

LIBERO PORTFOLIO FUND

Prospectus

This document is the Prospectus of LIBERO PORTFOLIO FUND (the Company). It is dated and valid as at 27 September 2016. This document replaces any previous prospectuses issued by the Company.

It has been prepared in accordance with the rules contained in the Collective Investment Schemes Sourcebook (COLL), which forms part of the FCA Handbook of Rules and Guidance, and complies with the requirements of COLL 4.2.5R.

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

DIRECTORY

Authorised Corporate Director	Thesis Unit Trust Management Limited Exchange Building St Johns Street Chichester, West Sussex PO19 1UP
Registered and Head Office of the Company	Thesis Unit Trust Management Limited Exchange Building St Johns Street Chichester, West Sussex PO19 1UP
Depository	National Westminster Bank PLC Trustee & Depository Services Younger Building, 1 st Floor 3 Redheughs Avenue Edinburgh EH12 9RH
Investment Adviser	Quilter Cheviot Limited One Kingsway London WC2B 6AN
Auditors	Grant Thornton UK LLP Grant Thornton House 22 Melton Street Euston Square, London NW1 2EP
Administrator & Registrar	Northern Trust Global Services Limited 50 Bank Street Canary Wharf London E14 5NT
<i>Dealing Office:</i>	Northern Trust Global Services Limited PO Box 3733 Royal Wootton Bassett Swindon, SN4 4BG Telephone number: 0333 300 0375
Custodian <i>Principal place of business</i>	Northern Trust Company 50 South LaSalle Street Chicago, Illinois, USA
<i>Who may also act under this power through its London branch</i>	Northern Trust Company 50 Bank Street Canary Wharf, London E14 5NT
The Financial Conduct Authority (FCA)	25 The North Colonnade Canary Wharf London E14 5HS

The regulatory status of the Authorised Corporate Director, Depository and Investment Adviser, are set out under paragraph 4 below.

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1 INTERPRETATION

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

"ACD"	the Authorised Corporate Director holding office from time to time pursuant to FCA Regulations being Thesis Unit Trust Management Limited at the date of this Prospectus;
"Act"	the Financial Services and Markets Act 2000 (as amended, replaced or restated from time to time);
"Administrator"	means Northern Trust Global Services Limited or such other person appointed from time to time to be the administrator of the Company;
"Approved Bank"	<p>(in relation to a bank account opened by the Company):</p> <p>a) if the account is opened at a branch in the UK;</p> <p>i) the Bank of England; or</p> <p>ii) the central bank of a member state of the OECD; or</p> <p>iii) a bank; or</p> <p>iv) a building society; or</p> <p>v) a bank which is supervised by the central bank or other bank regulator of a member state of the OECD; or</p> <p>b) if the account is opened elsewhere:</p> <p>i) a bank in a); or</p> <p>ii) a credit institution established in an EEA State other than in the UK and duly authorised by the relevant Home State Regulator; or</p> <p>iii) a bank which is regulated in the Isle of Man or the Channel Islands; or</p> <p>c) a bank supervised by the South African Reserve Bank,</p> <p>as such may be updated in the glossary of definitions in the FCA Rules from time to time;</p>
"Business Day"	Monday to Friday excluding public and bank holidays in the United Kingdom, or any day on which the London Stock Exchange is not open for the normal duration of its trading hours, except for any day on which the ACD has notified the Depositary that it is not open for normal business due to a

	concessionary company holiday or otherwise agreed between the ACD and the Depositary;
"CASS"	the requirements relating to holding client assets and client money published by the FCA as part of the FCA Handbook, as amended or replaced from time to time
"Collective Schemes Sourcebook" or "COLL"	the Collective Investment Schemes Sourcebook issued by the FCA pursuant to the Act (as amended, replaced or restated from time to time);
"Company"	Libero Portfolio Fund;
"Depositary"	the person appointed from time to time by the Company or otherwise pursuant to the Regulations being National Westminster Bank Plc at the date of this Prospectus;
"Directors"	the directors of the Company for the time being (including the ACD) or, as the case may be, the directors of the Company for the time being assembled as a board including any committee of such board;
"FCA"	means the Financial Conduct Authority, or any successor regulatory entity;
"FCA Handbook"	the FCA's Handbook of rules and guidance, as amended from time to time;
"FCA Rules"	means the rules from time to time contained in COLL but, for the avoidance of doubt, not including guidance or evidential requirements contained in COLL;
"Financial Instruments"	as defined in the FCA Handbook;
"Funds"	the sub-funds from time to time of the Company and "Fund" shall mean one of the sub-funds;
"Investment Adviser"	means Quilter Cheviot Limited appointed by the ACD as investment adviser to the Funds;
"Instrument"	means the instrument of incorporation constituting the Company as amended from time to time;
"OEIC Regulations"	Open-Ended Investment Companies Regulations 2001 (as amended from time to time);
"Office Hours"	from 9am to 5pm on any Business Day;
"recognised scheme"	means a collective investment scheme recognised for the purposes of sections 264 or 272 of the Act;
"Registrar"	Northern Trust Global Services Limited or such other person appointed from time to time to be the registrar of the Company;
"Regulations"	the OEIC Regulations and the Collective Investment Schemes Sourcebook;

"Sterling"	pounds sterling of the UK;
"UCITS Directive"	the European Parliament and Council Directive of 13 th July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (No 2009/65/EC) (as amended from time to time);
"UCITS Scheme"	means a type of collective investment scheme such as the Company which is authorised by the FCA to enable the scheme to be marketed to the public within the UK and EEA and which complies with the conditions necessary for it to benefit from certain passporting rights conferred by the UCITS Directive;
"UK"	means the United Kingdom of Great Britain and Northern Ireland; and
"VAT"	UK Value added tax.

THIS PROSPECTUS IS IMPORTANT. IF YOU ARE IN ANY DOUBT AS TO THE MEANING OF ANY INFORMATION CONTAINED IN THIS PROSPECTUS, YOU SHOULD CONSULT THE ACD OR YOUR FINANCIAL ADVISER. INVESTORS SHOULD CHECK WITH THE ACD THAT THIS IS THE LATEST VERSION OF THE PROSPECTUS AND THAT THERE HAVE BEEN NO REVISIONS OR UPDATES BEFORE DECIDING TO PURCHASE SHARES IN ANY FUND. PLEASE NOTE THAT NOTIFIABLE CHANGES WHICH ARE IN THE PROCESS OF BEING IMPLEMENTED OR WHICH HAVE ALREADY BEEN IMPLEMENTED MAY NOT BE DISCLOSED IN THE CURRENT PROSPECTUS.

This Prospectus is intended for distribution in the UK. Its distribution may be restricted in other countries. It does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is unlawful or in which the person making such offer or solicitation is not qualified so to do, or to anyone to whom it is unlawful to make such an offer or solicitation. Intending investors should investigate and observe the legal requirements within their own countries for the acquisition of shares of the Company and any taxation or exchange control legislation affecting them personally, including the obtaining of any necessary governmental or other consents and the observation of any other formalities.

Overseas transfers

The ACD may transfer your personal information to countries located outside the European Economic Area (the “EEA”).

This may happen when the ACD’s servers, suppliers and/or service providers are based outside of the EEA. The data protection laws and other laws of these countries may not be as comprehensive as those that apply within the EEA. In these instances the ACD will take steps to ensure that your privacy rights are respected. Details relevant to you may be provided upon request.

Electronic Verification

The Money Laundering Regulations 2007, The Proceeds of Crime Act 2002, the Senior Management Arrangements Systems & Controls Source book and Joint Money Laundering Steering Group guidance notes (which are updated from time to time) state that the ACD must check your identity and the source of the money invested. The ACD may also request verification documents from parties associated with you. In some cases, documentation may be required for officers performing duties on behalf of bodies corporate. The checks may include an electronic search of information held about you (or your associated party) on the electoral roll and using credit reference agencies. The credit reference agency may check the details you (or your associated party) supply against any particulars on any database (public or otherwise) to which they have access and may retain a record of that information although this is only to verify identity and will not affect your (or your associated party’s) credit rating. They may also use your (or your associated party’s) details in the future to assist other companies for verification purposes.

If you apply for shares you are giving the ACD permission to ask for this information in line with the Data Protection Act 1998. If you invest through a financial adviser they must fill an identity verification certificate on your behalf and send it to the ACD with your application.

Information for US Persons

The information which follows is intended as a general guide only and represents the ACD's understanding of certain US taxation issues. It is provided for information purposes only and should not be relied on. Shareholders and prospective shareholders are recommended to seek their own professional advice.

The provisions of the Foreign Account Tax Compliance Act were enacted on 18 March 2010 as part of the Hiring Incentive to Restore Employment Act (FATCA). It includes provisions under which the ACD as a Foreign Financial institution (FFI) may be required to report directly to the US Internal Revenue Service (IRS) certain information about shares in a fund held by US persons for the purposes of FATCA or other foreign entities subject to FATCA and to collect additional identification information for this purpose. Financial institutions that do not enter into an agreement with the IRS and comply with the FATCA regime could be subject to 30 per cent withholding tax on any payment of US source income as well as on the gross proceeds deriving from the sale of securities generating US income made to a unit trust.

The ACD is obliged to comply with the provisions of FATCA under the terms of the inter-governmental agreement (IGA) Model I and under the terms of UK legislation implementing the IGA rather than under the US Treasury Regulations implementing FATCA.

In order to comply with its FATCA obligations, from 1 July 2014 the ACD may be required to obtain certain information from shareholders so as to ascertain their US tax status. If the shareholder is a specified US person, US owned non-US entity, non-participating FFI or does not provide the requisite documentation, the ACD will need to report information on these shareholders to HMRC, in accordance with applicable laws and regulations, which will in turn report this to the US Internal Revenue Service. Provided that the ACD acts in accordance with these provisions a fund will not be subject to withholding tax under FATCA.

Shareholders, and intermediaries acting for shareholders, should note that it is the existing policy of the ACD that shares in a fund are not being offered or sold for the account of US persons for the purposes of FATCA and that subsequent transfers of shares to such US persons are prohibited. If shares in a fund are beneficially owned by any such US person, the ACD may in its discretion compulsorily redeem such shares. Shareholders should moreover note that under the FATCA legislation, the definition of "Specified US Persons" will include a wider range of investors than the current US person definition.

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

A "US Person", for the purposes of the above paragraph, is a person who is in either of the following two categories:

- (a) a person included in the definition of "US Person" under Rule 902 of Regulation S under the 1933 Act, or

- (b) a person excluded from the definition of a “Non-United States Person” as used in the US Commodity Futures Trading Commission (“CFTC”) Rule 4.7.

For the avoidance of doubt, a person is excluded from this definition of US Person only if he or it does not satisfy any of the definitions of “US Person” only if he or it does not satisfy any of the definitions of “US Person” in Rule 902 and qualifies as a “Non-United States Person” under CFTC Rule 4.7.

“US Person” under Rule 902 generally includes the following:

- (a) any natural person resident in the United States;
- (b) any partnership or corporation organisation or incorporated under the laws of the United States;
- (c) any estate which any executor or administrator is a US Person;
- (d) any trust of which any trustee is a US Person;
- (e) any agency or branch of a non-US entity located in the United States;
- (f) any non-discretionary account or similar account (other than a estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person;
- (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the United States; and
- (h) any partnership or corporation if:
 - i. organised or incorporated under the laws of any non-US jurisdiction; and
 - ii. formed by a US Person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organised on incorporated, and owned, by accredited investors (as defined in Rule 501(a) of Regulation D under the 1933 Act) who are not natural persons, estates or trusts.

2 CONSTITUTION AND REGULATORY STATUS

The Company is an investment company with variable capital incorporated under the OEIC Regulations. It is a UCITS Scheme as defined in COLL and also an umbrella company for the purposes of the OEIC Regulations.

The Company was authorised by an order made by the Financial Service Authority with effect from 27 July 2007. The Financial Services Authority was the predecessor to the FCA and the Prudential Regulation Authority in all matters arising prior to 1 April 2013. The Company is incorporated in England and Wales with registered number IC000559.

The head office of the Company is at Thesis Unit Trust Management Limited, Exchange Building, St Johns Street, Chichester, West Sussex PO19 1UP. This is the address for the service on the Company of notices or other documents required or authorised to be served on it.

The Company will continue until wound up in accordance with the Rules. Details of the procedure to wind the Company up are set out under the paragraph 'Winding up of the Company'.

The Company has three Funds as follows:

- Libero Cautious Fund;
- Libero Balanced Fund; and
- Libero Strategic Fund

The property attributable to each of the Funds is managed as if such fund belonged to the "UCITS Scheme" category as specified in Chapter 5 of COLL.

Subject to the terms set out in this Prospectus, holders of shares in a Fund are entitled to receive the net income derived from the Fund and to redeem their shares at a price linked to the value of the property of the Fund. Shareholders do not have any proprietary interest in the underlying assets of any Fund.

The shareholders of the Company will not be liable for the debts of the Company.

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

Historical performance data for the Funds are set out in Schedule 3.

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

Segregated Liability

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

While the provisions of the OEIC Regulations provide for segregated liability between the Funds, the concept of segregated liability is relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known how those foreign courts will react to regulations 11A and 11B of the OEIC Regulations.

Investor Profile

The ACD considers that the Funds are suitable for investors seeking a medium to long term investment. It is anticipated that retail investors will typically invest in Retail shares and institutional investors will typically invest in institutional shares. In general, however, the ACD recommends that investors seek suitable advice from an authorised independent intermediary before investing.

Attention is drawn to the 'Risk Factors' section shown below.

Marketing in another EEA State

In connection with marketing shares in EEA States, other than the UK, there are currently no special arrangements in place for:

- a) paying in another EEA State amounts distributable to shareholders resident in that EEA State;
- b) redeeming in another EEA State the shares of shareholders resident in that EEA State;
- c) inspecting and obtaining copies in another EEA State of the Instrument, this Prospectus and the annual and half-yearly long report; and
- d) making public the price of shares in each class.

Accordingly, the provisions applicable to the marketing of the shares in the Company in the UK shall also apply in these cases. It is not intended that the Funds will be marketed outside the UK.

3 RISK FACTORS

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

- (a) Past performance is not a guide to the future. The value of shares and the income derived from them can go down as well as up and as a result the investor may not get back the amount originally invested. This can be as a result of market movements and also of variations in the exchange rates between currencies. The ACD's preliminary charge (as set out under the heading "**The Authorised Corporate Director's Charges**") is deducted from an investment at the outset and various other charges accrue daily, therefore an equivalent rise in the value of the shares is required before the original investment can be recovered;
- (b) **For hedging purposes only, in order to reduce or eliminate risk arising from fluctuations in interest or exchange rates and in the price of investments, the Investment Adviser may enter into certain derivatives transactions, including, without limitation, forward transactions, futures and options.** The value of these investments may fluctuate significantly. By holding these types of investments there is a risk of capital depreciation in relation to certain Fund assets. There is also the potential for capital appreciation of such assets. **The ACD does not anticipate that the use of derivatives in this way will change or alter the overall risk profiles of the Funds;**
- (c) The levels of relief from taxation will depend upon individual circumstances. Please note current tax levels and reliefs may change and their value will depend on the investor's individual circumstances;
- (d) **The levels of income generated by the Funds will fluctuate and are not guaranteed.**

- (e) **Counterparty risk in over-the-counter markets:** a Fund may enter into transactions in over-the-counter markets, which will expose the Fund to the credit of its counterparties and their ability to satisfy the terms of such contracts. For example, the Fund may enter into agreements or use other derivative techniques, each of which expose the Fund to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, the Fund could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Company seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights. There is also a possibility that the above agreements and derivative techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. In such circumstances, investors may be unable to recover any losses incurred.
- (f) **Legal and Regulatory Risks:** legal and regulatory (including taxation) changes could adversely affect the Company. Regulation (including taxation) of investment vehicles such as the Company is subject to change. The effect of any future legal or regulatory (including taxation) change on the Company is impossible to predict, but could be substantial and have adverse consequences on the rights and returns of shareholders.
- (g) **Exchange-traded Funds:** exchange traded funds (or ETFs) are usually open-ended collective investment schemes, the units of which track an index, a commodity or a basket of assets like an index, but are traded like a stock on regulated markets and investment exchanges.

