange of information obligations, the Manager may also be required to provide investors details to tax authorities for the purposes of compliance with withholding tax filings.

Taxation of the Unitholders

Taxation on Interest Distributions

The Jupiter Merlin Conservative Portfolio, whose investments consist largely of interest bearing securities, is able to allocate its income as interest distributions as opposed to dividend distributions.

UK residents benefit from a personal savings allowance which exempts the first £1,000 of interest distributions and interest received by basic rate taxpayers (and there is no separate starting rate). The exempt amount is reduced to £500 for higher rate taxpayers, and additional rate taxpayers do not receive an allowance. The tax rates for basic, higher and additional rate taxpayers are 20%, 40% and 45% respectively for the 2018/2019 and 2019/2010 tax years.

All Unitholders will be sent vouchers showing their taxable income.

Taxation on Dividend Distributions

Each of the Funds other than the Jupiter Merlin Conservative Portfolio allocates their income as dividend distributions. They are paid without tax credits.

An annual dividend exemption of £2,000 (2018/2019 and 2019/2020 tax years) is available to UK taxpayers across all dividend income and will be available via the taxpayers annual UK tax return. The tax position for each investor will then depend on their individual circumstances. Basic rate tax payers will pay 7.5% tax on all dividend income above the exempt threshold and after annual personal allowances. Higher rate and additional rate tax payers will be liable to a further income tax on total dividends received over the exempt threshold in that year at a rate of 32.5% and 38.1% (2018/2019 and 2019/2020 tax years).

For UK resident corporate Unitholders, detailed provisions apply which split the dividend distribution between franked and unfranked portions. The tax treatment of the receipt is dependent upon the underlying income within the unit trust and on the division of the dividend distribution between franked and unfranked portions. The attention of Unitholders within the charge to UK corporation tax who invest in Funds is also drawn to the provisions of Section 490 of the Corporation Tax Act 2009. Where any Fund holds more than 60% of its assets in “qualifying investments” as defined in Section 494 of the Corporation Tax Act 2009 throughout an accounting period, UK resident corporate Unitholders should treat their holding (including its income) as a loan relationship. Corporate investors should consult their tax adviser for further details or look on the HMRC website for further information.

Taxation on Capital Gains

Unitholders who are resident in the UK for tax purposes may be liable to capital gains tax or, if a company, corporation tax in respect of gains arising from the sale or other disposal of Units (including switching between different Funds and certain conversions and switches within the same Fund and in particular any switches or conversions between a hedged or unhedged Unit class within the same Fund).

When the first income allocation is made to Units purchased during an accounting period, the amount representing the income equalisation in the price of the Units is a return of capital and is not taxable as income in the hands of the Unitholders. This amount should be deducted from the cost of Units in computing any capital gains realised on a subsequent disposal.

For individuals the first £12,000 (2019/2020 tax year and £11,700 for the 2018/2019 tax year) of chargeable gains from all sources is exempt from tax and thereafter chargeable gains are taxable. For individuals, where their total taxable income and gains (after deductions) are less than the upper limit of the basic rate income tax band (£37,500 for 2019/2020 tax year and £34,500 for 2018/2019 tax year), the rate of CGT is 10%. For gains where an individual's total taxable income and gains exceeds this limit the rate is 20%. Unitholders who are not individuals (e.g. trusts) should consult their tax adviser or look on the HMRC website for further information.

For UK resident companies, any chargeable gain will be subject to corporation tax at the rate applicable to the company in question. Losses or other reliefs may be available to reduce or eliminate any such tax. UK resident companies may be able to benefit from indexation relief on increases in the value of their holdings that accrued before 1 January 2018.

The attention of Unitholders within the charge to UK corporation tax and who invest in the Jupiter Merlin Conservative Portfolio is drawn to the provisions of Section 490 of the Corporation Tax Act 2009. Under these provisions, holdings in the Jupiter Merlin Conservative Portfolio will be taxed as creditor relationships of the Unitholder. That creditor relationship can only be taxed on a fair value basis of accounting. This means that the Unitholder within the charge to corporation tax can be charged to tax on unrealised profits and gains in each accounting period. Section 490 of the Corporation Tax Act 2009 can also apply to Unitholders within the charge to corporation tax in respect of any other Fund if at any time in an accounting period such other Fund or Funds holds more than 60% of its or their assets in qualifying investments as defined in Section 494 of the Corporation Tax Act 2009.

Reporting Requirements

The Manager may report information about Unitholders to HMRC in compliance with its domestic (and any overseas) obligations relating to Automatic Exchange of Information Agreements for FATCA and the DAC/CRS which are described above under the heading "Foreign Account Tax Compliance Act ('FATCA') and other exchange of information agreements". For more information, see Section 12 above "Buying Units", sub-heading "Disclosures".

