

IMPORTANT: IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS PROSPECTUS YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER.

Evelyn Partners Fund Solutions Limited (trading as St Vincent St Fund Administration), the manager of the Trust, is the person responsible for the information contained in this Prospectus. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained herein does not contain any untrue or misleading statement or omit any matters required by the Collective Investment Schemes Sourcebook to be included in it. Evelyn Partners Fund Solutions Limited (trading as St Vincent St Fund Administration) accepts responsibility accordingly.

**PROSPECTUS OF
THE CAPITAL BALANCED FUND**

(A Non-UCITS Retail Scheme with FCA Product Reference Number: 187199)

This document constitutes the Prospectus for **The Capital Balanced Fund** which has been prepared in accordance with the Collective Investment Schemes Sourcebook.

This Prospectus is dated, and is valid as at 19 March 2024.

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

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

This Prospectus has been prepared solely for, and is being made available to investors for the purposes of evaluating an investment in Units in Trust. Investors should only consider investing in the Trust if they understand the risks involved including the risk of losing all capital invested.

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

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

The provisions of the Trust Deed are binding on each of the Unitholders and a copy of the Trust Deed is available on request.

This Prospectus has been issued for the purpose of section 21 of the Financial Services and Markets Act 2000 by Evelyn Partners Fund Solutions Limited (trading as St Vincent St Fund Administration).

The distribution of this Prospectus in certain jurisdictions may require that this Prospectus is translated into the official language of those countries. Should any inconsistency arise between the translated version and the English version, the English version shall prevail.

All communications in relation to this Prospectus shall be in English.

This Prospectus is based on information, law and practice at the date hereof. The Manager cannot be bound by an out of date prospectus when it has issued a new prospectus and investors should check with Evelyn Partners Fund Solutions Limited (trading as St Vincent St Fund Administration) that this is the most recently published prospectus.

International Tax Reporting

In order to fulfil our legal obligations in accordance with the requirements of FATCA and other intergovernmental arrangements, the Trust is required to obtain confirmation of the tax residency of Unitholders to comply with certain reporting requirements. We may ask for evidence of the tax identification number, and country and date of birth of individual Unitholders, or for the Global Intermediary Identification number (GIIN) of corporate Unitholders. If certain conditions apply, information about your Units may be passed to HM Revenue & Customs (HMRC) in order to be passed on to other tax authorities, where the UK has an agreement with that country. Any Unitholder that fails to provide the required information may be subject to a compulsory redemption of their Units and/or monetary penalties.

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1. Definitions

Act means the Financial Services and Markets Act 2000 as amended, extended, consolidated, substituted or re-enacted from time to time.

Administrator means Evelyn Partners Fund Solutions Limited (trading as St Vincent St Fund Administration), or such other entity as is appointed to act as administrator to the Trust from time to time.

AIF means alternative investment fund.

AIFM means alternative investment fund manager.

AIFMD means the Alternative Investment Fund Managers Directive, 2011/61/EU, or the statutory equivalent thereof which forms part of UK law by virtue of the EUWA, as applicable.

AIFMD Level 2 Regulation means Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing the AIFMD, or the statutory equivalent thereof which forms part of UK law by virtue of the EUWA, as applicable.

AIFM Rules means the AIFMD, AIFMD Level 2 Regulation, and the United Kingdom implementing legislation, including the section of the FCA Handbook that deals with investment funds.

Approved Bank has the meaning defined in the FCA Rules, broadly an approved bank is the Bank of England or other OECD member state central bank, a bank with Part IV authorisation to accept deposits, a building society, or a bank supervised by the central bank or regulator in a member state of the OECD.

Approved Derivative means an approved derivative is one which is traded or dealt on an eligible derivatives market and any transaction in such a derivative must be effected on or under the rules of the market.

Auditor means Johnston Carmichael LLP, or such other entity as is appointed to act as auditor to the Trust from time to time.