An investment by the Company in ETFs generally presents the same primary risks as an investment in a collective investment fund. The Company investing in ETFs are exposed not only to movements in the value of the underlying asset but also to the risk that the issuer or counterparty gets into financial problems. In addition, an ETF may be subject to the following risks:

- i. a discount of the ETF's shares to its net asset value;
- ii. failure to develop an active or liquid trading market for the ETF's shares. The lack of a liquid secondary market, in particular, may make it very difficult for the Company to sell the ETFs it holds and there can be no guarantee that a secondary trading market will develop;
- iii. the listing / relevant exchange halting trading of the ETF's shares;
- iv. failure of the ETF's shares to track the quoted reference index;
- v. the re-weighting of and
- vi. the holding of troubled or illiquid securities in the quoted reference index.

Certain of the ETFs in which the Company may invest are leveraged and this can cause their prices to be more volatile and their value to fall below the value of the underlying asset. The more the Company invests in leveraged ETFs, the more this leverage will increase any losses on those investments.

ETFs may involve duplication of management fees and certain other expenses, as the Company indirectly bears their proportionate share of any expenses paid by the ETFs in which it invests and whilst most ETFs quote an on-going charge figure or a total expense ratio, swap-based ETFs and currency hedged ETFs may have additional costs which are not included in these figures.

- (h) **Exchange Traded Notes:** exchange traded notes (or ETNs) are a type of unsecured, unsubordinated debt security, the returns of which are based on the performance of a market index minus applicable fees, combining both the aspects of bonds and exchange traded funds and traded on a major exchange(s).

ETNs are subject to credit risk, including the credit risk of the issuer, and the value of the ETN may drop due to a downgrade in the issuer's credit rating, despite the underlying market benchmark of strategy remaining unchanged. The general credit market environment can also affect the creditworthiness of the issuer, causing the value of the ETN to fluctuate significantly. Changes in interest rate conditions can also affect the value of the ETN. Generally, if interest rates fall, the value of these investments rises. Conversely, if interest rates rise, their value falls.

The value of an ETN may also be influenced by time to maturity, level of supply and demand for the ETN, volatility and lack of liquidity in tracked assets, and economic, legal, political, or geographic events that affect the underlying asset that is tracked (or referenced) in the ETN.

Although most ETNs will quote an annual management charge ratio, this may not include all of the costs involved in running the investment and they do not always quote a total expense ratio figure.

- (i) **Custody Risk:** The Depositary may delegate the function of safekeeping of Financial Instruments to the Custodian, who may in turn appoint a custody agent. The Depositary or Custodian may hold Financial Instruments in fungible accounts (meaning the assets are interchangeable) or omnibus accounts (resulting in accounts being combined). The use of omnibus accounts gives rise to a potential risk that there could be a shortfall in the Financial Instruments held in such an account should the total of the Financial Instruments be less than the aggregate entitlement of the Company. It is expected that such risks will be mitigated by the Custodian's trade matching and reconciliation processes, however in the event of an irreconcilable shortfall, the affected clients would bear the risk of any shortfall on a pro-rata basis and the Company may not recover all of its Financial Instruments.

4 MANAGEMENT AND ADMINISTRATION OF THE COMPANY

The Authorised Corporate Director

The ACD (also known as the authorised fund manager under COLL) of the Company is Thesis Unit Trust Management Limited.

The ACD is a private company limited by shares, incorporated in England and Wales on 6 February 1998 under the Companies Act 1985. The registered and head office of the ACD is at Exchange Building, St Johns Street, Chichester, West Sussex PO19 1UP. The amount of the ACD's issued share capital is £1,440,000 fully paid.

The ACD is authorised and regulated by the FCA. (The contact details of the FCA are set out under the Directory at the front of this Prospectus).

The ACD acts as Authorised Corporate Director and unit trust manager to the collective investment schemes; set out in Schedule 5.

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

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

The directors of the ACD are:

A. J. Edwards	Non-Executive Chairman
S. R. Mugford	Finance Director
D.W. Tyerman	Chief Executive Officer
S. E. Noone	Client Service Director
A. H. Gilbert	Non-Executive Director

The above directors also hold directorships of other companies or are members of a limited liability partnership within the Thesis group, and are engaged in significant business activity within these companies. Such business activities may be of significance to the business of the Company.

Ultimate Holding Company - the ultimate holding company of the ACD is Thesis Asset Management plc, a public limited company incorporated in England and Wales with number 1802101.

The voting ordinary shares of Thesis Asset Management plc are held by Thomas Eggar Trust Corporation Limited on behalf of certain current and retired members of Rhealisation LLP. Further non-voting ordinary shares are held by Rhealisation LLP and its subsidiary, Rhealisation Enterprises Limited.

The ACD provides its services to the Company under the terms of a service agreement (the "**ACD Agreement**"). The material provisions of the ACD Agreement are as follows:

The ACD Agreement provides that the appointment may be terminated by either party after the expiry of 6 months written notice or forthwith by the Company in the case of fraud, wilful default or gross negligence on the part of the ACD. The ACD Agreement will also terminate on expiry of notice given by the Depositary in accordance with Rule 6.5.4(3) of COLL (liquidation, receivership or an administration order in respect of the ACD). The ACD is entitled to payment of its fees to the date of termination but no additional compensation.

The ACD Agreement provides that the Company will indemnify the ACD against any liability incurred by it in managing the Company and carrying out its duties as authorised corporate director of the Company except to the extent such liability arises from the gross negligence, wilful default or fraud of the ACD or its breach of the Act or the regulatory system under the Act.

The ACD has delegated the following functions to third-parties:

General Administration – fund valuation and fund accounting functions have been delegated to Northern Trust Global Services Limited (the "**Administrator**"). Northern Trust Global Services Limited also acts as the Company's Registrar.

Investment Management – being the management of the investments held by the Funds from time-to-time has been delegated to the Investment Adviser. Details of the Investment Adviser's appointment are set out below.

The ACD remains responsible for ensuring that the companies to whom it delegates such functions perform those delegated functions in compliance with the Regulations.

The Depositary

The Depositary to the Company is National Westminster Bank plc. The Depositary is incorporated in England as a public limited company. The registered and head office address is at 135 Bishopsgate, London, EC2M 3UR.

The ultimate holding company of the Depositary is The Royal Bank of Scotland Group plc, which is incorporated in Scotland. The principal business activity of the Depositary is banking.

The Depositary is authorised by the Prudential Regulation Authority and is regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Terms of appointment

The appointment of the Depositary has been made under the terms of an agreement between the Company and the Depositary as amended with effect from 18 March 2016 (the '**Depositary Agreement**').

The Depositary Agreement provides that the Depositary be engaged to maintain the safe custody of the property of the Company and to fulfil other duties required in the OEIC Regulations and the COLL Sourcebook. Under the Depositary Agreement, the Depositary has the power to appoint sub-custodians and may include in such appointment powers of sub-

delegation (please refer to the below paragraphs).

Under the Depositary Agreement, the Depositary is free to render similar services to others and the Depositary, the Company and the ACD are subject to a duty not to disclose confidential information.

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

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

However, the Depositary Agreement excludes the Depositary from any liability except in the case of fraud, wilful default, negligence or failure to exercise due care and diligence in the performance or non-performance of its obligations.

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

The Depositary Agreement may be terminated on 90 days' notice by the Company or the Depositary or earlier on certain breaches or the insolvency of a party. However, termination of the Depositary Agreement will not take effect, nor may the Depositary retire voluntarily, until the appointment of a new Depositary has taken place.

Other than to exercise the rights of lien/set off over the scheme property in relation to unpaid fees and expenses in relation to the proper performance of services under the Depositary Agreement or sub-custody agreement, unless otherwise agreed by the ACD on behalf of the Company, the Depositary shall not be entitled to, and no sub-custodian shall be authorised by the Depositary to re-use for its own purpose and benefit any of the scheme property it has been entrusted with.

Duties of the Depositary

The Depositary is responsible for the safekeeping of scheme property, monitoring the cash flows of the Company and must ensure that certain processes carried out by the ACD are performed in accordance with the applicable rules and scheme documents.

Conflicts of interest

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

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

Nevertheless, as the Depositary operates independently from the Company, shareholders, the ACD 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 Depositary is permitted to delegate (and authorise its delegate to sub-delegate) the safekeeping of scheme property.

Subject to the FCA Rules, the Depositary is responsible for the safekeeping of the scheme property of the Company entrusted to it and has a duty to take reasonable care to ensure that the Company is managed in accordance with the provisions of the FCA Rules relating to the pricing of, and dealing in, shares in the Company and the income of the Company.

The Depositary has delegated safekeeping of the scheme property to The Northern Trust Company ("the Custodian"). Contact details of the Custodian are set out in the Directory at the front of this Prospectus.

The Custodian has, in turn, delegated the custody of assets in certain markets in which the Company may invest to various sub-delegates ("sub-custodians"). A list of sub-custodians is given in Schedule 4. Investors should note that the list of Sub-custodian is updated only at each Prospectus review.

Updated Information

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

The Depositary is entitled to the fees, charges and expenses as set out in more detail below in the section headed "**The Fees, Charges and Expenses of the Depositary**".

The Investment Adviser

Quilter Cheviot Limited (the "**Investment Adviser**") is the investment adviser to the ACD in relation to the Funds. The Investment Adviser is authorised and regulated by the FCA. The Investment Adviser's principal activity is the provision of investment management services.

Under the terms of an agreement dated 31 January 2014, between the Investment Adviser and the ACD, the Investment Adviser has the authority of the ACD to make decisions on behalf of the ACD in respect of the investments of the Funds, subject always to the provisions of the Instrument, the Prospectus, the Regulations, and the investment objectives and policies of the Funds. The Investment Adviser is also authorised to deal on behalf of the Funds. Subject to instances where the agreement may be terminated with immediate effect in the interests of the shareholders, this agreement may be terminated by the ACD giving 14 days' notice or by the Investment Adviser giving 30 days' notice.

Under the terms of the investment advisory agreement, the Investment Adviser may delegate to any person the performance of its duties and services required to be performed by it under

the agreement with the consent of the ACD.

The Registrar

Northern Trust Global Services Limited acts as Registrar to the Company. The register of shareholders (Register) including the plan register, where applicable, will be available for inspection by shareholders on any Business Day during normal office hours at the office of the Registrar at 50 Bank Street, Canary Wharf, London E14 5NT.

The plan register is a record of persons who subscribe for shares through Individual Savings Accounts (ISAs)).

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

Shareholders should notify the Registrar in writing of any change to their name or address and provide such evidence as the Registrar may reasonably request.

No bearer shares are issued.

The Auditors

The Auditors to the Company are Grant Thornton UK LLP. The address for Grant Thornton UK LLP is set out in the Directory at the front of this Prospectus.

5 SHARES IN THE COMPANY

The Company's Instrument permits income and accumulation shares to be issued under such designation as the ACD may decide, and as set out in this Prospectus.

The Company may issue gross income and gross accumulation shares as well as net income and net accumulation shares. Only net shares are currently issued.

The current share class availability is as follows:

Libero Cautious Fund

- A Sterling Net Retail Accumulation
- A Sterling Net Retail Income
- B Sterling Net Institutional Accumulation
- B Sterling Net Institutional Income
- C Sterling Net Accumulation
- C Sterling Net Income
- CWM Sterling Net Retail Accumulation

- CWM Sterling Net Retail Income
- CWM Sterling Net Accumulation
- CWM Sterling Net Income
- D Sterling Net Accumulation
- D Sterling Net Income
- E Sterling Net Accumulation
- E Sterling Net Income
- F Sterling Net Accumulation
- F Sterling Net Income
- LAPS Sterling Net Retail Accumulation
- LAPS Sterling Net Retail Income
- LAPS Sterling Net Institutional Accumulation
- LAPS Sterling Net Institutional Income
- X Sterling Net Accumulation
- X Sterling Net Income

Libero Strategic Fund

- A Sterling Net Retail Accumulation
- A Sterling Net Retail Income
- B Sterling Net Institutional Accumulation
- B Sterling Net Institutional Income
- C Sterling Net Accumulation
- C Sterling Net Income
- D Sterling Net Accumulation
- D Sterling Net Income
- E Sterling Net Accumulation
- E Sterling Net Income
- LAPS Sterling Net Retail Accumulation

- LAPS Sterling Net Retail Income
- LAPS Sterling Net Institutional Accumulation
- LAPS Sterling Net Institutional Income
- X Sterling Net Accumulation
- X Sterling Net Income

Libero Balanced Fund

- A Sterling Net Retail Accumulation
- A Sterling Net Retail Income
- B Sterling Net Institutional Accumulation
- B Sterling Net Institutional Income
- C Sterling Net Accumulation
- C Sterling Net Income
- CWM Sterling Net Retail Accumulation
- CWM Sterling Net Retail Income
- CWM Sterling Net Accumulation
- CWM Sterling Net Income
- D Sterling Net Accumulation
- D Sterling Net Income
- X Sterling Net Accumulation
- X Sterling Net Income

CWM Shares are only available for subscription by Cobens (the trading name of Astute Financial Management UK Ltd which is authorised and regulated by the Financial Conduct Authority and whose FCA registration number is 484450).

LAPS Shares are only available for subscription by Legal & Professional Services (the trading name of L & PS Limited which is authorised and regulated by the Financial Conduct Authority and whose FCA registration number is 585876).

C Shares and X Shares are only available for subscription by Quilter Cheviot Limited, the Investment Adviser to the Libero Funds.

D Shares are only available for subscription by Argentis Financial Management Limited, which is authorised and regulated by the Financial Conduct Authority and whose registration number is 435534.

Further classes of shares may be established from time to time by the ACD with the approval of the FCA (where required by the Regulations), the agreement of the Depositary, and in accordance with the Instrument and the applicable Regulations. On the introduction of a new class of share a revised Prospectus will be prepared setting out the details of the share class.

The base currency for each new class of share will be determined at the date of creation and set out in the Prospectus.

Each share is deemed to represent one undivided unit of entitlement in the property of the Company. No bearer shares are issued.

Holders of income shares are entitled to be paid the distributable income attributable to such shares on any relevant interim or annual allocation dates.