23 Manager's Trading Profits

The Manager is under no obligation to account to the trustees or to Unitholders for any profits made by the Manager on the issue of Units in the Fund or on the re-issue or cancellation of Units previously redeemed by the Manager.

24 General Information

For your security, the Manager, our delegates and duly appointed agents and any of their respective related, associated or affiliated companies may record or randomly monitor all telephone calls for record keeping, security and/or training purposes. Recordings will be provided on request for a period of at least five years from the date of such recording, or, where requested by a competent regulatory authority, for a period of seven years, where we can identify the call coming from you. If you ask us to send you a recording of a particular call, we may ask for further information to help us identify the exact call to which your request relates.

Copies of the Trust Deeds, any deeds supplemental thereto, these Scheme Particulars and the annual and half yearly Long Reports are kept and may be inspected at and obtained from The Zig Zag Building, 70 Victoria Street, London, SW1E 6SQ. Full Reports and Accounts of the Funds will be available from the Manager on request.

The Manager will serve any notice or document on Unitholders by sending them by second class post to the name and address on the register and in the case of joint Unitholders, to the first mentioned on the register.

The Manager will publish the annual and half yearly Long Reports regarding the progress of the Funds every six months on or before the income allocation dates shown in Section 19 above. Long Reports and Accounts of the Funds will be available from the Manager on request. These reports will include details of any changes to the maximum level of leverage that may be employed for a Fund as well as details of the total amount of leverage employed by each Fund. These reports may also include other periodic disclosures required by the FUND Sourcebook.

The Manager is a member of the same group as Jupiter Asset Management Limited which manages a number of investment vehicles. Subject to the investment limits summarised in Sections 8 and 9 above, the Manager may from time to time invest part of a Fund in investment vehicles managed by Jupiter Asset Management Limited or any Associate of Jupiter Asset Management Limited.

Fair Treatment of Investors

Procedures, arrangements and policies have been put in place by the Manager to ensure compliance with the principles of fair treatment of investors. The principles of treating investors fairly include, but are not limited to:

(a) acting in the best interests of the Funds and of the investors;

(b) executing the investment decisions taken for the account of the Funds in accordance with the objective, the investment policy and the risk profile of the Funds;

(c) ensuring that the interests of any group of investors are not placed above the interests of any other group of investors;

(d) ensuring that fair, correct and transparent pricing models and valuation systems are used;

(e) taking all reasonable steps to avoid conflicts of interests and, when they cannot be avoided, identifying, managing, monitoring and, where applicable, disclosing those conflicts of interest to prevent them from adversely affecting the interests of investors; and

(f) recognising and dealing with complaints fairly.

From time to time, the Manager may afford preferential terms of investment to certain groups or types of investor. In assessing whether any such terms are afforded, the Manager will ensure that any such concession is not inconsistent with its obligation to act in the overall best interests of Unitholders.

In particular, the Manager may exercise its discretion to waive investment minima in a Class for investors that are investing sufficiently large amounts, either initially or are anticipated to do so over time. The Manager may also have agreements in place with certain types of investors that result in them paying a reduced annual management charge.

The types of investors that might obtain such concessions would typically include platform service providers, distributors and institutional investors (including fund of fund investors and life companies investing as fund-link investors).

Governing law and jurisdiction

The Manager treats a Unitholder's participation in a Fund as being governed by the law of England and Wales. Subject to any mandatory laws to the contrary, the English courts shall have exclusive jurisdiction to settle any disputes or claims which may arise out of or in connection with a Unitholder's participation in a Fund.

25 Risk Factors

Investors should consider the following risk factors before investing in the Funds. It should be noted that the risk factors set out below do not purport to be a complete explanation of the risks involved in investing in the Funds. Prospective investors should read the entire document and consult with their legal, tax and financial advisers before making any investment decision. Some of the risk factors below relate to the underlying collective investment schemes in which the Funds invest, and others relate to the exposure obtained to underlying assets in each Fund.

- **General**

An investment in the Funds is suitable only for investors who are capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss which might result from such investment. Potential investors should consult their stockbroker, bank manager, solicitor, accountant or their independent financial adviser before investing.

Investment in the Funds should be regarded as long term in nature. There can be no guarantee that any appreciation in the value of the Fund's investments will occur and investors may not get back the full value of their investment. Although it will be the policy of each Fund to diversify its investment portfolio, a Fund may at certain times hold relatively few investments. The Fund could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected, including default of the issuer.

All investments involve risks and there can be no guarantee against loss resulting from an investment in any shares, nor can there be any guarantee that a Fund's investment objectives will be attained in respect of its overall performance. Investors should therefore ensure (prior to any investment being made) that they are satisfied with the risk profile of the overall objectives disclosed.