Business Day a day on which the London Stock Exchange is open. If the London Stock Exchange is closed as a result of a holiday or for any other reason, or there is a holiday elsewhere or other reason which impedes the calculation of the fair market value of the Trust's portfolio of securities or a significant portion thereof, the Manager may decide that any Business Day shall not be construed as such.

Class or **Classes** means in relation to Units, means a particular class or classes of Unit.

Client Money means any money that a firm receives from or holds for, or on behalf of, a unitholder in the course of, or in connection with, its business unless otherwise specified.

COLL means to the appropriate chapter or rule in the COLL Sourcebook.

COLL Sourcebook means the Collective Investment Schemes Sourcebook issued by the FCA as amended from time to time.

Conversion means the conversion of Units in one Class in the Trust to Units of another Class in the Trust and Convert shall be construed accordingly.

Custodian means CACEIS Bank, UK Branch, or such other entity as is appointed to act as custodian.

Dealing Day means each Business Day.

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

Efficient Portfolio Management or **EPM** means as defined in paragraph 10 of Appendix 3.

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

EMT means the European MiFID Template

EUWA the European Union Withdrawal Act 2018

FATCA means provisions commonly known as the US Foreign Account Tax Compliance Act enacted on 18 March 2010 (as amended, consolidated or supplemented from time to time) including any regulations issued pursuant thereto.

FCA the Financial Conduct Authority, or such successor regulatory authority as may be appointed from time to time, and (where applicable) its predecessors including the Financial Services Authority;

FCA Regulations the rules contained in the Collective Investment Schemes Sourcebook (COLL), and the Investment Funds Sourcebook (FUND), as part of the FCA Rules as they may be amended or updated from time to time;

FCA Rules the FCA's Handbook of Rules and Guidance (including the COLL Sourcebook);

FUND Sourcebook means the Investment Fund Sourcebook issued by the FCA as amended or replaced from time to time.

Investment Manager means the investment manager to the Manager in respect of the Trust.

Leverage means any method by which the exposure of a Fund is increased, whether through borrowing of cash or transferrable securities or leverage embedded in derivative positions or by any other means.

Manager means Evelyn Partners Fund Solutions Limited (trading as St Vincent St Fund Administration), the manager of the Trust.

MiFID II means the Markets in Financial Instruments Directive, effective from 3 January 2018, or the statutory equivalent thereof, which forms part of UK law by virtue of the EUWA, as applicable.

Net Asset Value or **NAV** means the value of the Scheme Property of the Trust less the liabilities of the Trust as calculated in accordance with the Trust Deed.

Non-UCITS Retail Scheme or **NURS** means a type of collective investment scheme such as the Trust which is authorised by the FCA and therefore meets the standards set by the FCA to enable the Trust to be marketed to the public within the UK, but which does not comply with the conditions necessary for it to benefit from European passporting rights under the UCITS Directive.

Prime Broker means a credit institution, regulated investment firm or another entity subject to prudential regulation and ongoing supervision, offering services to professional clients primarily to finance or execute transactions in financial instruments as counterparty and which may also provide other services, such as clearing and settlement of trades, custodial services, stock lending, customised technology and operational support facilities. The Trust does not currently require the services of a Prime Broker.

Professional Liability Risks means shall have the meaning given to it in IPRU(INV) 11.3.12 EU of the FCA Handbook.

Register means the register of Unitholders of the Trust.

Registrar means Evelyn Partners Fund Solutions Limited (trading as St Vincent St Fund Administration), or such other entity as is appointed to act as Registrar to the Trust from time to time.

Regulated Activities Order means the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544) as amended from time to time.

Regulations means the OEIC Regulations, and the FCA Handbook (including the COLL Sourcebook and FUND Sourcebook, as relevant).

Scheme Property means the scheme property of the Trust required under the COLL Sourcebook to be given for safekeeping to the Trustee.

Specified U.S. Person means a person who falls within the definition of Specified U.S. Person for the purposes of FATCA.

Switch means the exchange where permissible of Units of one Fund for Units of another Fund in a different Fund and **Switching** shall be construed accordingly.