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

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

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

Where the Company has different share classes, each class may attract different charges and so monies may be deducted from the scheme property attributable to such Classes in unequal proportions.

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

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

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

6 INVESTMENT OBJECTIVES, POLICIES AND OTHER DETAILS OF THE FUNDS

Investment of the assets of each of the Funds must comply with the COLL rules as they apply to UCITS Schemes and in accordance with the investment objective and policy of the relevant

Funds. These investment objectives and policies are set out below.

The eligible securities markets and eligible derivatives markets on which the Funds may invest are set out in Schedule 2.

A detailed statement of the general investment and borrowing restrictions and the extent to which the Company may invest are set out in Schedule 1.

Each of the Funds may invest in derivative instruments and forward transactions for limited purposes as explained in Schedule 1.

Further Funds

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

6.1 Libero Cautious Fund

The objective of the Fund is to provide income and capital growth.

The Fund will aim to achieve its investment objective by providing a medium to low risk environment focusing on capital preservation through investment in a portfolio of transferable securities (including investment trusts), collective investment schemes, deposits, approved money market instruments and derivatives.

The portfolio will be actively managed and normally remain fully invested save for such operational liquidity as is required from time to time. The assets of the Fund will be managed in such a way that the shares in the Fund will be qualifying investments for Individual Savings Accounts. There will, however, be no restrictions on the underlying content of the investments held, in terms of investment type, geographical area or economic sector, other than those imposed by the Regulations. This means that the Investment Adviser has the absolute discretion to weight the portfolio towards any investment type or sector, including cash, at any time provided such investment is compatible with the investment objective and policy of the Fund as a whole.

The use of derivatives and/or hedging transactions is permitted in connection with the efficient portfolio management of the Fund, and borrowing will be permitted on a temporary basis under the terms of the Regulations.

On giving 60 days' notice to shareholders, the Fund may, in addition to its other investment powers, use derivatives and forward transactions for investment purposes. It is not intended that the use of derivatives in this way will change the risk profile of the Fund.

6.2 Libero Balanced Fund

The objective of the Fund is to provide income and capital growth.

The Fund will aim to achieve its investment objective through investment in a portfolio of transferable securities (including investment trusts), collective investment schemes, deposits, approved money market instruments and derivatives.

The portfolio will be actively managed and normally remain fully invested save for such operational liquidity as is required from time to time. The assets of the Fund will be managed in such a way that the shares in the Fund will be qualifying investments for Individual Savings Accounts. There will, however, be no restrictions on the underlying content of the investments held, in terms of investment, geographical area or economic sector, other than those imposed by the Regulations. This means that the Investment Adviser has the absolute discretion to weight the portfolio towards any investment type or sector, including cash, at any time provided such investment is compatible with the investment objective and policy of the Fund as a whole.

The use of derivatives and/or hedging transactions are permitted in connection with the efficient portfolio management of the Fund, and borrowing will be permitted on a temporary basis under the terms of the Regulations.

On giving 60 days' notice to shareholders, the Fund may, in addition to its other investment powers, use derivatives and forward transactions for investment purposes. It is not intended that the use of derivatives in this way will change the risk profile of the Fund.

6.3 Libero Strategic Fund

The objective of the Fund is to provide capital growth.

The Fund will aim to achieve its investment objective through strategic allocation in a portfolio of transferable securities (including investment trusts), collective investment schemes, deposits, approved money market instruments and derivatives.

The portfolio will be actively managed and normally remain fully invested save for such operational liquidity as is required from time to time. The assets of the Fund will be managed in such a way that the shares in the Fund will be qualifying investments for Individual Savings Accounts. There will, however, be no restrictions on the underlying content of the investments held, in terms of investment type, geographical area or economic sector, including cash, other than those imposed by the Regulations. This means that the Investment Adviser has the absolute discretion to weight the portfolio towards any investment type or sector, including cash, at any time provided such investment is compatible with the investment objective and policy of the Fund as a whole.

The use of derivatives and/or hedging transactions are permitted in connection with the efficient portfolio management of the Fund, and borrowing will be permitted on a temporary basis under the terms of the Regulations.

On giving 60 days' notice to shareholders, the Fund may, in addition to its other investment powers, use derivatives and forward transactions for investment purposes. It is not intended that the use of derivatives in this way will change the risk profile of the Fund.

7 VALUATIONS

Each share linked to a Fund represents a proportional share of the overall property attributable to such Fund. Therefore, the value of a share attributable to a Fund will be calculated, in broad outline, by calculating the net value of the property attributable to the Fund, and

dividing that value (or that part of that value attributed to shares of the class in question) by the number of shares (of the class in question) in issue.

Valuations will normally be carried out on each Business Day (being each day which is a Business Day). The valuation point for each Fund is 12 noon on each Business Day.

The ACD may carry out additional valuations if it considers it desirable to do so. Valuations will not be made during a period of suspension of dealings (see "**Suspension of Dealings**" below). The ACD is required to notify the Depositary if it carries out an additional valuation.

The property attributable to a Fund will, for all purposes, be valued on the following basis (which is set out in full in the Company's instrument):

- 1 All the scheme property (including receivables) is to be included, subject to the following provisions.
- 2 Property which is not cash (or other assets dealt with in paragraphs 3 and 4 below) shall be valued as follows and the prices used shall (subject as follows) be the most recent prices which it is practicable to obtain:
 - (a) units or shares in a collective investment scheme:
 - (i) if a single price for buying and selling units or shares is quoted, at that price; or
 - (ii) if separate buying and selling prices are quoted, at the average of the two prices provided the buying price has been reduced by any preliminary charge included therein and the selling price has been increased by any exit or redemption charge attributable thereto; or
 - (iii) if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no recent price exists, at a value which, in the opinion of the ACD, is fair and reasonable;
 - (b) exchange-traded derivative contracts:
 - (i) if a single price for buying and selling the exchange-traded derivative contract is quoted, at that price; or
 - (ii) if separate buying and selling prices are quoted, at the average of the two prices;
 - (c) over-the-counter derivative contracts shall be valued in accordance with the method of valuation as shall have been agreed between the ACD and the Depositary;
 - (d) any other investment:
 - (i) if a single price for buying and selling the security is quoted, at that price; or
 - (ii) if separate buying and selling prices are quoted, at the average of the two prices; or

- (iii) if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if the most recent price available does not reflect the ACD's best estimate of the value, at a value which, in the opinion of the ACD, is fair and reasonable;
 - (e) property other than that described in (a), (b), (c) and (d) above: at a value which, in the opinion of the ACD, represents a fair and reasonable mid-market price.
- 3 Cash and amounts held in current, margin and deposit accounts and in other time-related deposits shall be valued at their nominal values.
- 4 In determining the value of the scheme property, all instructions given to issue or cancel shares shall be assumed (unless the contrary is shown) to have been carried out and any cash payment made or received and all consequential action required by the Regulations or this Instrument shall be assumed (unless the contrary has been shown) to have taken place.
- 5 Subject to paragraphs 6 and 7 below, agreements for the unconditional sale or purchase of property which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the valuation takes place and, in the opinion of the ACD, their omission shall not materially affect the final net asset amount.
- 6 Futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options shall not be included under paragraph 5.
- 7 All agreements are to be included under paragraph 5 which are, or ought reasonably to have been, known to the person valuing the property assuming that all other persons in the ACD's employment take all reasonable steps to inform it immediately of the making of any agreement.
- 8 An estimated amount for anticipated tax liabilities (on unrealised capital gains where the liabilities have accrued and are payable out of the property of the Scheme; on realised capital gains in respect of previously completed and current accounting periods; and on income where liabilities have accrued) including (as applicable and without limitation) capital gains tax, income tax, corporation tax, value added tax, stamp duty and stamp duty reserve tax shall be deducted.
- 9 An estimated amount for any liabilities payable out of the scheme property and any tax thereon treating periodic items as accruing from day to day shall be deducted.
- 10 The principal amount of any outstanding borrowings whenever payable and any accrued but unpaid interest on borrowings shall be deducted.
- 11 An estimated amount for accrued claims for tax of whatever nature which may be recoverable shall be added.
- 12 Any other credits or amounts due to be paid into the scheme property shall be added.

- 13 A sum representing any interest or any income accrued due or deemed to have accrued but not received and any stamp duty reserve tax provision anticipated to be received shall be added.
- 14 Currencies or values in currencies other than base currency shall be converted at the relevant valuation point at a rate of exchange that is not likely to result in any material prejudice to the interests of shareholders or potential shareholders.

Each Fund will have credited to it the proceeds of all shares attributed to it, together with the assets in which such proceeds are invested or reinvested and all income, earnings, profits, or assets deriving from such investments. All liabilities and expenses attributable to a Fund will be charged to it.

The Company is required to allocate (and the ACD may from time to time reallocate) any assets, costs, charges or expenses which are not attributable to a particular Fund against all the Funds in a manner which is fair to the shareholders of the Company generally.

Where the ACD has reasonable grounds to believe that:

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

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

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

8 PRICES OF SHARES

Shares in the Company are "single priced". This means that subject to the dilution levy referred to below and the preliminary charge (as set out in section 20 under the heading "**The Authorised Corporate Director's Charges**"), the price of a share for both buying and selling purposes will be the same and determined by reference to a particular valuation point. The price of a share will be calculated at or about the valuation point each Business Day (to at least four significant figures) by:

- taking the value of the property attributable to the relevant Fund and therefore all shares (of the relevant class) in issue (on the basis of the units of entitlement in the property of the Fund attributable to that class at the most recent valuation of the Fund);
- dividing the result by the number of shares of the relevant class in issue immediately before the valuation concerned;
- in relation to classes of shares which are denominated in a currency other than the designated currency of a Fund, applying a rate of exchange that is not likely to result in any material prejudice to the interests of shareholders or potential shareholders.

Publication of Prices

The most recent prices of shares for each class of share in each Fund will be published daily on the website www.fundlistings.com (Financial Express).

Prices can also be obtained by telephoning the ACD on 01483 783 900.

For reasons beyond the control of the ACD, these may not necessarily be the current prices.

The cancellation price last notified to the Depositary is available from the ACD upon request.

9 DILUTION LEVY

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

To mitigate the effects of dilution the ACD has discretion to charge a dilution levy on the purchase or redemption of shares in a Fund. A dilution levy is a separate charge of such amount or rate as determined by the ACD.

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

- Where a Fund experiences a large level of net redemptions on any Business Day, relative to its size (i.e. net redemptions equivalent to greater than 5% of the Net Asset Value of the Fund);
- Where a Fund is in continuing decline, in terms of Net Asset Value, as a result of poor market conditions or continual net redemptions;
- On large deals, which for this purpose is defined as a single purchase or redemption of shares equivalent to more than 5% of the Net Asset Value of the relevant Fund.

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

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

The ACD does not currently envisage that a Dilution Levy will be applied to any dealing in the Funds, as it is unlikely that any single holder will have control of greater than 5% of any single Fund. However, where it is applied, the ACD believes that the amount will not normally exceed 5% of the net asset value of shares being bought or sold.

10 ISSUE, REDEMPTION AND EXCHANGE OF SHARES

Issue

Applications

The ACD is required to procure the issue or cancellation of shares by the Company where necessary to meet any obligations to sell or redeem shares. Applications for shares linked to any Fund may be made by any eligible person.

Following the expiry of the initial offer period of a Fund (if any), dealings shall be effected at forward prices i.e. at prices calculated by reference to the next valuation following acceptance of the application. (see "**Valuations**" for details of the valuation points). Therefore shares to satisfy an application will be issued at a price based on the valuation made on the next Business Day following acceptance of the application.

Applications may be made by completing an application form and delivering it to the Administrator. The address for the Administrator is set out in the Directory at the front of this Prospectus. Alternatively an application form may be obtained by telephoning the ACD's Customer Enquiry Line on 0333 300 0375 during office hours.

Electronic Communications

The ACD will accept instructions to transfer or renunciation of title to shares on the basis of an authority communicated by electronic means and sent by the shareholder, or delivered on their behalf by a person that is authorised by the FCA or regulated or in another jurisdiction by an equivalent supervisory authority, subject to:

- (a) prior agreement between the ACD and the person making the communications as to:
 - (i) the electronic media by which such communications may be delivered; and
 - (ii) how such communications will be identified as conveying the necessary authority; and
- (b) assurance from any person who may give such authority on behalf of the investor that they will have obtained the required appointment in writing from the shareholder.

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

The Company is subject to the UK's anti-money laundering regulations and associated legislation and the ACD will always require verification of identity and address from any person(s) applying for shares (the "**Applicant**") including, without limitation, any Applicant who:

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

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

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

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

If an Applicant defaults in making any payment in money, or by way of a transfer of property, due to the ACD in respect of the sale or issue of shares, the Company is entitled to make any necessary amendment to the Register and the ACD will become entitled to the shares in place of the Applicant, subject, in the case of an issue of shares, to the ACD's payment of the purchase price to the Company. The ACD reserves the right to cancel investments for which settlement is not received, or fails to clear, and to recover from an Applicant, the amount of any decrease in value of the investment if this occurs.

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

In Specie Application

Where the application for issue of shares is equivalent to 5% or more of the Net Asset Value of the relevant Fund, the ACD may at its discretion, in consultation with the Depositary, accept assets other than cash as payment for the issue of shares. The acceptance of the assets will be on the basis that the receipt of the property should not adversely affect the interests of the existing shareholders of the relevant Fund and subject to the investment restrictions of the said Fund.

Minimum Purchase

In respect of shares in each Fund, the minimum sterling value of shares which any one person may purchase initially and subsequently (or the equivalent value in the currency applicable to the relevant Fund) is shown in the table below. However, the ACD may, by special arrangement and at its discretion, agree on an individual basis a lower amount in relation to the minimum transaction sizes.

Class of share	Type of share	Minimum Initial Purchase	Minimum Subsequent Purchase
A	Accumulation (Net and Gross) Income (Net and Gross)	£1,000	£1,000
B	Accumulation (Net and Gross) Income (Net and Gross)	£1,000	£1, 000
C	Accumulation (Net and Gross) Income (Net and Gross)	£1,000	£1,000
D	Accumulation (Net and Gross) Income (Net and Gross)	£1,000	£1,000
E	Accumulation (Net and Gross) Income (Net and Gross)	£1,000,000	£1,000,000
F	Accumulation (Net and Gross) Income (Net and Gross)	£1,000	£1,000
CWM	Accumulation (Net and Gross) Income (Net and Gross)	£1,000 (Retail) £50,000 (Non-Retail)	£1,000 (Retail) £50,000 (Non-Retail)
LAPS	Accumulation (Net and Gross) Income (Net and Gross)	£1,000 (Retail) £50,000 (Institutional)	£1,000 (Retail) £50,000 (Institutional)
X	Accumulation (Net and Gross) Income (Net and Gross)	£100	£100

Redemption

Shares in each Fund may be redeemed on any Business Day. Dealings are on a forward price basis as explained in the paragraph headed "**Issue**" above.

Shares to be redeemed pursuant to a redemption request will be redeemed at a price based on the next available valuation point following receipt of the request.

Redemption instructions may be given by delivery to the ACD of written instructions to the Administrator at the address set out in the Directory at the front of this Prospectus on any Business Day.