- **General Investment Risks**

In addition to the opportunities for price gains and earnings, investment in securities also involves risks because the prices could fall below the purchase price paid. Factors affecting the value of securities in some markets and under certain situations cannot easily be determined and the value of such investments may decline or be reduced to zero.

The AIFM employs a risk management process that enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of each Fund. The Fund will also employ, if applicable, a process for accurate and independent assessment of the value of any OTC derivative instruments.

- **Charges from capital**

Some charges (e.g. management fees) may be charged to capital of the Fund. In such circumstances the capital growth of the Fund will be constrained.

- **Risks related to investment in underlying funds**

The Investment Manager may not always be provided with detailed information regarding all of the investments made by underlying funds because certain aspects of this information may be considered proprietary information by the managers of those underlying funds. This potential lack of access to information may make it more difficult for the Investment Manager to select, allocate among and evaluate individual fund managers.

Despite the due diligence procedures which will be used to select and monitor the individual underlying funds in which the assets of the Funds will be invested, there can be no assurance that past performance information in relation thereto will be indicative of how such investments will perform (either in terms of profitability or correlation) in the future.

Although the Investment Manager will seek to monitor the investments and trading activities of the underlying funds in which the Fund has invested, investment decisions will normally be made independently at the level of such underlying funds and it is possible that some managers will take positions in the same security or in issues of the same industry or country at the same time. Consequently, the possibility also exists that one underlying fund may purchase an instrument at about the same time as another underlying fund decides to sell it. There can be no guarantee that the selection of the managers will actually result in a diversification of investment styles and that the positions taken by the underlying funds will always be consistent.

- **Risks related to investments in equities**

Experience has shown that equities are subject to strong price fluctuations. That is why they offer the possibility of considerable price gains but also involve the corresponding risks. Share prices are influenced above all by the profits or otherwise of individual enterprises and sectors as well as macro-economic developments and political perspectives which determine the expectations of the securities markets and thus the movement of prices.

- **Risks related to investments in fixed-interest securities**

Price changes in fixed-interest securities are influenced predominantly by interest rate developments in the capital markets, which in turn are influenced by macro-economic factors. Fixed-interest securities could suffer when capital market interest rates rise, while they could increase in value when capital market interest rates fall. The price changes also depend on the term or residual time to maturity of the fixed-interest securities. In general, fixed-interest securities with shorter terms have less price risks than fixed-interest securities with longer terms.
However, they generally have lower returns and, because of the more frequent due dates of the securities portfolios, involve higher re-investment costs.

- **Contingent Convertible bonds**

The Funds are able to invest in convertible bonds, which may include contingent convertible bonds (also known as CoCos).

CoCos are a form of debt security issued by banking institutions that are intended to either convert into shares (potentially at a discounted price due to the deterioration of the financial condition of the issuer) or have their principal written down upon the occurrence of certain 'triggers' linked to the banking institution's regulatory capital thresholds or where the issuer's regulatory authorities question the continued viability of the entity as a going-concern. Trigger events can vary but these could include the capital ratio of the issuer falling below a certain level, or the share price of the issuer falling to a particular level for a certain period of time.

Contingent convertible bonds are risky and highly complex instruments. The following specific risks are associated with investment in CoCos:

- **Loss absorption risk -** CoCo features have been designed to meet specific regulatory requirements imposed on banking institutions. In particular, as stated above, CoCos can be converted into equity of the issuing banking institution or have their principal written down if their regulatory capital ratio falls below a pre-determined level or when the relevant regulatory authority deems the banking institution being non-viable. In addition those hybrid debt instruments have no stated maturity and fully discretionary coupons. This means coupons can potentially be cancelled at the banking institution's discretion or at the request of the relevant regulatory authority in order to help the bank absorb losses.

- **Subordinated Instruments -** CoCos will, in the majority of circumstances, be issued in the form of subordinated debt instruments in order to provide the appropriate regulatory capital treatment prior to a conversion. Accordingly, in the event of liquidation, dissolution or winding up of an issuer prior to a conversion having occurred, the rights and claims of the holders of the CoCos, such as the Funds, against the issuer in respect of or arising under the terms of the CoCos shall generally rank junior to the claims of all holders of unsubordinated obligations of the issuer. In addition, if the CoCos are converted into the issuer's underlying equity securities following a conversion event, each holder will be subordinated due to their conversion from being the holder of a debt instrument to being the holder of an equity instrument.