Trust means The Capital Balanced Fund.

Trust Deed means the trust deed constituting the Trust, as amended from time to time in accordance with the COLL Sourcebook.

Trustee means NatWest Trustee & Depositary Services Limited, or such other entity as is appointed to act as trustee.

UCITS Directive means the EC Directive on Undertakings for Collective Investment in Transferable Securities, or the statutory equivalent thereof which forms part of UK law by virtue of the EUWA, as applicable.

Unit or Units means a unit or units in the Trust.

Unitholder means a holder of registered Units in the Trust.

Valuation Point means the point on a Dealing Day whether on a periodic basis or for a particular valuation, at which the Manager carries out a valuation of the Scheme Property for the Trust for the purpose of determining the price at which Units of a Class may be issued, cancelled or redeemed. The current Valuation Point is 12.00 pm London time on each Dealing Day, with the exception of the last Business Day prior to any bank holiday in England and Wales where the valuation may be carried out at a time agreed in advance between the Manager and the Trustee.

VAT means UK value added tax.

2. Details of the Trust

2.1 General information

2.1.1 General

- (a) The Capital Balanced Fund (the **Trust**) is a unit trust authorised by the Financial Conduct Authority under registered number 187199 with effect from 16 September 1998. The Trust has an unlimited duration.

Approval by the FCA in this context refers only to approval under the Act and does not in any way indicate or suggest endorsement or approval of the Trust as an investment.

- (b) Unitholders are not liable for the debts of the Trust.
- (c) The Manager is also the authorised corporate director of certain open-ended investment companies, details of which are set out in Appendix 6.
- (d) Information on the typical investor profile for the Trust is set out in Appendix 5.

2.1.2 Base Currency

The base currency of the Trust is Pounds Sterling.

2.2 The Structure of the Trust

2.2.1 The Trust

The Trust is a Non-UCITS Retail Scheme (**NURS**) and is an AIF for the purposes of AIFMD.

Investment of the assets of the Trust must comply with the COLL Sourcebook and the investment objective and policy of the Trust. Details of the Trust, including its investment objective and policy, are set out in Appendix 1.

The eligible securities markets and eligible derivatives markets on which the Trust may invest are set out in Appendix 2. A detailed statement of the general investment and borrowing restrictions in respect of the Trust is set out in Appendix 3.

Any proposals to change a Trust's investment objective or investment policy will typically be treated by the Manager (with the agreement of the Trustee) as a "fundamental event" requiring prior approval of the majority of Unitholders in the Trust (see paragraph 9 "Unitholder Meetings and Voting Rights" for further details). However, Unitholders should be aware that the Manager may change a Trust's investment objective and/or its investment policy without first obtaining Unitholder consent to the extent necessary to satisfy any changes to the Regulations. In these circumstances, Unitholders shall be given as much notice as is practicable in the circumstances.

The requirement for a Unitholders' meeting depends on the proposed change to the Trust. Changes to the Trust may fall within one of the following three categories:

- **Fundamental events** which change the purpose or nature of the Trust 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 Unitholders;
- **Notifiable events** for which the Manager would decide when and how Unitholders 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 Unitholders or the information being included in the next long report of the Trust;
- **Significant events** are those which would materially affect an investor's investment, affect a Unitholder's ability to exercise his rights in relation to this investment, result in material increased payments out of the Trust, or could reasonably be expected to cause investors to reconsider their participation in the Trust. Those should be notified pre-event to the investors and in sufficient time to enable them to leave the Trust, if they wish, before the change takes effect. 60 days' minimum notice is required for these changes.

2.2.2 Units - Classes of Units within the Trust.

The rights represented by Units are those of a beneficial interest under a trust.

Units do not carry preferential or pre-emptive rights to acquire further Units.

Further Classes of Unit may be established from time to time by the Manager with the approval of the FCA, the agreement of the Trustee and in accordance with the Trust Deed. On the introduction of any new Class, either a revised prospectus or a supplemental prospectus will be prepared, setting out the details of each Class.