The ACD may also, at its sole discretion, accept instructions by telephone on 0333 300 0375 or electronic means (refer to the 'Electronic Communications' paragraph above) on such terms as it may specify provided that where a redemption instruction is received outside of Office Hours it shall be deemed to be received at 9am on the next following Business Day.

Unless a coverall renunciation is in place, redemption instructions given by telephone must be confirmed in writing to the ACD prior to redemption proceeds being remitted. Redemption

instructions are irrevocable.

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

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

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

In Specie Redemption

Where a shareholder requests redemption of a number of shares representing value in excess of 5% of the value of the scheme property, the ACD at its discretion may, by serving a notice of election on the shareholder not later than the close of business on the second Business Day following the day of receipt of the request, elect that the shareholder shall not be paid the redemption price of his shares but instead there shall be a transfer to that holder of property of the relevant Fund having the appropriate value. Where such a notice is so served on a shareholder, the shareholder may serve a further notice on the ACD not later than the close of business on the fourth Business Day following the day of receipt by the shareholder of the first mentioned notice requiring the ACD, instead of arranging for a transfer of property, to arrange for a sale of that property and the payment to the shareholder of the net proceeds of that sale. The selection of scheme property to be transferred (or sold) is made by the ACD in consultation with the Depositary, with a view to achieving no more advantage or disadvantage to the shareholder requesting redemption of his shares than to continuing shareholders. The Company may retain out of the property to be transferred (or the proceeds of sale) property or cash of value or amount equivalent to any SDRT to be paid in relation to the cancellation of the shares.

Minimum Redemption and Holding

In respect of each class of share in each Fund, and subject to the minimum holding requirements, if the redemption request is in respect of some only of the shares held the minimum value of shares which may be the subject of one act of redemption is shown in the table below:

Share Class	Minimum Redemption
A	£1,000
B	£1,000

Share Class	Minimum Redemption
C	£1,000
D	£1,000
E	£25,000
F	£1,000
CWM	£1,000 (Retail) £50,000 (Non-Retail)
LAPS	£1,000 (Retail) £50,000 (Institutional)
X	£100

Where the value of an individual holding of shares would, in consequence of a request for redemption/cancellation, fall below the levels in the following table:

Share Class	Minimum Holding
A	£1,000
B	£1,000,000
C	£1,000
D	£1,000
E	£1,000,000
F	£1,000
CWM	£1,000 (Retail) £50,000 (Non-Retail)
LAPS	£1,000 (Retail) £50,000 (Institutional)
X	£100

such request may be treated as a request for redemption/cancellation of all the shares of such class held by such shareholder. The value of shares for this purpose is calculated by reference to the current price, net of any preliminary charge and before any application of a dilution levy. However the ACD may, by special arrangement and at its discretion, agree on an individual basis a lower amount in relation to the minimum redemption size.

Restrictions on Redemption

The ACD may defer redemptions at a particular dealing day to the next dealing day where the requested redemptions exceed 10 per cent of a Fund's value. The ACD will ensure the consistent treatment of all shareholders who have sought to redeem shares at any dealing day at which redemptions are deferred. The ACD will pro-rata all such redemption requests to the stated level (i.e. 10 per cent of the Fund's value) and will defer the remainder until the next

dealing day. The ACD will also ensure that all deals relating to an earlier dealing day are completed before those relating to a later dealing day are considered.

Client Money Rules

The FCA Handbook contains provisions (known as the “Client Money Rules”) designed to safeguard client money in the hands of authorised persons. However, the CASS rules also provide that money need not be treated as client money in respect of a delivery versus payment transaction, for the purpose of settling a transaction in relation to units in a regulated collective investment scheme such as the Company, provided that:

- (a) The ACD receives the money from a client in relation to the ACD’s obligation to issue shares in the fund in accordance with COLL; or
- (b) The money is held in the course of redeeming shares, where the proceeds are paid to the client within the timeframe specified in COLL.

Where money is received in either of the circumstances set out in (a) or (b) above, the ACD must cease to operate the exemption if, by close of business on the Business Day following receipt of the money, it has not paid it over to the Depositary or the client or, if direct issues and cancellations of Shares by the Company are permitted, to the Company, as applicable.

In order to facilitate management of the Company, the ACD makes use of the delivery versus payment exemption on the issue of shares. Money received for the issue of shares is, therefore, not protected under the Client Money Rules until the delivery versus payment exemption period has expired. Money received by the ACD in the form of redemptions, cheques or other remittances is paid directly into a client money account maintained by the ACD with an Approved Bank, as defined in the FCA Rules, and protected in line with the Client Money Rules. No interest is payable by the ACD on moneys credited to this account.

11 SWITCHING BETWEEN CLASSES / BETWEEN FUNDS

A shareholder is entitled to exchange shares of one class in a Fund for the appropriate number of shares of another class, whether linked to the same or a different Fund. Shareholders are entitled to exchange shares in one Fund for shares in a different Fund. The appropriate number of shares is determined by the following formula:

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

where N is the number of new shares to be issued, rounded down to the nearest whole number of shares; O is the number of shares of the old class to be exchanged, RP is the price at which one share of the old class can be redeemed and SP is the price at which one share of the new class can be purchased (net of any preliminary charge), in both cases at the application valuation point (see below).

ER is 1, where the original shares and the new shares are designated in the same currency and, in any other case, is the exchange rate determined by the ACD in its absolute discretion (subject to the Regulations as representing the effective rate of exchange between the two relevant currencies as at the date the exchange notice is received (or deemed to be received) by the Company having adjusted such rate as may be necessary to reflect any costs incurred by the Company in making any transfer of assets as may be required as a consequence of such an exchange being effected).

Switches between shares denominated in differing currencies shall be effected at the relevant valuation point at a rate of exchange that is not likely to result in any material prejudice to the interests of shareholders or potential shareholders provided that such rate may be adjusted to reflect any costs incurred by the Company in making any transfer of assets as may be required as a consequence of such an exchange being effected. The ACD may adjust the number of new shares to be sold to reflect the effect of the dilution levy (if applicable) and any SDRT or other charges payable on the redemption or sale (as applicable) of the shares concerned.

The right to exchange is subject to the following:

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

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

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

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

Application

A shareholder wishing to switch shares should apply in the same way as for a redemption (see above). A switch will be effected at prices based on the valuation made on the next Business Day following acceptance of the request.

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

12 SUSPENSION OF DEALINGS

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

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

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

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

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

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

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

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

13 MANDATORY REDEMPTION OF SHARES

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

- (a) constitute a breach of the law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory; or
- (b) may (or may if other shares are acquired or held in like circumstances) result in the Company incurring any liability to taxation or suffering any other adverse consequence (including a requirement to register under any securities or investment or similar laws or governmental regulation of any country or territory),

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

14 DISTRIBUTION AND ACCUMULATION

The annual accounting period for the Company and each of the Funds ends on 31 December (the "**accounting reference date**"). The half-yearly accounting period ends on 30 June (the "**interim accounting reference date**"). The amount of income to be distributed or accumulated in respect of the Fund is calculated on the last day of each accounting period.

Allocations and distributions of income will be made on or before 30 April and 31 October each year (being within four months after the end of the relevant annual or interim accounting reference date).

In the case of Funds in respect of which accumulation shares are in issue, income is transferred to the capital account of the relevant Fund on each distribution date. In accordance with the Regulations, the ACD and the Depositary, have agreed that in the event the income available for distribution or accumulation is less than £20 per shareholder for the Retail shares and less than £200 in respect of Institutional shares, income, if any will revert to the relevant Fund.

Tax vouchers will be sent to shareholders in a Fund at each income distribution date, but only where net income is available for distribution. A direct credit or warrant for the amount of the net distribution will, where applicable, be sent to the bank account nominated on the application form, or such account as is instructed and verified thereafter. Where bank details have not been supplied income will be reinvested automatically.

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

Determination of Distributable Income

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

The income available for distribution or accumulation in relation to a Fund is determined in accordance with the Regulations. Broadly it comprises all sums deemed by the Company, after consultation with the auditor, to be in the nature of income received or receivable for the account of the Company and attributable to the Fund in respect of the accounting period concerned, after deducting net charges and expenses paid or payable out of such income in respect of the period and adding the ACD's best estimate of any relief from tax on such charges and expenses and making such adjustments as the ACD considers appropriate, after consulting the auditors in accordance with the Regulations, in relation to taxation and other matters.

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

The amount available for income distribution is calculated by taking the aggregate of the income property received or receivable for the account of the relevant Fund in respect of the

relevant period, deducting the charges and expenses of the Company paid or payable out of the income property in respect of that period and adding the ACD's best estimate of any relief from tax on those charges and expenses. Further adjustments may be made as the ACD considers appropriate (after consultation with the auditors) in relation to taxation and the proportion of the prices received or paid for shares that relate to income (taking account of any provisions in the Instrument constituting the scheme relating to income equalisation (see section 19 below), potential income which is unlikely to be received until 12 months after the relevant allocation date, income which should not be accounted for on an accrual basis because of lack of information about how it accrues, any transfer between the income and the capital account (regarding payments from capital or income) and making any other adjustments which the ACD considers appropriate (after consultation with the auditors).

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

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

In calculating the amount to be distributed, the ACD must deduct any amounts previously allocated by way of interim allocation of income for that annual accounting period and deduct and carry forward in the income account such amount as is necessary to adjust the allocation of income in accordance with the Regulations.

15 INCOME EQUALISATION

The price of a share of a particular class in a particular Fund is based on the value of that class' entitlement in the relevant Fund including the income of the Fund since the previous distribution or, in the case of accumulation shares, deemed distribution. In the case of the first distribution received or accumulation made in respect of a share, except where shares have been purchased during the initial offer period for the Company or one of its Funds, part of the amount, namely the equalisation payment, is a return of capital and is not taxable as income in the hands of the shareholder. This amount is, however, in the case of income shares, deducted from the cost of the share in computing any capital gains. In the case of accumulation shares, the equalisation amount may only be eligible for taper relief/indexation allowance from the date of allocation (as distinct from the date of acquisition of the original shares).

Equalisation applies only to shares purchased during the relevant accounting period. It is calculated as the average amount of income included in the issue price of all shares of the Fund concerned issued during the period.

16 THE AUTHORISED CORPORATE DIRECTOR'S CHARGES

The ACD's charges are accrued to the Funds on a daily basis and are levied monthly in arrears.

Preliminary charge

The ACD currently imposes the following preliminary charges:

Share Class	Current preliminary charge
A	5%
B	0%
C	10%
D	10%
E	0%
F	10%
CWM Retail Shares	10%
CWM Shares	0%
LAPS Retail Shares	5%
LAPS Institutional Shares	0%
X	10%

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

Switching Charge

The ACD is entitled to make a charge in respect of a switch of shares of one class linked to one Fund for shares of the same class or another class linked to the same Fund or another Fund (the "**Switching Fee**"). The Switching Fee will be equal to the preliminary charge (see above) in respect of the class of shares being switched into, and will be deducted from the proceeds of sale of the shares being switched from. When switching between share classes of the same Fund, no dilution levy will be charged in respect of the shares being sold and purchased as part of the switch. A dilution levy and/or an SDRT provision may be charged where a switch is from one Fund to another (see pages 11 and 12 for the ACD's policy on Dilution Levy and SDRT). Currently however, the ACD does not operate a Switching Fee.

Periodic Charge

The ACD is entitled to make a periodic charge, calculated and accruing on each Business Day at each valuation point (the "**Calculation Date**"), and payable out of the property of each Fund, by way of remuneration for the services of the ACD. The periodic charge is payable to the ACD monthly in arrears. The periodic charge will be calculated separately in respect of

each Fund, as a percentage rate per annum of the total value of the units of entitlement in the property of the Fund represented by the class on the Calculation Date.

The current periodic charges are as follows:

Share Class	Current periodic charge
A (Strategic and Balanced Funds only)	1.50%
A (Cautious Fund only)	1.25%
B (Strategic and Balanced Funds only)	1.00%
B (Cautious Fund only)	0.85%
C (Strategic and Balanced Funds only)	1.25%
C (Cautious Fund only)	1.00%
D (Strategic and Balanced Funds only)	1%
D (Cautious Fund only)	0.85%
E (Cautious and Strategic Funds only)	0.75%
F (Cautious Fund only)	0.85%
CWM Retail shares (Cautious)	0.85%
CWM Retail shares (Strategic and Balanced Funds)	1%
LAPS Retail shares (Cautious Fund only)	0.85%
LAPS Retail shares (Strategic and Balanced Funds)	1%
LAPS Institutional shares (Cautious Fund only)	0.85%
LAPS Institutional shares (Strategic and Balanced Funds)	1%
X	0%

The first accrual will be in respect of the day on which the first valuations of the Funds are made.

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

The annual management charge will cease to be payable (in relation to a Fund) on the date of commencement of its termination, and (in relation to the Company as a whole) on the date of the commencement of its winding up or, if earlier, the date of the termination of the ACD's appointment as such.

Redemption charge

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

Investment Adviser

The Investment Adviser is entitled to an advisory fee which is paid by the ACD from the periodic charge. The Investment Adviser may also receive further remuneration from the ACD's periodic charge, as a commission payment or for other services where permitted by the FCA rules.

17 THE FEES, CHARGES AND EXPENSES OF THE DEPOSITARY

The Depositary is paid a monthly periodic fee (plus VAT) in remuneration for its services from the property of the Funds. The Depositary's fee is accrued daily based on the value of the relevant Fund on the immediately preceding day and is payable as soon as practicable after the month end (and in any event within seven days after the month end). The first accrual is calculated by reference to the first valuation point of the Fund.

The rate of the periodic fee is agreed between the ACD and the Depositary in accordance with COLL, and in relation to each Fund is subject to a minimum fixed amount of £7,500 (plus VAT) per annum.

Subject to this minimum, the charge is otherwise calculated on a sliding scale for each Fund on the following basis:

0.030% per annum	on the first £100 million value in each Fund
0.0275% per annum	on the next £50 million value in each Fund
0.025% per annum	on the next £50 million value in each Fund
0.020% per annum	on the remaining value within each Fund

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

The first accrual in relation to any Fund will take place in respect of the period beginning on the day on which the first valuation of that Fund is made and ending on the last Business Day on which that day falls.

In addition to the above periodic fee, the Depositary levies transaction charges and custody charges which are currently as follows:

The total remuneration payable to the Depositary out of the property attributable to each Fund for its services also includes transaction charges and derivative and custody charges. Transaction charges vary from country to country, dependent on markets and the value of the stock involved and range from £7.50 to £180. The transaction charges accrue at the time the transactions are effected and are payable as soon as is reasonably practicable, and in any event not later than the last Business Day of the month when such charges arose or as otherwise agreed between the Depositary and the ACD. Custody charges again vary from country to country depending on the markets and the value of stock involved. Custody charges are currently up to 0.9% of the net asset value (subject to a minimum aggregate custody charge of £7,500 per annum), and accrue and are payable as agreed from time to time by the ACD and the Depositary. Derivative transaction handling charges, where applicable, are £20.00 per transaction.

Where relevant, the Depositary may make a charge for (or otherwise benefit from) providing services in relation to: distributions, the provision of banking services, holding money on deposit, lending money, or engaging in stock lending or derivative transactions, in relation to the Company and may purchase or sell or deal in the purchase or sale of scheme property, provided always that the services concerned and any such dealing are in accordance with the provisions of the FCA Handbook.