- **Market Value -** The value of CoCos is unpredictable and will be influenced by many factors including, without limitation (i) the creditworthiness of the issuer and/or fluctuations in such issuer's applicable capital ratios; (ii) supply and demand for the CoCos; (iii) general market conditions and available liquidity and (iv) economic, financial and political events that affect the issuer, its particular market or the financial markets in general.

- **High-Yield bonds**

  The Manager has the power to invest in high yield bonds (a type of fixed interest security with a low rating from a credit rating agency). These bonds often offer a higher income than bonds which are highly rated by a credit rating agency, however, also carry a greater risk of not being able to pay the income as promised or return the capital used to purchase the bond. This can lead to the value of your investment falling. Changing market conditions and interest rate levels can also have a larger impact on the value of these bonds compared to other bonds.

  Due to the overall structure of the portfolio the value of monthly income payments may fluctuate.

- **Credit and counterparty risks**

  Even when the securities to be acquired are selected carefully, the credit risk, i.e. the risk of loss through the inability of issuers to pay (issuer risk), cannot be excluded. The value of a Fund may be adversely affected if any of the institutions with whom the assets of the Fund are invested or deposited suffers insolvency or other financial difficulties. The Funds may invest in derivatives for efficient portfolio management (including hedging). There is a risk that the use of such instruments will not achieve the goals aimed at. Also, the use of swaps, contracts for differences and other derivative contracts entered into by private agreements may create a counterparty risk for the Fund concerned. This risk is mitigated by the fact that the counterparties must be institutions subject to prudential supervision and that the counterparty risk on a single entity must be limited in accordance with the investment restrictions. The secondary market price of such derivative instruments will vary in accordance with the market's perception of the credit worthiness of the issuer. In the event of failure of the counterparty the Fund may only rank as an unsecured creditor in respect of sums due from the issuer or broker in question, meaning that the Fund may be unable to recover part or all of the assets exposed to that counterparty and any such recovery may be significantly delayed. Such delay or loss would be to the detriment of the net asset value of shares in the relevant Fund.

- **Liquidity risk**

  In extreme market conditions there may be a lack of liquidity in the market which may adversely affect the ease of disposal of assets and the price at which the securities held by a Fund can be sold. The absence of reliable pricing information in a particular security held by a Fund may make it difficult to assess reliably the market value of assets. The AIFM manages a quarterly process testing for each of its portfolios to confirm that at a minimum all AIFs are managed to ensure that their investment strategy, liquidity profile and redemption policy are consistent and comply with an AIF's underlying obligations.

- **Sector and/or geographical concentration**

  Funds which specialise in investing in a particular market sector or geographical region are likely to be more volatile than Funds with a broader range of investments. This risk is greater in relation to investment in emerging market countries which may experience political and economic changes.

- **Options**

  An option is the right (but not the obligation) to buy or sell a particular asset or index at a stated price at some date in the future. In exchange for the rights conferred by the option, the option buyer has to pay the option seller a premium for taking on the risk that comes with the obligation. The option premium depends on the strike price, volatility of the underlying, as well as the time remaining to expiration.

  Options are associated with particular risks which can differ in importance, depending on the position taken:

  • the purchase price of a call or put option is lost on the date of maturity;

  • if a call option is sold, there is a risk that the Fund will no longer be able to participate in especially strong appreciation of the asset. If put options are sold, there is a risk that the Fund will be obligated to acquire assets at the exercise price, even though the market value of these assets is significantly lower; and

  • the value of the Fund can be more strongly influenced through the leveraging of options than would be the case if assets were acquired directly.

- **Financial futures contracts**

  Financial futures contracts are standardised contracts between two parties to buy or sell a specified asset or index with a standardised quantity for a price agreed today with delivery and payment occurring on a future date. They are associated with considerable opportunities as well as risks, because only a fraction of the relevant contract size (initial deposit) must be paid immediately. If the expectations of the Investment Manager are not fulfilled, the difference between the price at the time of conclusion and the market price must be borne by the Fund by no later than the due date of the transaction. The amount of the possible loss is thus not known in advance and may exceed any collateral provided.

- **Swaps**

Swaps involve a particular contracting party risk in that the contracting party may be unable to meet its payment obligations, or may do so only partially or late. Swaps also involve a market risk arising from fluctuations in exchange rates and interest rates. In the case of swaps which convert into foreign currency, there are also exchange rate opportunities and risks. Moreover, these swaps are subject to what is called a transfer risk, something which also exists with other swaps involving cross-border transactions. Credit default swaps may trade differently from the funded securities of the reference entity. In adverse market conditions, the basis (difference between the spread on bonds and the spread on credit default swaps) can be significantly more volatile than funded securities.

As of the date of these Scheme Particulars, no Fund currently enters into total return swaps within the meaning of Regulation (EU/2014/2365) on transparency of securities financing transactions and of reuse (the "SFT Regulation").