The base currency for each new Class of Units will be denominated at the date of creation and set out in the prospectus issued in respect of the new Class of Units.

Units in the Trust are not currently listed on any investment exchange. The Trust may issue income and accumulation Units.

The Unit Classes that may be issued and their criteria for subscription are set out in Appendix 1. Details of which of the Unit Classes are presently available are set out in Appendix 1.

Holders of accumulation Units are not entitled to be paid the income attributed to such Units, but that income is automatically transferred to

(and retained as part of) the capital assets of the Trust on the relevant interim and/or annual accounting dates. This is reflected in the price of an accumulation Unit.

Holders of income Units are entitled to be paid the distributable income attributed to such Units on any relevant interim and annual allocation dates.

For a complete list, please refer to Part 4 of the Authorised Investment Funds (Tax) Regulations 2006 and Chapter II, Part 15 of the Income Tax Act 2007.

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

3. Client Money

As required by the FCA's client money rules, the Manager will hold money received from clients or on the client's behalf in accordance with those rules in a pooled client bank account, with an approved bank (as defined in the FCA Rules) in the UK.

No interest payment will be made on client money held by the Manager. Client money will be held in a designated client money account with the NatWest Group plc.

The Manager will not be liable for any acts or omissions of the approved bank. The approved bank will be responsible for any acts or omissions within its control. In the event of the insolvency of any party, clients' money may be pooled which means that unitholders may not have a claim against a specific account and may not receive their full entitlement, as any shortfall may be shared pro rata amongst all clients.

The Manager is covered by the Financial Services Compensation Scheme (FSCS). The FSCS may pay compensation if the ACD is unable to meet its financial obligations. For further information about the compensation provided by the FSCS (including the amounts covered and eligibility to claim) refer to the FSCS website www.FSCS.org.uk or call the FSCS on 020 7741 4100 or 0800 678 1100.

4. Buying and redeeming units

The dealing office of the Manager is normally open from 9.00 am to 5.00 pm (London time) on each Business Day to receive requests by post for the purchase, sale Conversion and Switching of Units. The Manager may vary these times. The initial purchase must, at the discretion of the Manager, be accompanied by an application form.

In addition, the Manager may from time to time make arrangements to allow Units to be bought, sold or Switched via electronic communication or through other communication media (electronic communication does not include email).

In addition, the Manager will accept telephone purchases from FCA regulated entities for subsequent investments, who may purchase Units by telephoning the Manager on 0141 222 1150. Telephone calls will be recorded.

The Manager may also, at its discretion, introduce further methods of dealing in Units in the future.

In its dealings in Units the Manager is dealing as principal. The Manager may make a profit from dealing in Units as principal. The Manager is not accountable to Unitholders for any profit it makes from dealing in Units as principal.

4.1 Buying Units

4.1.1 Procedure

Where the minimum investment levels allow, initial investments can only be made by sending a completed application form to the Manager either (i) accompanied by a cheque (up to a maximum value of £50,000) or (ii) having made a telegraphic transfer to the Manager's bank account. Application forms are available from the Manager. The Manager will accept written instructions accompanied by payment for subsequent transactions which can be carried out by writing to the Manager's Transfer Agency team at the address set out in Appendix 9. The Manager will also accept telephone purchases from FCA regulated entities for subsequent investments which can be done by telephoning the Manager on 0141 222 1150. The Manager may accept applications to purchase units by electronic communication. Electronic communication does not include email. Telephone calls may be recorded by the Manager, its delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for record keeping, security and/or training purposes, please see paragraph "Telephone Recordings" below for further information.

For amounts in excess of £50,000, settlement must be made by electronic bank transfer to the bank account detailed on the application form. Otherwise, a cheque should be sent for the net amount, made payable to "Evelyn Partners Fund Solutions Limited", at: 177 Bothwell Street, Glasgow, G2 7ER.

Valid applications to purchase Units in the Trust will be processed at the Unit price calculated, based on the Net Asset Value per Unit, at the next Valuation Point following receipt of the application, except in the case where dealing in the Trust has been suspended as set out in paragraph 4.10.