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

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

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

Expenses not directly attributable to a particular Fund will be allocated between Funds. In each such case such expenses and disbursements may also be payable if incurred by any person (including the ACD or an associate or nominee of the Depositary or of the ACD) who has had the relevant duty delegated to it pursuant to COLL by the Depositary.

18 OTHER PAYMENTS OF THE COMPANY

The following expenses (being the actual amounts incurred) may also be payable by the Company out of its capital or income at the discretion of the ACD:

- (a) broker's commissions, fiscal charges and other disbursements which are necessarily incurred in effecting transactions for the Funds and normally shown on contract notes, confirmation notes and difference accounts;
- (b) interest on and other charges incurred in reporting, entering into, varying, carrying into effect with or without variation, maintaining and terminating the borrowing arrangements;

- (c) taxation and other duties payable in respect of the property of the Company and the Funds, the Instrument or the issue of shares;
- (d) any costs incurred in amending the Instrument and the Prospectus including the removal of obsolete provisions where the modification is:-
 - (i) necessary to implement any change in the law (including changes to the regulations); or
 - (ii) necessary as a direct consequence of any change in the law (including changes to the Regulations); or
 - (iii) expedient having regard to any fiscal enactment and which the ACD and the Depositary agree is in the interest of shareholders; or
 - (iv) to remove obsolete provisions from the Instrument and the Prospectus constituting the Company;
- (e) any costs incurred in respect of any other meeting of shareholders convened on a requisition by holders not including the ACD or an associate of the ACD and expenses of the Depositary in convening a meeting of shareholders convened by the Depositary alone;
- (f) any costs incurred in relation to a scheme of arrangement where the property of a body corporate (such as an investment company) or of another collective investment scheme is transferred to the Company in consideration of the issue of shares in the Company to shareholders in that body corporate or to participants in that other scheme, any liability arising after the transfer which, had it arisen before the transfer, could properly have been paid out of that other property provided the ACD is of the opinion that proper provision was made for meeting such liabilities as were known or could reasonably have been anticipated at the time of the transfer;
- (g) any audit fee and any proper expenses of the auditor and VAT thereon;
- (h) any fee and any proper expenses of any professional advisers retained by the Company or by the ACD in relation to the Company or any Fund;
- (i) payments, costs or any other administrative expenses in relation to the preparation and dissemination of literature required on necessary for the purpose of complying with the Regulations or any other law or regulation (excluding the cost of disseminating the key investor information document or any successor or equivalent documentation;
- (j) any costs of printing and distributing annual, half yearly and quarterly reports and any other reports or information provided for shareholders;
- (k) any reasonable general disbursements relating to postage and communication costs incurred in the proper performance of the transfer agent's duties relating to the Company, which are currently carried out by the Registrar;

- (l) any costs of listing the prices of the Funds in publications and information services selected by the ACD, including the Financial Times;
- (m) any costs of authorising new Funds of the Company after its initial establishment, including the fees and proper expenses of any professional advisers retained by the Company or the ACD;
- (n) any sum due by virtue of any provision of the Regulations, such as cancellation proceeds and reasonable stock lending expenses;
- (o) the costs of preparing documentation required by the regulations of any country or territory in which shares of the Funds are to be marketed or authorised;
- (p) any costs incurred in producing and despatching any payment made by the Company;
- (q) any costs incurred in taking out and maintaining an insurance policy in relation to the Company;
- (r) the periodic fees of the FCA together with any corresponding periodic fees of any regulatory authority in a country or territory outside the UK in which shares in the Company are or may be marketed;
- (s) the cost of any licences required, to enable the Funds to use, or quote, names which would normally be under copyright, in any country or territory, including the UK;
- (t) any costs or fees arising in connection with pursuing or defending litigation on behalf of the Company or the Funds;
- (u) any expense incurred in relation to company secretarial duties including the cost of maintenance of minute books and other documentation required to be maintained by the Company;
- (v) any costs associated with the admission of shares to listings on any stock exchange and with the maintenance of that listing (including, for the avoidance of doubt, the fees levied by the exchange in question as a condition of the admission to listing of the shares and the periodic renewal of that listing), any offer of shares, including the preparation and printing of any prospectus and the creation, conversion and cancellation of shares associated with such prospectus;
- (w) any expense incurred with respect to the publication and circulation of details of the Net Asset Value of the Funds;
- (x) any amount payable to the Company under any indemnity provisions provided for in the Instrument or any agreement to which the Company is party;
- (y) the fees and expenses of the Registrar in relation to dealing in shares of the Funds by new and existing shareholders, currently ranging between £6 and

£19 per transaction, and any costs in respect of electronic dealing in shares;

- (z) the fees of the Registrar for maintaining the Register. The fees for maintaining the Register for each Fund a shareholder invests in is currently £15.00 per annum per holding (subject to an overall minimum fee of £15,000 per annum);
- (aa) the Registrar will also maintain sub-registers in respect of Individual Savings Account entitlements. The fees for maintaining the sub-registers will be equivalent to those shown above;
- (bb) value added tax in respect of any of the costs, expenses, fees and charges payable by the Company; and
- (cc) any other charges/expenses that may be taken out of the Company's property in accordance with the Regulations.

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

Expenses not directly attributable to a particular Fund will be allocated proportionately between all Funds in a manner which the ACD believes is fair to shareholders, in accordance with the Regulations.

Costs relating to EPM

Certain direct and indirect operational costs and/or fees may arise from time to time as a result of Efficient Portfolio Management techniques being used for the benefit of the Company and/or the Funds. These costs and/or fees are regarded as transaction costs and, therefore, would fall within (a) above. Further details on the payment of costs and/or fees relating to Efficient Portfolio Management techniques will be set out in the Annual Report.

Charges to capital

Expenses will be charged initially against the income account of the funds at the discretion of the ACD and thereafter any remaining expenses are charged against the capital account of the Funds subject to any restriction set out in the Instrument, the Prospectus and the Regulations.

Where such payments are made from the capital property, this policy may result in capital erosion or constrain capital growth.

The ACD's standard policy is to charge all expenses, except those that are capital in nature, to the income accounts of the individual funds. However, where a Fund has an objective of producing income, or a combination of income and capital growth, some or all of the ACD's Periodic Charges and any other expenses may be charged against the capital account of the individual funds. In respect of the Libero Balanced Fund the current policy charge all expenses to the Fund's capital account.

19 TAXATION

The following summary is based on current UK ("UK") law and HM Revenue & Customs practice. It is intended to offer guidance to persons (other than dealers in

securities) on the UK taxation of Investment Companies with Variable Capital ("ICVC"). However, it should not be regarded as definitive nor as removing the desirability of taking separate professional advice. If investors are in any doubt as to their taxation position they should consult their professional adviser. Levels and bases of, and reliefs from, taxation are subject to change in the future.

Taxation of the Funds

Each Fund is treated as a separate fund and an Authorised Investment Fund for tax purposes.

Each Fund will make dividend distributions except where over 60% of the Fund's property has been invested throughout the distribution period in interest paying and related investments, in which case it will make interest distributions. A fund that makes interest distributions is referred to as a Bond Fund and a fund that makes dividend distributions is referred to as an Equity Fund.

(A) Income

The Company is liable to corporation tax on its income after relief for management expenses (which include fees payable to the ACD and to the Depositary) at the basic rate of income tax, currently 20%.

If a Fund is a Bond Fund, the gross amount of any interest distributions is an allowable expense for corporation tax purposes and no tax will actually be paid on that part of the income.

Dividend income received by the Company from investments in UK resident and overseas companies should fall within an exemption from corporation tax. Dividend income received from foreign companies may be subject to withholding tax or other taxation in the foreign jurisdiction. The foreign tax suffered by a fund may normally be deducted from the UK tax due on that income or treated as an expense.

(B) Chargeable gains

Capital gains realised by each Fund on a disposal of its investments are exempt from corporation tax on chargeable gains. In the unlikely event that a Fund should be considered to be trading in securities for tax purposes, any gains made would be treated as income and taxed accordingly.

(C) Stamp Duty Reserve Tax

Stamp duty reserve tax ("SDRT") is generally charged on any agreements to transfer shares of ICVCs (other than transactions handled by the fund manager) to third parties at a rate of 0.5% of the consideration.

No SDRT charge arises on the issue or surrender of shares of ICVCs. However, investors may be subject to a SDRT charge where shares in the Company are surrendered and the investors receive assets from the Company (rather than cash) which are not in proportion to each investor's share of the total assets held by the relevant Fund.

Taxation of shareholders

(A) Income

For tax purposes, an Authorised Investment Fund is treated as distributing the whole of the income available for distribution in each of its distribution periods, whether actually distributed or accumulated by the fund. Distributions may be made as interest distributions or dividend distributions as set out below.

The distribution accounts of the Company for any of its distribution periods may show income available for distribution as either (a) an interest distribution or (b) a dividend distribution. The type of distribution that either actually takes or is deemed to take place depends on the source and composition of the income within the Fund.

Where more than 60% of a Fund is invested in “qualifying investments” (broadly speaking interest paying investments) distributions made by the Company in respect of such Fund will be interest distributions. Where this is not the case, the Company will make a dividend distribution.

All shareholders will be sent tax vouchers stating the make-up of their distributions showing in each case their taxable income and applicable tax credits and in the case of a Bond Fund showing taxable income and tax withheld.

(B) Interest distributions

UK resident individuals

Interest distributions paid by the Company (save in respect of distributions to certain qualifying shareholders) are treated as yearly interest and are received by shareholders net of tax at the basic rate of 20%. The tax is deducted at source.

The Government has announced that it will abolish with effect from 6 April 2017 the requirement to deduct income tax at source from interest distributions from open ended investment companies and authorised unit trusts.

From 6 April 2016, basic rate taxpayers are entitled to a personal savings allowance of £1,000. Higher rate taxpayers are entitled to a reduced personal savings allowance of £500.

Basic and higher rate tax payers can re-claim from HMRC the tax withheld which falls within their personal savings allowances. Non-taxpayers may re-claim the basic rate tax withheld from HM Revenue & Customs.

Individuals who are basic rate taxpayers will have no further liability to income tax from the distribution.

Higher rate and additional rate taxpayers will pay income tax (in the case of higher rate taxpayers, the amount in excess of the applicable personal savings allowance) on the grossed-up amount at the higher rate of 40% (or additional rate of 45% where the individual's taxable income exceeds £150,000) but will be entitled to use the income tax withheld as a credit against their UK income tax liability.

UK corporate shareholders

If a Fund at any point in an accounting period fails to satisfy the "qualifying investment" test, shares in the Company in respect of such a Fund are treated as if they were a holding of rights under a creditor loan relationship of the corporate shareholder, with the result that all returns on the shares in respect of such a corporate's accounting period (including gains, profits and losses) will be taxed or relieved as an income receipt or expense on a "fair value accounting" basis. Accordingly, such a corporate shareholder may, depending on its own circumstances, incur a charge to corporation tax on an unrealised increase in the value of its holding of shares (and, likewise, obtain relief against corporation tax for an unrealised reduction in the value of its holding of shares).

A Fund will fail to satisfy the "qualifying investments" test at any time when more than 60 per cent of its assets by market value comprise government and corporate debt securities or cash on deposit or certain derivative contracts or holdings in other collective investment schemes which at any time in the relevant accounting period do not themselves satisfy the "qualifying investments" test, or other interest bearing securities.

Interest distributions paid to corporate shareholders may be paid without deduction of income tax at source.

(C) Dividend distributions

Dividend distributions paid by the Company are treated as if they are dividends.

UK Resident Individuals

Dividend distributions are added to an individual's income and taxed at income tax rates.

Dividend distributions will be taxed at the following rates:

- 0% for the first £5,000;
- 7.5% for dividends falling within the basic rate band;
- 32.5% for dividends falling with the higher rate band; and
- 38.1% for dividends falling within the additional rate band.

UK corporate shareholders

UK resident corporate shareholders must split their dividend distributions into franked and unfranked income portions according to the percentage split given on the voucher. The unfranked portion is generally treated as an annual payment received after deduction of income tax at the basic rate, whereas the balance is treated as franked income – i.e. a dividend. Both annual payments and dividends are liable to corporation tax in the hands of UK corporate shareholders although the dividend portion should fall within an exemption from corporation tax.

(D) Chargeable gains

UK resident individuals

Shareholders who are resident in the UK may be liable to UK taxation on capital gains arising from the sale or other disposal, including a redemption of their shares in the Company and from a switch of Funds. Gains will be tax-free if after deduction of allowable losses they fall within an individual's annual capital gains exemption. For the tax year 2016/2017, the annual exemption is £11,100.

Gains in excess of the annual exemption amount are taxed at 10% to the extent that together with an individual's taxable income they do not exceed the upper limit of the basic rate income tax band (£32,000 for 2016/2017) and at 20% to the extent that they exceed that limit.

UK corporate shareholders

UK corporate shareholders (whose shares are not treated as creditor loan relationships) will be charged to corporation tax on any gains realised after the deduction of allowable losses (if any). Indexation relief may be available in calculating any gains (but not losses) thereby allowing for any rise in inflation during the period of ownership by indexation.

The above statements are only intended as a general summary of UK tax law and practice as at the date of this Prospectus (which may change in the future) applicable to individual and corporate investors who are the absolute beneficial owners of a holding in the Company and their applicability will depend upon the particular circumstances of each investor. In particular, the summary may not apply to certain classes of investors (such as dealers in securities). Any investor who is in any doubt as to his UK tax position in relation to the holding of shares in the Company should consult his UK professional adviser.

US Taxation Issues/FATCA tax reporting

The information which follows is intended as a general guide only and represents the ACD's understanding of certain US taxation issues. It is provided for information purposes only and should not be relied on. Shareholders and prospective shareholders are recommended to seek their own professional advice.

The provisions of the Foreign Account Tax Compliance Act were enacted on 18 March 2010 as part of the Hiring Incentive to Restore Employment Act (FATCA). It includes provisions under which the ACD as a Foreign Financial institution (FFI) may be required to report directly to the US Internal Revenue Service (IRS) certain information about shares in the Company held by US Persons for the purposes of FATCA or other foreign entities subject to FATCA and to collect additional identification information for this purpose. Financial institutions that do not enter into an agreement with the IRS and comply with the FATCA regime could be subject to 30% withholding tax on any payment of US source income as well as on the gross proceeds deriving from the sale of securities generating US income made to a unit trust.

The ACD is obliged to comply with the provisions of FATCA under the terms of the inter-governmental agreement (IGA) Model I and under the terms of United Kingdom legislation implementing the IGA rather than under the US Treasury Regulations implementing FATCA. The ACD has registered with the IRS as the sponsoring entity for the Company to report certain information to HMRC.

In order to comply with its FATCA obligations, the ACD may be required to obtain certain information from Shareholders so as to ascertain their US tax status. If the shareholder is a

specified US Person, US owned non-US entity, non-participating FFI or does not provide the requisite documentation, the ACD will need to report information on these shareholders to HMRC, in accordance with applicable laws and regulations, which will in turn report this to the US Internal Revenue Service. Provided that the ACD acts in accordance with these provisions the Company will not be subject to withholding tax under FATCA.