- **Exchange rate hedging transactions**

  Exchange rate hedging transactions serve to reduce exchange rate risks. As these hedging transactions only protect the Fund to a limited extent to one part of the exchange rate losses, it cannot be ruled out that exchange rate fluctuations can have a negative impact on the performance of the Fund.

- **Future exchange transactions**

  The costs and possible losses arising in future exchange transactions through the purchase of the corresponding option rights and warrants reduce the operating profit of the Fund.

- **Risk reduction and risk avoidance measures**

  The Investment Manager uses modern methods of analysis to optimise the opportunity/risk ratio of an investment in securities. Through shifting and temporarily higher cash balances, the portion of the Fund not invested in securities serves the objectives of the investment policy in that it reduces the effect of possible price falls in securities investments. Nevertheless, no assurance can be given that the objectives of the investment policy will be reached.

- **Emerging and less developed markets**

  In emerging and less developed markets, the legal, judicial and regulatory infrastructure is still developing but there is much legal uncertainty both for local market participants and their overseas counterparts. Some markets may carry higher risks for investors who should therefore ensure that, before investing, they understand the risks involved and are satisfied that an investment is suitable as part of their portfolio. Investments in emerging and less developed markets should be made only by sophisticated investors or professionals who have independent knowledge of the relevant markets, are able to consider and weigh the various risks presented by such investments, and have the financial resources necessary to bear the substantial risk of loss of investment in such investments.

- **Political and economic risk factors**

  There is in some emerging market countries, in which certain Funds may invest, a higher than usual risk of nationalisation, expropriation or confiscatory taxation, any of which might have an adverse effect on the value of investments in those countries. Emerging market countries may also be subject to higher than usual risks of political changes, government regulation, social instability or diplomatic developments (including war) which could adversely affect the economies of the relevant countries and thus the value of investments in those countries. The economics of many emerging market countries can be heavily dependent on international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, managed adjustments on relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade and international economic developments generally.

- **Risks related to the European sovereign risks crisis**

  Changes to the European Monetary Union (Union), including the departure of one or more member countries or a complete failure of the Eurozone, may lead to consequential issues for the operation of the Funds and may, for example, materially affect redenomination, benchmarks, the ability to value the assets of the Funds and redemptions.

- **Risks related Brexit**

  On 23 June 2016, the United Kingdom held a referendum at which it voted in favour of leaving the European Union, commonly known as "Brexit". While the long-term economic effects of Brexit on the United Kingdom may or may not be positive, it is nevertheless likely that a period of significant political, regulatory and commercial uncertainty will result.

- **Political and/or Regulatory Risks**

  The value of the assets of a Fund may be affected by uncertainties such as national and international political and economic events and developments, changes in government policies, taxation, restrictions on international investment and currency repatriation, currency fluctuations and other developments in applicable laws and regulations. Such political, economic and/or regulatory risks include the risk that a government will convert, or be forced to convert, its currency to another currency. This may cause the value of a Fund’s investments that was denominated in the original currency to change relative to the Fund’s base currency.

- **Dilution Impact Risk**

  Where the Manager elects not to apply a dilution adjustment in relation to a Fund, there may be an adverse dilution impact on the total assets of the Fund pursuant to net sales or redemptions.

26 Strategy for the exercise of Voting Rights

The Manager has a strategy for determining when and how voting rights attached to ownership of Scheme Property are to be exercised for the benefit of each Fund. A summary of this strategy is available from the Manager as are details of the actions taken on the basis of this strategy in relation to each Fund.

27 Dealing Arrangements and Inducements

When executing orders, or placing orders with other entities for execution, that relate to financial instruments for, or on behalf of, the fund, the Manager and the Investment Manager will not accept and retain any fees, commissions or monetary benefits; or accept any non-monetary benefits, where these are paid or provided by any third party or a person acting on behalf of a third party. The Manager and the Investment Manager will return to each relevant Fund as soon as reasonably possible after receipt any fees, commissions or any monetary benefits paid or provided by any third party or a person acting on behalf of a third party in relation to the services provided to that fund, and disclose in the annual report the fees, commissions or any monetary benefits transferred to them. However, the Manager and the Investment Manager may accept without disclosure any minor non-monetary benefits that are capable of enhancing the quality of service provided to clients; and of a scale and nature such that they could not be judged to impair their compliance with its duty to act honestly, fairly and professionally in the best interests of clients.

28 Order Execution Policy

The Investment Manager's order execution policy sets out the basis upon which it will effect transactions and place orders in relation to the Funds whilst complying with its obligations under the FCA Handbook to obtain the best possible result for client.