Shareholders, and intermediaries acting for shareholders, should note that it is the existing policy of the ACD that shares in the Company are not being offered or sold for the account of US Persons for the purposes of FATCA and that subsequent transfers of shares to such US Persons are prohibited. If shares in the Company are beneficially owned by any such US Person, the ACD may in its discretion compulsorily redeem such shares. Shareholders should moreover note that under the FATCA legislation, the definition of “Specified US Persons” will include a wider range of investors than the current US Person definition.

The ACD reserves the right to redeem the shares of any shareholder who jeopardises the tax status of the Company.

(A) Income equalisation – tax implications

The price of a share of a particular class is based on the value of that class’ entitlement in the Company, including the income of the Company since the previous distribution or, in the case of accumulation shares, deemed distribution. In the case of the first distribution received or accumulation made in respect of a share, part of the amount, namely the equalisation payment, is treated as a return of capital and is not taxable as income in the hands of the shareholder. This amount is, however, in the case of income shares, deducted from the cost of the share in computing any capital gains. Equalisation applies only to shares purchased during the relevant accounting period. It is calculated as the average amount of income included in the issue price of all shares of the relevant class issued during the period.

(B) UK information reporting regime

Open-ended investment companies are required to report details of interest distributions paid to UK, and many non-UK investors. Dividend distributions and payments made to ISA investors are not within the scope of these rules but see the paragraphs dealing with the “EU Savings Directive” below.

(C) Tax Elected Fund (“TEF”) regime

The ACD may, in the future, seek to elect the Company into the TEF regime if it considers that it would be advantageous for the majority of investors in the Company to do so. The TEF regime was enacted under regulations which took effect on 01 September 2009. If the Company is elected into the TEF regime, the UK tax treatment of the Company and its investors would be different to that set out above.

(D) EU Savings Directive/Automatic Exchange of Information

Under EU Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments (the “EU Savings Directive”), dividends and other distributions of income made by a fund and payment of the proceeds of subscription and/or redemption of units, could (depending on the investment portfolio of the fund) be subject to the withholding tax and/or information providing regime imposed by the EU Savings Directive, where payment was made to a shareholder who was an individual resident in a member state of the

European Union for the purposes of the EU Savings Directive by a paying agent resident in another such member state.

The terms of the EU Savings Directive applied to a fund established in the UK only if it was a collective investment fund which was a UCITS.

However, the EU Savings Directive was repealed from 1 January 2016, subject to on-going requirements to fulfil administrative obligations (such as the reporting and exchange of information relating to, and accounting for tax withheld from, payments made before 1 January 2016). This is to prevent overlap between the EU Savings Directive and a new automatic exchange of information regime to be implemented under Council Directive 2011/16/EU on administrative co-operation in the field of taxation, as amended by Council Directive 2014/107/EU ("Directive on Administrative Co-operation"). The Directive on Administrative Co-operation, which effectively implements the Organisation for Economic Co-operation and Development's common reporting standard on automatic exchange of financial account information in tax matters, requires governments to obtain detailed account information from financial institutions and exchange that information automatically with other jurisdictions annually. The Directive on Administrative Co-operation is, generally, broader in scope than the EU Savings Directive and is likely to apply to the Company regardless of the composition or asset class of its investments and whether or not the Company is a UCITS.

The ACD is responsible for identifying the territory in which an accountholder or a controlling person is resident for income tax or corporation tax purposes (or similar tax), applying due diligence procedures, keeping information for six years starting from the end of the year in which the arrangements applied to the account and for reporting to HMRC those accounts identified as reportable to a jurisdiction where an exchange of tax information requirement exists set out in the International Tax Compliance Regulations 2015, as amended from time to time. Such tasks have been delegated to the Administrator.

If a shareholder does not provide the requisite information for tax reporting purposes, the ACD may deduct the amount of any penalty imposed on it from the shareholder's account.

20 REPORTS AND ACCOUNTS

The annual accounting period of the Company ends on 31st December.

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

The ACD will issue short reports in relation to the Funds both half yearly and annually. These will be distributed to shareholders on or about the end of April and August each year. Copies of reports are sent to holders, or the first named in the case of joint holders.

21 ANNUAL GENERAL MEETING

In accordance with the OEIC Regulations the Company has elected to dispense with the holding of an annual general meeting. Shareholders have the right to request copies of the service contracts in place between the Company and its service providers.

22 REQUISITIONS OF MEETINGS

The ACD and/or the Depositary may requisition a general meeting at any time.

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

Voting

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

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

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

Quorum

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

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

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

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

Notice to shareholders

Any notice or document to be served upon a shareholder will be duly served if it is:

- (a) delivered to the shareholders' address as appearing in the Register; or
- (b) delivered by using an electronic medium in accordance with following provisions of the second paragraph below.

Any notice or document served by post is deemed to have been served on the second Business Day following the day on which it is posted. Any document left at a registered address or delivered other than by post is deemed to have been served on that day.

Any document or notice to be served on or information to be given to a shareholder must be in legible form. For this purpose, any form is legible form which:

- a) is consistent with the ACD's knowledge of how the recipient of the document wishes or expects to receive the document;
- b) is capable of being provided in hard copy by the ACD;
- c) enables the recipient to know or record the time of receipt; and
- d) is reasonable in the context.

Meetings and Modifications

The convening and conduct of meetings of shareholders and the voting rights of shareholders at such meetings is governed by the Regulations, as amended from time to time. The requirement for a meeting depends on the proposed change to the Company.

Changes to the Company may fall within one of the following three categories:

- **Fundamental events** which change the purpose or nature of the Company or the basis on which the investor invested, for example changes to an investment objective, its risk profile or something that would cause material prejudice to the investors would require investor approval. Fundamental changes require prior approval at a meeting of shareholders.
- **Significant events** are those which would materially affect an investor's investment, affect a shareholder's ability to exercise his rights in relation to this investment, result in material increased payments out of the Company, or could reasonably be expected to cause investors to reconsider their participation in the Company. Those should be notified pre-event to the investors and in sufficient time to enable them to leave the

Company, if they wish, before the change takes effect. 60 days minimum notice is required for these changes.

- **Notifiable events** for which the ACD would decide when and how shareholders should be notified, depending on the type of event. In these cases notification could be after the event. This may take the form of the sending of an immediate notification to shareholders or the information being included in the next long report of the Company.

23 TRANSFER OF SHARES

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

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

24 WINDING UP OF THE COMPANY AND TERMINATION OF FUNDS

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

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

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

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

The winding up of the Company or termination or winding up of a Fund under COLL is carried out by the ACD which will, as soon as practicable, cause the property of the Company or that property attributable to the relevant Fund to be realised and the liabilities to be met out of the proceeds. Provided that there are sufficient liquid funds available after making provision for the expenses of winding up and the discharge of the liabilities of the Company

or the Fund (as the case may be) the ACD may arrange for interim distribution(s) to be made to shareholders. When all liabilities have been met, the balance (net of a provision for any further expenses) will be distributed to shareholders. The distribution made in respect of each Fund will be made to the holders of shares linked to that Fund, in proportion to the units of entitlement in the property of that Fund which their shares represent.

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

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

25 OTHER INFORMATION

Delegation

The ACD and the Depositary, subject to exceptions specified in COLL, may retain (or arrange for the Company to retain) the services of other persons to assist them in the performance of their respective functions. Subject to certain relevant legal and/or regulatory requirements, in relation to certain functions, the Depositary will not be liable for the actions of the persons so appointed provided certain provisions of COLL apply however the ACD will retain responsibility for the provision of such services.

Conflicts of Interest

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

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

Subject to compliance with COLL the ACD may be party to or interested in any contract, arrangement or transaction to which the Company is a party or in which it is interested. The ACD is entitled in its own discretion to determine the terms of its appointment as such, and consequently to amend the terms of the Service Agreement referred to under "The Authorised Corporate Director" above.

Subject to applicable laws and regulation, the Depositary, the ACD, or any Investment Adviser or any associate of any of them will not be liable to account to the Company or any other person, including the holders of shares or any of them, for any profit or benefit made or derived from or in connection with:

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

- (c) their dealing in property equivalent to any owned by (or dealt in for the account of) the Company.

Subject to the Regulations, neither the ACD, Depositary, Administrator, Registrar, Investment Adviser or any other person involved with the establishment and/or operation of the Company are liable to account to each other or to the shareholders or former shareholders of the Company for any profits or benefits they may make or receive which are made, derived from or in connection with:

- (a) dealings in the shares of the Company;
- (d) any transaction in the underlying property of the Company; or
- (e) the supply of services to the Company.

Liability and Indemnity

With the exception mentioned below:

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

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

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

26 GENERAL

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

A copy of the complaints handling procedure is available from the ACD on request.

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

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

When the investment is a lump sum investment, an applicant who is entitled to cancel and does so will not get a full refund of the money paid by him if the purchase price of the shares falls before the cancellation notice is received by the ACD, because an amount equal to such

fall (the "**shortfall**") will be deducted from the refund he would otherwise receive. Where the purchase price has not yet been paid the applicant will be required to pay the amount of the shortfall to the ACD. The deduction does not apply where the service of the notice of the right to cancel precedes the entering into of the agreement. Cancellation rights must be exercised by posting a cancellation notice to the ACD on or before the 14th day after the date of receipt of the notice of the right to cancel.

The Financial Services Compensation Scheme has been established under the rules of the FCA as a "rescue fund" for certain clients of firms authorised and regulated by the FCA which have gone out of business. The ACD will supply you with further details of the scheme on written request to its operating address. Alternatively, you can visit the scheme's website at www.fscs.org.uk or by writing to the Financial Services Compensation Scheme, 7th Floor, Lloyds Chambers, Portsoken Street, London E1 8BN.

Documents and information available

Copies of the following documents are available on request, free of charge from the ACD:

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

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

This Prospectus

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

Remuneration

The ACD has established and applies a remuneration policy, procedure and practice (together, the "Remuneration Policy") which is consistent with, and promotes, sound and effective risk management, and does not encourage risk-taking that is inconsistent with the risk profile or the Instrument of Incorporation. The Remuneration Policy applies to staff whose professional activities have a material impact on the risk profile of the ACD or the Company. The Remuneration Policy does not impair compliance with the ACD's duty to act in the best interests of the Company. Details of the up-to-date Remuneration Policy are available on

www.tutman.co.uk and a copy of such information can be obtained, free of charge, upon request at the offices of the ACD.

Schedule 1

Investment and Borrowing Powers

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

Save for any derivative investment acquired for the purposes of efficient portfolio management, including hedging (referred to in more detail below), the property of each Fund may not include any investment to which a liability (whether actual or contingent) is attached unless the maximum amount of such liability is ascertained at the time when such investment is acquired for the account of that Fund.

The capital property attributable to each Fund is required to consist of such investments although investment in other asset classes is permitted as set out in COLL as it applies to UCITS Schemes and as set out below. In accordance with the investment policy of each of the Funds, each Fund may invest in transferable securities (including investment trusts), collective investment schemes, deposits, approved money market instruments and derivatives (for Efficient Portfolio Management Purposes).

The Funds will not invest in immovable property or tangible movable property.

The ACD shall ensure that, taking into account the investment objective of each of the Funds, the scheme property of each of the Funds aims to provide a prudent spread of risk.

The ACD does not anticipate that the use of derivatives will change or alter the overall risk profiles of the Funds.

Transferable securities

Up to 100% of the scheme property attributable to a Fund may consist of transferable securities. For the purposes of COLL a transferable security is an investment which is either a share, debenture, a government and public security, a warrant or a certificate representing certain securities.

The Funds may invest in transferable securities which fulfil the following criteria:

- the potential loss which the Funds may incur with respect to holding the transferable security is limited to the amount paid for it;
- its liquidity does not compromise the ability of the ACD to comply with its obligation to redeem units at the request of any qualifying shareholder;
- reliable valuation is available for the transferable securities as follows:
 - in the case of a transferable security admitted to or dealt in on an eligible market, where there are accurate, reliable and regular prices which are either market prices or prices made available by valuation systems independent from issuers;

- in the case of a transferable security not admitted to or dealt in on an eligible market, where there is a valuation on a periodic basis which is derived from information from the issuer of the transferable security or from competent investment research;
- appropriate information is available for the transferable security as follows:
 - in the case of a transferable security admitted to or dealt in on an eligible market, where there is regular, accurate and comprehensive information available to the market on the transferable security or, where relevant, on the portfolio of the transferable security;
 - in the case of a transferable security not admitted to or dealt in on an eligible market, where there is regular and accurate information available to the ACD on the transferable security or, where relevant, on the portfolio of the transferable security;
- it is negotiable; and
- its risks are adequately captured by the risk management process of the ACD.

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

Closed end funds constituting transferable securities

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

- where the closed end fund is constituted as an investment company or a unit trust:
 - 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 end 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 purpose of investor protection.

Approved Money Market Instruments

Up to 100% of the scheme property attributable to the Funds may consist of money market instruments which are normally dealt in on the money market, are liquid and whose value can

be accurately determined at any time, being an 'approved money market instrument' in accordance with the rules in COLL.

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

The Funds may invest in an approved money market instrument if it is:

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

Money-market instruments with regulated issuer

In addition to instruments admitted to or dealt in on an eligible market, the Funds may invest in an approved money-market instrument provided it fulfils the requirements in COLL governing regulated issuers of money-market instruments such that the issue or the issuer is regulated for the purpose of protecting investors and savings and the instrument is issued or guaranteed, in accordance with COLL.

The Funds may also with the express consent of the FCA invest in an approved money-market instrument provided:

- (a) the issue or issuer is itself regulated for the purpose of protecting investors and savings in accordance with COLL;
- (b) investment in that instrument is subject to investor protection equivalent to that provided by instruments which satisfy the requirements of COLL 5.2.10BR(1)(a),(b) or (c); and
- (c) the issuer is a company whose capital and reserves amount to at least EUR 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 (as defined in COLL) which benefit from a banking liquidity line (as defined in COLL).

Transferable securities and approved money market instruments held within the Funds must be:

- (a) admitted to or dealt in on an eligible market which is a regulated market; or
- b) dealt in on an eligible market which is a market in an EEA State which is regulated, operates regularly and is open to the public; or
- (c) admitted to or dealt in on an market which the ACD, after consultation with and notification to the Depositary decides that market is appropriate for the investment of, or dealing in, the scheme property, is listed in the Prospectus, and the Depositary has taken reasonable care to determine that adequate custody arrangements can be provided for and all reasonable steps have been taken by the ACD in deciding whether that market is eligible; or
- (d) recently issued transferable securities provided that the terms of the 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.

The Funds may invest no more than 10% of the scheme property in transferable securities and money market instruments other than those referred to in (a) to (d) above.

Transferable securities linked to other assets

The Funds may invest in any other investment which shall be taken to be a transferable security provided the investment:

- (a) fulfils the criteria for transferable securities set out in COLL 5.2.7AR; and
- (b) is backed by or linked to the performance of other assets, which may differ from those in which UCITS Schemes can invest.

Where such investments contain an embedded derivative component, the COLL rules applicable to investment in derivatives and forwards (summarised below) will apply.