Details of the order execution policy are available from the Manager on request and from Jupiter's website at www.jupiteram.com.

29 Complaints

If you wish to complain about any aspect of the service you have received, please contact the Manager by writing to Jupiter Customer Services, PO Box 10666, Chelmsford, CM99 2BG. If your complaint is not dealt with to your satisfaction you can complain to the Financial Ombudsman Service, Exchange Tower, London, E14 9SR. Making a complaint will not prejudice your right to take legal proceedings. Copies of Jupiter's internal complaint handling procedure are available on request. Further information regarding any compensation scheme or any other investor-compensation scheme of which the Manager or any Fund is a member (including, if relevant, membership through a branch) or any alternative arrangement provided, are also available on request.

30 Your Personal Information

The Manager's privacy notice details the collection, use and sharing of Unitholders' personal data in connection with their investment in the Funds. Any personal information provided to, collected by, or on behalf of, the Manager will be processed by the Manager as a data controller in compliance with the General Data Protection Regulation or any other law relating to data protection in the United Kingdom. The privacy notice can be found on the Manager's website at https://www.jupiteram.com/Shared-Content/Legal-content-pages/Privacy.

This notice may be updated from time to time with the latest version always being available at the above website. As such, Unitholders can ensure that they are referring to the latest version by looking at the version online. Unitholders who access the Funds through an intermediary such as a wealth manager, platform service or ISA plan manager, should also contact that organisation for information about its treatment of their personal data.

Any Unitholder who provides the Manager and its agents with personal information about another individual (such as a joint investor), must also show the privacy notice to those individuals.

31 Historical Performance Record

Jupiter Fund	%age Growth 31/07/2014 to 31/07/2015	%age Growth 31/07/2015 to 31/07/2016	%age Growth 31/07/2016 to 31/07/2017	%age Growth 31/07/2017 to 31/07/2018	%age Growth 31/07/2018 to 31/07/2019
Jupiter Merlin Balanced Portfolio (Income Units)	10.92	9.30	10.42	7.13	7.53

Target Benchmark: IA Mixed Investment 40%-85% Shares Sector	7.33	6.32	11.44	5.63	5.06
Jupiter Merlin Balanced Portfolio (Accumulation Units)	10.92	9.30	10.40	7.11	7.54
Target Benchmark: IA Mixed Investment 40%-85% Shares Sector	7.33	6.32	11.44	5.63	5.06
Jupiter Merlin Balanced Portfolio (I-Class Income Units)	11.77	10.11	11.25	7.91	8.35
Target Benchmark: IA Mixed Investment 40%-85% Shares Sector	7.33	6.32	11.44	5.63	5.06
Jupiter Merlin Balanced Portfolio (I-Class Accumulation Units)	11.76	10.12	11.23	7.88	8.35
Target Benchmark: IA Mixed Investment 40%-85% Shares Sector	7.33	6.32	11.44	5.63	5.06
Jupiter Merlin Conservative Portfolio (Income Units)	3.40	5.66	5.39	2.13	6.00
Target Benchmark: IA Mixed Investment 0%-35% Shares Sector	3.87	5.77	4.92	1.48	4.09
Jupiter Merlin Conservative (Accumulation Units)	3.40	5.66	5.38	2.12	6.00
Target Benchmark: IA Mixed Investment 0%-35% Shares Sector	3.87	5.77	4.92	1.48	4.09

Jupiter Merlin Conservative (I-Class Income Units)	4.18	6.44	6.19	2.84	6.80
Target Benchmark: IA Mixed Investment 0%-35% Shares Sector	3.87	5.77	4.92	1.48	4.09
Jupiter Merlin Conservative (I-Class Accumulation Units)	4.18	6.44	6.18	2.88	6.81
Target Benchmark: IA Mixed Investment 0%-35% Shares Sector	3.87	5.77	4.92	1.48	4.09
Jupiter Merlin Growth Portfolio (Income Units)	12.67	8.43	11.50	8.15	10.15
Target Benchmark: IA Flexible Investment Sector	7.04	6.19	13.19	5.57	4.39
Jupiter Merlin Growth Portfolio (Accumulation Units)	12.67	8.44	11.49	8.14	10.15
Target Benchmark: IA Flexible Investment Sector	7.04	6.19	13.19	5.57	4.39
Jupiter Merlin Growth Portfolio (I-Class Income Units)	13.51	9.25	12.34	8.95	10.97
Target Benchmark: IA Flexible Investment Sector	7.04	6.19	13.19	5.57	4.39
Jupiter Merlin Growth Portfolio (I-Class Accumulation Units)	13.50	9.25	12.34	8.94	10.98

Target Benchmark: IA Flexible Investment Sector	7.04	6.19	13.19	5.57	4.39
Jupiter Merlin Income Portfolio (Income Units)	4.99	3.46	7.83	3.74	6.04
Target Benchmark: IA Mixed Investment 20%-60% Shares Sector	5.03	5.30	8.28	3.02	3.88
Jupiter Merlin Income Portfolio (Accumulation Units)	4.98	3.47	7.83	3.69	6.05
Target Benchmark: IA Mixed Investment 20%-60% Shares Sector	5.03	5.30	8.28	3.02	3.88
Jupiter Merlin Income Portfolio (I-Class Income Units)	5.62	4.08	8.48	4.32	6.68
Target Benchmark: IA Mixed Investment 20%-60% Shares Sector	5.03	5.30	8.28	3.02	3.88
Jupiter Merlin Income Portfolio (I-Class Accumulation Units)	5.62	4.09	8.48	4.29	6.68
Target Benchmark: IA Mixed Investment 20%-60% Shares Sector	5.03	5.30	8.28	3.02	3.88
Jupiter Merlin Real Return (Accumulation Units)	N/A	N/A	N/A	N/A	1.04
Target benchmark: CPI + 3% p.a. over rolling three years	N/A	N/A	N/A	N/A	5.06

Jupiter Merlin Real Return (I-Class Accumulation Units)	N/A	N/A	N/A	N/A	1.79
Target benchmark: CPI + 3% p.a. over rolling three years	N/A	N/A	N/A	N/A	5.06
Jupiter Merlin Real Return (F-Class Accumulation Units)	N/A	N/A	N/A	N/A	N/A
Target benchmark: CPI + 3% p.a. over rolling three years	N/A	N/A	N/A	N/A	N/A
Jupiter Merlin Worldwide Portfolio (Income Units)	12.33	10.92	11.59	8.89	10.99
Target Benchmark: IA Global Sector	9.40	12.46	17.83	10.16	10.03
Jupiter Merlin Worldwide Portfolio (Accumulation Units)	12.33	10.92	11.59	8.89	10.99
Target Benchmark: IA Global Sector	9.40	12.46	17.83	10.16	10.03
Jupiter Merlin Worldwide Portfolio (I-Class Income Units)	13.16	11.77	12.43	9.71	11.83
Target Benchmark: IA Global Sector	9.40	12.46	17.83	10.16	10.03
Jupiter Merlin Worldwide Portfolio (I-Class Accumulation Units)	13.16	11.76	12.43	9.71	11.83

Target Benchmark: IA Global Sector	9.40	12.46	17.83	10.16	10.03

APPENDIX I – OTHER AUTHORISED UNIT TRUSTS MANAGED BY JUPITER UNIT TRUST MANAGERS LIMITED

Jupiter Absolute Return Fund

Jupiter Asian Fund

Jupiter Asian Income Fund

Jupiter China Fund

Jupiter Corporate Bond Fund

Jupiter Distribution Fund

Jupiter Distribution and Growth Fund

Jupiter Ecology Fund

Jupiter Emerging European Opportunities Fund

Jupiter Enhanced Distribution Fund[1]

Jupiter European Fund

Jupiter European Income Fund

Jupiter European Special Situations Fund

Jupiter Financial Opportunities Fund

Jupiter Fund of Investment Trusts

Jupiter Global Emerging Markets Fund

Jupiter Global Equity Income Fund

Jupiter Global Managed Fund

Jupiter Global Value Equity Fund

Jupiter Global Sustainable Equities Fund

Jupiter Growth and Income Fund

Jupiter Income Trust

Jupiter India Fund

Jupiter International Financials Fund

[1] As of 31 March 2020, Jupiter Enhanced Distribution Fund will be in process of being wound up and will no longer be available for investment.

Jupiter Japan Income Fund

Jupiter Monthly Alternative Income Fund

Jupiter North American Income Fund

Jupiter Responsible Income Fund

Jupiter Strategic Bond Fund

Jupiter UK Growth Fund

Jupiter UK Smaller Companies Fund

Jupiter UK Special Situations Fund

Jupiter UK Alpha Fund[2]

[2] As of 31 March 2020, Jupiter UK Alpha Fund will be in process of being wound up and will no longer be available for investment.

APPENDIX II – BIOGRAPHIES OF DIRECTORS

PHIL WAGSTAFF

Global Head of Distribution: Phil Wagstaff joined Jupiter in 2019 as Global Head of Distribution and a member of the Executive Committee. He has nearly 30 years' experience in the fund management industry, covering all aspects of distribution, including sales, product and marketing. Most recently he was Global Head of Distribution at Janus Henderson and prior to this he held senior distribution roles at Gartmore, New Star and M&G.