Warrants

Not more than 5% in value of the scheme property attributable to the Funds may consist of warrants. Securities on which any sum is unpaid may be held provided that it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by the relevant Fund at any time when the payment is required without contravening COLL.

Government and public securities

Where no more than 35% in value of the scheme property attributable to the Fund is invested in government and public securities issued by any one body, there is no limit on the amount which may be invested in such securities or in any one issue.

The Fund has the power to invest more than 35% in value of its scheme property in government and public securities issued by any issued which are issued or guaranteed by:

- (a) **the Government of the United Kingdom; the Executive Committee of the Northern Ireland Assembly; the Scottish Administration; the National Assembly of Wales; or**

- (b) **the Government of Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, Slovenia; or**
- (c) **the Government of Australia, Canada, Japan, New Zealand, Switzerland and the United States of America; or**
- (d) **the European Investment Bank, the World Bank, the European Bank of Reconstruction and Development, the Inter-America Development Bank, the Asian Development Bank, the International Finance Corporation, the Japan Development Bank, the Nordic Investment Bank, the Council of Europe Development Bank, and Federal Home Loans.**

Covered bonds

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

Collective investment schemes

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

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

(i) The second scheme must satisfy all the below conditions:

- (a) A scheme which satisfies the conditions necessary for it to enjoy the rights conferred by the UCITS Directive; or
- (b) A scheme which is recognised under the provisions of section 272 of the Act (individually recognised overseas schemes) that is authorised by the supervisory authorities of Guernsey, Jersey or the Isle of Man (provided the requirements of article 50(1)(e) of the UCITS Directive are met); or
- (c) A scheme which is authorised as a non-UCITS retail scheme (as defined in COLL) and provided the requirements of article 50(1)(e) of the UCITS Directive are met; or
- (d) A scheme which is authorised in another EEA State (provided the requirements of article 50(1)(e) of the UCITS Directive are met); or.

(e) be authorised by the competent authority of an OECD member country (other than another EEA State) which has:

- i. signed the IOSCO Multilateral Memorandum of Understanding; and
- ii. approved the scheme's management company, rules and depositary/custody arrangements;

(provided the requirements of Article 50(1)(e) of the UCITS Directive are met).

1. The second scheme must comply, where relevant, with those COLL provisions regarding investment in other group schemes and associated schemes (referred to below).
2. The second scheme must have terms which prohibit more than 10% in value of the scheme property consisting of units in collective investment schemes.

Where the second scheme is an umbrella the provisions of 1. and 2. above and COLL 5.2.11 R (spread: general) apply to each sub-fund as if it were a separate scheme.

Where a substantial proportion of a Fund's assets are invested in other collective investment schemes, the maximum annual management fee that may be charged to the Fund and to the collective investment scheme in which it invests should not exceed 2.5% (excluding performance fees) per annum plus VAT (if applicable).

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

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

A Fund may invest in or dispose in shares of another Fund within the Company (the "**second fund**") only if the following conditions are satisfied:

- (a) the second fund does not hold shares in any other sub-fund of the Company;
- (b) the conditions in COLL 5.2.15R (Investment in associated collective investment schemes) and COLL 5.2.16R (Investment in group schemes) are complied with (as modified by COLL 5.2.15R(2)); and

- (c) the investing or disposing Fund must not be a feeder UCITS to that second fund.

Cash and near cash

In accordance with COLL, the scheme property attributable to the Funds may consist of cash or near cash to enable:

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

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

Derivatives

As at the date of this Prospectus the Funds(s) only use derivatives for the purpose of efficient portfolio management and hedging as set out below under the heading "Derivatives – Efficient Portfolio Management". Subject to obtaining and maintaining the requisite permissions from the FCA under the Regulations, on giving no less than 60 days' prior written notice to all shareholders in the Fund(s), the ACD will no longer operate the Fund(s) under efficient portfolio management, as set out under the heading "Derivatives – Efficient Portfolio Management" below, but instead, certain types of derivatives and forward transactions as set out under the heading "Derivatives – Investment Purposes", may be effected for the Fund(s).

If the ACD elects to use derivatives in this way it is not intended that this will change or alter the overall risk profile of the Fund(s).

Derivatives – Efficient Portfolio Management

The Funds may invest in derivatives for the purposes of efficient portfolio management (including hedging). Such derivatives will be covered and usually exchange traded. Where such derivatives are used for hedging or in accordance with efficient portfolio management techniques, this will not change or alter the risk profile of the Company.

Efficient portfolio management enables the Funds to invest in derivatives and forward transactions (including futures and options) in accordance with COLL using techniques which relate to transferable securities and approved money market instruments (as defined in COLL) and which fulfil the following criteria:

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

- (b) they are entered into for one or more of the following specific aims;
 - (i) reduction of risk;
 - (ii) reduction of cost;
 - (iii) generation of additional capital or income for the Funds with a risk level which is consistent with the risk profile of the relevant Fund and the risk diversification rules in COLL (as summarised in below).

In relation to the generation of additional capital or income, there is an acceptably low level of risk in any case where the ACD reasonably believes that the Funds are certain (or certain barring events which are not reasonably foreseeable) to derive a benefit:

- (a) by taking advantage of pricing imperfections in relation to the acquisition and disposal (or disposal and acquisition) of rights in relation to the same or equivalent property, being property which the Fund holds or may properly hold;
- (b) by receiving a premium for the writing of a covered call option, even if that benefit is obtained at the expense of surrendering the chance of yet greater benefit.

To be economically appropriate to the Funds, the ACD must reasonably believe that:

- (a) for transactions undertaken to reduce risk or cost (or both), the transaction (alone or in combination) will diminish a risk or cost of a kind or level which it is sensible to reduce; and
- (b) for transactions undertaken to generate additional capital or income, the Funds are certain (or certain barring events which are not reasonably foreseeable) to derive a benefit from the transaction.

Derivatives – general

A transaction in derivatives or a forward transaction must not be effected for a Fund unless the transaction is of a kind specified below and the transaction is covered.

Where a Fund invests in derivatives, the exposure to the underlying assets must not exceed the general limits on spread as set out in the paragraph headed "Spread – General" below, except for index-based derivatives where the following rules apply.

Where a Fund invests in an index-based derivative, provided the relevant index falls within COLL 5.2.33, the underlying constituents of the index do not have to be taken into account for the purposes of monitoring the spread requirements. The relaxation is subject to the ACD continuing to ensure that the property provides a prudent spread of risk.

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

Permitted Transactions (derivatives and forward transactions)

Derivatives transactions must either be in an approved derivative (being a derivative which is dealt in on an eligible derivatives market as set out in Schedule 2) or an over the counter derivative with an approved counterparty, in accordance with COLL.

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

Any over the counter transactions in derivatives must also be on approved terms, i.e. the counterparty has agreed with the ACD:

- (a) to provide a reliable and verifiable valuation in respect of that transaction at least daily and at any time at the request of the ACD; and
- (b) that it will, at the request of the ACD, enter into a further transaction to close out that transaction at any time, at a fair value, arrived at under the pricing model or other reliable basis agreed.

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

- transferable securities permitted under COLL 5.2.8R(3)(a) to (c) and (e);
- money market instruments permitted under COLL 5.2.8R(3)(a) to (d);
- deposits as permitted under COLL 5.2.26R;
- derivatives as permitted under COLL;
- collective investment schemes as permitted under COLL 5.2.13R;
- financial indices which satisfy the criteria set out in COLL 5.2.20AR;
- interest rates;
- foreign exchange rates; and
- currencies.

A transaction in a derivative must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more transferable securities, approved money market instruments, units in collective investment schemes or derivatives provided that a sale is not to be considered as uncovered if the conditions in COLL 5.2.22(3)R are (Requirement to cover sales) are satisfied.

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

All derivatives transactions are deemed to be free of counterparty risk if they are performed on an exchange where the clearing house is backed by an appropriate performance guarantee; and it is characterised by daily mark-to-market valuation of the derivative positions and an at least daily margining.

Embedded derivatives

Where a Fund invests in a transferable security or an approved money-market instrument which embeds a derivative, this must be taken into account for the purposes of complying with COLL.

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

- (a) by virtue of that component some or all of the cash flows that otherwise would be required by the transferable security or approved money-market instrument which functions as host contract can be modified according to a specified interest rate, financial instrument price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, and therefore vary in a way similar to a stand-alone derivative;
- (b) its economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract; and
- (c) it has a significant impact on the risk profile and pricing of the transferable security or approved money-market instrument.

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

The following types of investments are generally regarded as being transferable securities and approved money market instruments which embed a derivative:

- (a) credit linked notes;
- (b) transferable securities or approved money-market instruments whose performance is linked to the performance of a bond index;
- (c) transferable securities or approved money-market instruments whose performance is linked to the performance of a basket of shares, with or without active management;
- (d) transferable securities or approved 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;
- (d) convertible bonds; and
- (e) exchangeable bonds.

Transferable securities and approved money-market instruments which embed a derivative are subject to the rules applicable to derivatives in COLL as summarised in this section.

A derivative includes instruments which fulfil the following criteria:

- (a) it allows the transfer of the credit risk of the underlying independently from the other risks associated with that underlying;
- (b) it does not result in the delivery or the transfer, including in the form of cash, of assets other than those referred to in COLL 5.2.6AR;
- (c) in the case of an OTC derivative, it complies with the requirements in COLL 5.2.23R;
- (d) its risks are adequately captured by the ACD's risk management process, and by its internal control mechanisms in the case of risks of asymmetry of information between the ACD 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 Funds may not undertake transactions in derivatives on commodities.

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

- (a) that property can be held for the account of the Company; and
- (b) the ACD having taken reasonable care determines that delivery of the property under the transaction will not occur or will not lead to a breach of COLL.

Requirement to cover sales

No agreement by or on behalf of the Funds 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(s) by delivery of property or the assignment of rights, and the property and rights above are owned by the Funds at the time of the agreement.

This requirement does not apply to a deposit, nor does it apply where:

- (a) the risks of the underlying financial instrument of a derivative can be appropriately represented by another financial instrument which is highly liquid; or
- (b) the ACD or the Depositary has the right to settle the derivative in cash, and cover exits within the scheme property which falls within one of the following asset classes:

cash;

liquid debt instruments (e.g. government bonds of first credit rating) with appropriate safeguards (in particular, haircuts); or

other highly liquid assets having regard to their correlation with the underlying of the financial derivative instruments, subject to appropriate safeguards (e.g. haircuts where relevant).

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

Over-the-counter ("OTC") transactions in derivatives

Any transaction in an OTC derivative must be:

- (a) 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 including any requirements or limitations, as published in the FCA register, or whose home state authorisation, permits it to enter into such transactions as principal off-exchange.
- (b) on approved terms. The terms of a transaction in derivatives are approved only if the ACD:
 - (i) carries out, at least daily, a reliable and verifiable valuation in respect of that transaction corresponding to its fair value and which does not rely only on market quotations by the counterparty; and
 - (ii) can enter into one or more further transactions to sell, liquidate or close out those transactions at any time, at its fair value.
- (c) capable of reliable valuation. A transaction in derivatives is capable of reliable valuation only if the ACD having taken reasonable care determines that, throughout the life of the derivative (if the transaction is entered into), it will be able to value the investment concerned with reasonable accuracy:
 - (i) on the basis of an up-to-date market value which the ACD and the Depositary have agreed is reliable; or
 - (ii) if the value referred to in (i) is not available, on the basis of a pricing model which the ACD and the Depositary have agreed uses an adequate recognised methodology; and
- (d) 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:
 - (i) an appropriate third party which is independent from the counterparty of the derivative, at an adequate frequency and in such a way that the ACD is able to check it; or
 - (ii) a department within the ACD which is independent from the department in charge of managing the scheme property and which is adequately equipped for such a purpose.

“Fair Value” is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm’s length transaction.

The Depositary must take reasonable care to ensure that the ACD has systems and controls that are adequate to ensure compliance with (a) to (d) above.

Collateral required under OTC derivative transactions must be:

- (a) marked to market on a daily basis and exceed the value of the amount of risk;
- (b) exposed only to negligible risks (e.g. government bonds of first credit rating or cash) and is liquid;
- (c) held by a third party custodian not related to the provider or is legally secured from the consequences of a failure of a related party; and
- (d) be fully enforceable by the Fund(s) at any time.

OTC derivative positions with the same counterparty may be netted provided that the netting procedures comply with the conditions set out in Section 3 (Contractual netting (Contracts for novation and other netting agreements)) of Annex III of the Banking Consolidation Directive; and are based on legally binding agreements.

Risk Management

The ACD uses a risk management process, as reviewed by the Depositary, enabling it to monitor and measure frequently as appropriate the risk of a Fund's positions and their contribution to the overall risk profile of the Company. Currently derivatives may be used by each of the Funds for the purposes of efficient portfolio management (including hedging). **It is not anticipated that the use of derivatives in this way by the Funds will alter or change the risk profile of the Company.**

Before using the risk management process, the ACD will notify the FCA of the details including the methods for estimating risks in derivative and forward transactions and the types of derivatives and forward that will be used within the Funds together with their underlying risks and any relevant quantitative limits.

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

Derivative exposure

The Funds may invest in derivatives and forward transactions only where the exposure to which the Funds are committed by that transaction itself is suitably covered from within the Funds' property. Exposure will include any initial outlay in respect of that transaction.

Cover ensures that the Funds are not exposed to the risk of loss of property, including money, to an extent greater than the net value of the Funds' property. Therefore, the Funds must hold property sufficient in value or amount to match the exposure arising from a derivative obligation to which the Fund is committed. The detailed requirements in accordance with COLL 5.3.3 for cover of the Funds are set out below.

Cover used in respect of one transaction in derivatives or forward transactions should not be used for cover in respect of another transaction in derivatives or a forward transaction.

Cover for transaction in derivatives and forward transactions

A transaction in derivatives or forward transaction is to be entered into only if the maximum exposure, in terms of the principal or notional principal created by the transaction to which the Company is or may be committed by another person, is covered globally.

Exposure is covered globally if adequate cover from within the scheme property is available to meet the Company's total exposure, taking into account the value of the underlying assets, any reasonably foreseeable market movement, counterparty risk, and the time available to liquidate any positions.

Cash not yet received into a Fund's property but due to be received within one month is available as cover for these purposes.

Property which is the subject of a stock lending transaction is only available for cover if the ACD has taken reasonable care to determine that it is obtainable (by return or re-acquisition) in time to meet the obligation for which cover is required.

The total exposure relating to derivatives held in a Fund may not exceed the net value of the property.

Deposits

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

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

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

Spread – general

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

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

In applying any limit to transferable securities or money market instruments, any certificates representing certain securities are to be treated as equivalent to the underlying security.

Not more than 5% in value of the scheme property attributable to a Fund may consist of transferable securities or approved money market instruments issued by any single body.

This limit may be raised to 10% in respect of up to 40% in value of the scheme property.

Covered bonds need not be taken into account for the purpose of applying the limit of 40%. The limit of 5% is raised to 25% in value of the scheme property in respect of covered bonds, provided that when a Fund invests more than 5% in covered bonds issued by a single body, the total value of covered bonds held must not exceed 80% in value of the scheme property.