PAULA MOORE

Chief Operating Officer: Paula Moore is responsible for the operating activities of the Jupiter Group. Paula qualified as a Chartered Accountant, and has over twenty years' experience in the financial services industry. She joined Jupiter in 1997, and has proven technical, analytical and strategic decision-making skills at senior level. Her earlier career included roles at EY, Apax Partners and PFM Group (a wealth manager).

JASVEER SINGH

General Counsel: Jasveer Singh joined Jupiter in 2016 as General Counsel with responsibility for the firm's legal, regulatory, compliance and company secretarial matters. He is also a member of Jupiter's Executive Committee with a key role in supporting the delivery of Jupiter's overall business strategy with extensive board, strategic and governance responsibilities. Jasveer joined Jupiter after 12 years at Man Group plc where he was Group General Counsel, a director of various operating subsidiaries and Chair of the Global Product Development & Control Committee. Prior to Man Group plc, Jasveer practised in the Private Funds Group at Clifford Chance focussing on a broad range of funds, financial services and regulatory work.

KIRSTENE BAILLIE

Non-Executive Director. Kirstene Baillie was appointed as a Non-Executive Director on 1 May 2019. Kirstene is a specialist financial services lawyer and is a partner at Fieldfisher LLP. She has over 30 years' experience in the sector with particular expertise in acting for asset managers in relation to investment funds and products, including alternative investment fund structures and insurance and pension products. She was a member of the UK FCA's Legal Experts Group regarding implementation of the Alternative Investment Fund Managers Directive.

TIMOTHY SCHOLEFIELD

Non-Executive Director. Tim Scholefield was appointed Non-Executive Director on 1 May 2019. Tim has 29 years of experience in the investment management industry, including as Head of Equities at Baring Asset Management until April 2014. He is Chairman of City Merchants High Yield Limited and a non-executive director of Fidelity Asian Values plc, Standard Life UK Smaller Companies Trust plc and BMO Capital and Income Investment Trust plc.

APPENDIX III – ELIGIBLE MARKETS

1. Eligible securities markets

		Jupiter Merlin Balanced Portfolio	Jupiter Merlin Conservative Portfolio	Jupiter Merlin Growth Portfolio	Jupiter Merlin Income Portfolio	Jupiter Merlin Real Return	Jupiter Merlin Worldwide Portfolio
European Economic Area Countries	All Stock Exchanges that are regulated, operate regularly and are open to the public	√	√	√	√	√	√
Australia	ASX Group		√				
Brazil	BM&F BOVESPA SA		√				
Canada	Toronto Stock Exchange		√				
China	Shanghai Stock Exchange		√				
	Shenzhen Stock Exchange		√				
Hong Kong	HKex		√				
India	BSE		√				
	National Stock Exchange		√				
Indonesia	Indonesia Stock Exchange		√				
Israel	Tel Aviv Stock Exchange		√				
Japan	Japan Exchange Group		√				
	Nagoya Stock Exchange		√				
	Sapporo Securities Exchange		√				
The Republic of Korea	Korea Exchange		√				
Malaysia	Bursa Malaysia		√				

Mexico	Bolsa Mexicana de Valores		√				
Morocco	Casablanca Stock Exchange						
New Zealand	New Zealand Exchange Ltd		√				
Pakistan	Pakistan Stock Exchange Ltd		√				
Philippines	The Philippine Stock Exchange, Inc		√				
Russia	Moscow Exchange		√				
Singapore	Singapore Exchange Ltd SGX		√				
South Africa	JSE Ltd		√				
Sri Lanka	Colombo Stock Exchange		√				
Switzerland	SIX Swiss Exchange	√	√	√	√	√	√
Taiwan	Taiwan Stock Exchange Corporation		√				
Thailand	The Stock Exchange of Thailand		√				
Turkey	Borsa Istanbul		√				
United Kingdom	Alternative Investment Market (AIM)	√	√	√	√	√	√
USA	New York Stock Exchange	√	√	√	√	√	√
	NYSE Alternext U.S.	√	√	√	√	√	√
	NASDAQ	√	√	√	√	√	√
	OTC Bulletin Board		√				

2. Eligible derivatives markets

		Jupiter Merlin Balanced Portfolio	Jupiter Merlin Conservative Portfolio	Jupiter Merlin Growth Portfolio	Jupiter Merlin Income Portfolio	Jupiter Merlin Real Return	Jupiter Merlin Worldwide Portfolio
Canada	The Montreal Exchange		√				
Japan	Osaka Exchange Ltd		√				
Singapore	Singapore Exchange Ltd SGX		√				
UK	ICE Futures	√	√	√	√	√	√
USA	Chicago Board Options Exchange	√	√	√	√	√	√