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

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

Borrowing

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

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

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

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

Stock lending

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

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

Underwriting

The Company may enter into underwriting and sub-underwriting arrangements in accordance with COLL, provided that such agreements are covered in accordance with COLL 5.3.3 (as summarised above under '*Cover for transaction in derivatives and forward transactions*'), and such that if all possible obligations arising under them had immediately to be met in full, there would be no breach of any limit in COLL.

Lending and other provisions

The scheme property of the Funds other than money must not be lent by way of deposit or otherwise and must not be mortgaged. Stock lending transactions permitted under COLL 5.4 however are not to be regarded as lending for the above purposes. The Company or the Depositary at the request of the Company may however lend, deposit, pledge or charge scheme property for margin requirements where transactions in derivatives or forward transactions are used for the account of the Funds in accordance with COLL and this Schedule.

Schedule 2

Eligible Markets

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

- a) a "regulated market" as defined in COLL;
- b) a securities market established in any EEA State (which as at the date of this Prospectus includes the UK, Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Estonia, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Spain, Sweden and Slovenia) which is regulated, operates regularly and is open to the public;
- c) any investments listed, quoted or dealt in on any stock exchange in the U.S., Australia, Canada, Japan, New Zealand or Switzerland which is a stock exchange within the meaning of the law of the country concerned relating to stock exchanges; and
- d) the principal or only market established under the rules of any of the following investment exchanges:

Country	Market
Indonesia	Indonesia Stock Exchange (IDX)
Malaysia	Kuala Lumpur Stock Exchange
Mexico	Bolsa Mexicana de Valores (BMV)
Singapore	Singapore Exchange (SGX)
South Africa	JSE Limited
South Korea	Korea Composite Stock Price Index (KOSPI) (previously KRX)
Taiwan (Republic of China)	Taiwan Stock Exchange
USA	The market in US government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York

- (e) the market organised by the International Securities Market Association; the Alternative Investment Market ("AIM") in the UK; the over-the-counter market in Canadian Government Bonds, regulated by the Investment Dealers Association of Canada; the Singapore International Monetary Exchange; and

PLUS – an independent market for small and mid-cap companies.

For the purposes only of determining the value of the assets of a Fund, the term “Eligible Market” shall be deemed to include, in relation to any futures or options contract utilised by the Fund for the purposes of efficient portfolio management or to provide protection against exchange rate risk any organised exchange or market on which such futures or options contract is regularly traded.

Eligible Derivatives Markets

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

- a) the market conducted by the "listed money market institutions", as described in the FCA publication "The Regulation of the Wholesale Cash and OTC Derivatives Markets under Section 43 of the FCA (the "Grey Paper") as amended from time to time (in Sterling, foreign currency and bullion)";
- b) the over-the-counter market in Japan regulated by the Securities Dealers Association of Japan.
- c) NASDAQ in the United States;
- d) the Tokyo Stock Exchange;
- e) the over-the-counter market in the United States regulated by the National Association of Securities Dealers Inc. (also described as the over-the-counter market in the United States conducted by primary and secondary dealers regulated by the Securities and Exchanges Commission and by the National Association of Securities Dealers (and by banking institutions regulated by the US Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);
- f) the French market for Titres de Créances Négotiables (over-the-counter market in negotiable debt instruments);
- g) NASDAQ Europe;
- h) the New Zealand Futures and Options Exchange;
- i) the French market for Titres de Créances Négotiables (over-the-counter market in negotiable debt instruments);
- j) SESDAQ (the second tier of the Singapore Stock Exchange);
- k) London International Financial Futures and Options Exchange (LIFFE);
- l) the London Securities & Derivatives Exchange Ltd (OMLX);
- m) EUREX;
- n) the European Options Exchange.

Schedule 3

Historical Performance

The comparisons have been based on various share classes for a Fund's performance information over a five year period. The Company launched on 27 July 2007 but not all share classes were issued on that date and will not have a five year record. Where data is not available for a five year period the table is marked 'N/A'. Data represents accumulation shares except where indicated to the contrary.

The performance table shows the total annual return up to 31 December in each year listed.

The performance information shows the post-tax position and is net of charges (subscription and redemption fees) but does not include the effect of any preliminary charge that may be paid on the purchase of an investment and assumes that the investor pays no taxes.

Investors and potential investors should note the following statements:

- a) The source for the below performance figures have been derived from information extracted and provided through MorningStar.
- b) These performance figures are presented as a matter of record and should be regarded as such.
- c) Performance is determined by many factors including the general direction and volatility of markets and may not be repeatable.
- d) Past performance is not a guide to future growth or rates of return.**

Fund/share class	2011 %	2012 %	2013 %	2014 %	2015 %
Libero Balanced Fund – Retail	-5.14	8.62	16.65	3.08	2.10
Libero Balanced Fund – B	N/A	9.17	17.21	3.58	2.69
Libero Balanced Fund – D	N/A	8.76	16.65	3.04	2.17
Libero Balanced Fund – CWM Retail	N/A	N/A	16.37	2.81	1.89
Libero Balanced Fund – X	N/A	10.27	18.41	4.69	3.68
Libero Cautious Fund – Retail	N/A	3.73	5.21	3.62	0.16
Libero Cautious Fund – B	N/A	N/A	N/A	4.08	0.66
Libero Cautious Fund – E	N/A	N/A	5.74	4.18	0.63
Libero Cautious Fund – F *	N/A	N/A	4.50	3.11	-0.24
Libero Cautious Fund – CWM Retail	N/A	N/A	4.68	3.11	-0.27
Libero Cautious Fund – LAPS Instl	6.51	3.99	5.48	3.91	0.41
Libero Cautious Fund – LAPS Retail	5.90	3.21	4.69	3.17	-0.33

Fund/share class	2011 %	2012 %	2013 %	2014 %	2015 %
Libero Strategic Fund – Retail	N/A	7.91	9.73	4.06	1.24
Libero Strategic Fund – B	N/A	8.45	10.22	4.62	1.75
Libero Strategic Fund – D	N/A	7.90	9.68	4.10	1.16
Libero Strategic Fund – E	N/A	N/A	10.57	4.88	1.95
Libero Strategic Fund – LAPS Instl	-2.04	8.45	10.26	4.58	1.75
Libero Strategic Fund – LAPS Retail	-2.67	7.64	9.42	3.78	1.02
Libero Strategic Fund – X	N/A	8.28	11.37	5.66	2.70

* For this Fund and share class (Libero Cautious Fund – F) the data represents income shares.

Schedule 4**LIST OF SUB-CUSTODIANS**

As appropriate to the listed Eligible Markets

<u>Country</u>	<u>Sub-Custodian</u>	<u>Sub-delegate</u>
Argentina	Citibank, N.A	
Australia	HSBC Bank Australia Limited	
Austria	UniCredit Bank Austria AG	
Bahrain	HSBC Bank Middle East Limited	
Bangladesh	Standard Chartered Bank	
Belgium	Deutsche Bank AG	
Benin	Standard Chartered Bank (Mauritius) Limited	
Bermuda	HSBC Bank Bermuda Limited	
Bosnia-Herzegovina: The Federation of Bosnia and Herzegovina (Sarajevo)	Raiffeisen Bank International AG	Raiffeisen Bank Bosnia DD BiH
Bosnia-Herzegovina: The Republika of Srpska (Banja Luka)		
Botswana	Standard Chartered Bank Botswana Limited	
Brazil	Citibank N.A.Brazil	Citibank Distribuidora de Titulos e Valores Mobiliarios S.A ("DTVM")
Bulgaria	Citibank Europe plc	
Burkina Faso	Standard Chartered Bank (Mauritius) Limited	
Canada	1.The Northern Trust Company Canada 2.RBC	
Channel Islands	The Northern Trust Company, London	
Chile	Banco de Chile	
China	(1) HSBC Bank (China) Company Limited (China- A) (2) HSBC Bank (China) Company Limited (China- B)	
Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria	
Costa Rica	Banco Nacional de Costa Rica	
Croatia	UniCredit Bank Austria AG	Zagrebacka Banka d.d.
Cyprus	Citibank Europe plc, Greece Branch	
Czech Republic	UniCredit Bank Czech Republic and Slovakia, a.s.	

<u>Country</u>	<u>Sub-Custodian</u>	<u>Sub-delegate</u>
Denmark	Nordea Bank Danmark A/S	
Egypt	Citibank NA	
Estonia	Swedbank AS	
Euroclear	Euroclear Bank S.A/N.V	
Finland	Nordea Bank Finland plc	
France	Deutsche Bank AG	
Germany	Deutsche Bank A.G.	
Ghana	Standard Chartered Bank Ghana Limited	
Greece	Citibank Europe plc, Greece Branch	
Guernsey	The Northern Trust Company, London	
Guinea Bissau	Standard Chartered Bank (Mauritius) Limited	
Hong Kong	The Hongkong & Shanghai Banking Corporation Ltd	
Hungary	UniCredit Bank Hungary Zrt	
Iceland	Landsbankinn hf	
India	Citibank NA	
Indonesia	Standard Chartered Bank	
Ireland	The Northern Trust Company, London	
Israel	Bank Leumi Le-Israel B.M.	
Italy	Deutsche Bank SpA	
Ivory Coast	Standard Chartered Bank (Mauritius) Limited	
Japan	The Hongkong & Shanghai Banking Corporation Limited	
Jordan	Standard Chartered Bank plc, Jordan Branch	
Kazakhstan	JSC Citibank Kazakhstan	
Kenya	Standard Chartered Bank Kenya Limited	
Kuwait	HSBC Bank Middle East Limited	
Latvia	Swedbank AS	
Lebanon	HSBC Bank Middle East Limited	
Lithuania	AB SEB Bankas	
Luxembourg	Euroclear Bank S.A/N.V	
Malaysia	HSBC Bank Malaysia Berhad	

<u>Country</u>	<u>Sub-Custodian</u>	<u>Sub-delegate</u>
Mali	Standard Chartered Bank (Mauritius) Limited	
Mauritius	The Hongkong & Shanghai Banking Corporation Ltd	
Mexico	Banco Nacional de Mexico S.A.	
Morocco	Societe Generale Marocaine de Banques	
Namibia	Standard Bank Namibia Ltd	
Netherlands	Deutsche Bank AG	
New Zealand	The Hongkong and Shanghai Banking Corporation Limited	
Niger	Standard Chartered Bank (Mauritius) Limited	
Nigeria	Stanbic IBTC Nominees Limited	
Norway	Nordea Bank Norge ASA	
Oman	HSBC Bank Oman SAOG	
Pakistan	Citibank NA	
Panama	Citibank, N.A., Panama Branch	
Peru	Citibank del Peru S.A.	
Philippines	The Hongkong & Shanghai Banking Corporation Ltd	
Poland	Bank Polska Kasa Opieki SA	
Portugal	BNP Paribas Securities Services	
Qatar	HSBC Bank Middle East Limited	
Romania	Citibank Europe plc	
Russia	AO Citibank	
Saudi Arabia	HSBC Saudi Arabia Limited	
Senegal	Standard Chartered Bank (Mauritius) Limited	
Serbia	UniCredit Bank Austria A.G.	UniCredit Bank Serbia JSC
Singapore	DBS Bank Ltd	
Slovak Republic / Slovakia	Citibank Europe plc	
Slovenia	UniCredit Banka Slovenija d.d	
South Africa	Standard Bank of South Africa Limited	
South Korea	The Hongkong & Shanghai Banking Corporation Ltd	
Spain	Deutsche Bank SAE	
Sri Lanka	Standard Chartered Bank	
Swaziland	Standard Bank Swaziland Ltd	
Sweden	Svenska Handelsbanken AB (publ)	

<u>Country</u>	<u>Sub-Custodian</u>	<u>Sub-delegate</u>
Switzerland	Credit Suisse AG	
Taiwan	Bank of Taiwan	
Tanzania	Standard Chartered Bank (Mauritius) Limited	Standard Chartered Bank Tanzania Ltd
Thailand	Citibank NA	
Togo	Standard Chartered Bank (Mauritius) Limited	
Tunisia	Banque Internationale Arabe de Tunisie	
Turkey	Deutsche Bank AS	
Uganda	Standard Chartered Bank Uganda Limited	
Ukraine	PJSC Citibank	
United Arab Emirates-ADX	HSBC Bank Middle East Limited	
United Arab Emirates-DFM	HSBC Bank Middle East Limited	
United Arab Emirates-NASDAQ	HSBC Bank Middle East Limited	
United Kingdom	The Northern Trust Company, London	
United States	The Northern Trust Company	
Uruguay	Banco Itau Uruguay S.A.	
Venezuela	Citibank NA Caracas Branch	
Vietnam	HSBC Bank (Vietnam) Ltd	
Zambia	Standard Chartered Bank Zambia plc	
Zimbabwe	Standard Chartered Bank (Mauritius) Limited	

Schedule 5**List of other Authorised Collective Investment Schemes operated by the ACD**

<u>Authorised Investment Companies with Variable Capital</u>	<u>Authorised Unit Trusts</u>
Abaco Fund ICVC	BPM Trust
Bryth ICVC	Eden Investment Fund
Destiny Fund ICVC	Elfyinn International Trust
Farnborough Equity Fund	Glenhuntley Portfolio Trust
Harroway Capital ICVC	Hawthorn Portfolio Trust
Libero Portfolio Fund	Joral Global Growth Fund
Melchior Investment Funds	KES Diversified Trust
Natural Resources Fund	KES Equity Fund
Skiwi Fund	KES Growth Fund
The Ambrose Fund	KES Income and Growth Fund
The Diversification Fund ICVC	KES Strategic Investment Fund
The Dunnottar Fund	Latour Growth Fund
The Global Balanced Strategy Fund	Lavaud Fund
The Global Multi Asset Fund	Palm Fund
The Hector Fund	Pippin Return Fund
The Juniper Fund	The Darin Fund
The Lockerley Fund	The Eldon Fund
The Motim Fund	The Iceberg Trust
The Northern Lights Fund	The Palfrey Fund
The Oenoke Fund	Thesis Charlotte Square Allweather Fund
The Ord Fund ICVC	Thesis Headway Fund
The Saint Martins Fund	Thesis Lion Growth Fund
The Staderas Fund	Thesis Optima Fund
The Stratford Fund	Thesis PM A Fund
The Sun Portfolio Fund	Thesis PM B Fund
The TM Kauri Fund	Thesis Thameside Managed Fund
The TM Lancewood Fund	The TUTMAN B&CE Contracted-out Pension Scheme
The TM Levitas Funds	TM Balanced Fund
The TM Overstone UCITS Fund	TM Balanced Return Fund
The Vinings Fund	TM Growth Fund
The Wharton Fund	TM Hearthstone UK Residential Feeder Fund
Thesis iFunds OEIC	TM Managed Fund
Thesis JDS Fund	TM New Court Fund
TM Balanced Growth Fund	TM New Court Equity Growth Fund
TM Cartesian Investment Funds ICVC	TM Preservation Fund
TM Cerno Investment Funds	TM Private Portfolio Trust
TM Cheviot Investment Funds	
TM Credit Suisse Fund	
TM First Arrow Investment Funds	
TM Hearthstone ICVC	
TM Lime Fund	
TM Oak Fund	
TM Progressive UK Smaller Companies Fund	
TM Sanditon Funds	
TM Total Return Fund	
TM UBS (UK) Fund	
Trowbridge Investment Funds	