The Manager reserves the right to charge interest at 4% per annum above the prevailing Bank of England Base rate, on the value of any settlement received later than the fourth Business Day following the Valuation Point.

The Manager, at its discretion, has the right to cancel a purchase deal if settlement is materially overdue and any loss arising on such cancellation shall be the liability of the applicant. For postal applications payment in full must accompany the instruction. At the Manager's discretion, payment for large purchases of Units may be made by telegraphic transfer.

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

No interest payment will be made on client money held by the Manager, prior to investment in a Fund. Client money will be held in a designated client money account with the NatWest Group plc.

Applicants who have received advice may have the right to cancel their application to buy Units at any time during the 14 days after the date on which they receive a cancellation notice from the Manager. If an applicant decides to cancel the contract, and the value of the investment has fallen at the time the Manager receives the completed cancellation notice, they will not receive a full refund as an amount equal to any fall in value will be deducted from the sum originally invested. The Manager may extend cancellation rights to other investors but is under no obligation to do so.

Due to US tax legislation, the Foreign Account Tax Compliance Act - FATCA, which can affect financial institutions such as the Trust, the Trust (or the Manager or the Trustee on its behalf) may need to disclose the name, address, taxpayer identification number and investment information relating to certain US investors who fall within the definition of Specified US Person in FATCA that own, directly or indirectly, an interest in certain entities, as well as certain other information relating to such interest to HMRC, who will in turn exchange this information with the Internal Revenue Service in the United States of America.

The extent to which the Trust (or the Manager or the Trustee on its behalf) is able to report to HMRC will depend on each affected Unitholder in the Trust, providing the Manager or the Trustee with any information, that the Manager or the Trustee determine is necessary to satisfy such obligations. By signing the application form to subscribe for Units in the Trust, each affected Unitholder is agreeing to provide such information upon request from the Manager or the Trustee. Unitholders are encouraged to consult with their own tax advisors regarding the possible implications of FATCA on their interest in the Trust.

4.1.2 Documents the buyer will receive

A confirmation giving details of the number and price of Units bought will be issued no later than the end of the Business Day following the later of receipt of the application to buy Units and the Valuation Point by reference to which the price is determined, together with, where appropriate, a notice of the applicant's right to cancel.

Settlement is due within four Business Days of the Valuation Point. An order for the purchase of Units will only be deemed to have been accepted by the Manager once it is in receipt of cleared funds for the

application. If settlement is not made within a reasonable period, then the Manager has the right to cancel any Units issued in respect of the application.

Unit Certificates will not be issued in respect of Units. Ownership of Units will be evidenced by an entry on the Register. Tax vouchers in respect of periodic distributions on Units will show the number of Units held by the recipient.

The Trust has the power to issue bearer Units but there are no present plans to do so.

4.1.3 Minimum subscriptions and holdings

The minimum initial subscription, subsequent subscription and holding levels for each Class of Unit are set out in Appendix 1, as applicable.

The Manager may at its sole discretion accept subscriptions and/or holdings lower than the minimum amount(s) on a case by case basis.

If following a redemption, Conversion, Switch or transfer, a holding in any Class of Unit should fall below the minimum holding for that Class, the Manager has the discretion to effect a redemption of that Unitholder's entire holding in that Class of Unit. The Manager may use this discretion at any time. Failure not to do so immediately after such redemption, Conversion, Switch or transfer does not remove this right.

4.2 Redeeming Units

4.2.1 Procedure

Every Unitholder is entitled on any Dealing Day to redeem its Units, which shall be purchased by the Manager dealing as principal unless the value of Units which a Unitholder wishes to redeem will mean that the Unitholder will hold Units with a value less than the required minimum holding, in which case the Unitholder may be required to redeem his entire holding.

Requests to redeem Units may be made in writing to the Manager at the address set out in Appendix 9. The Manager may also accept instructions to redeem Units from FCA regulated entities by telephone on 0141 222 1150 or by fax. The Manager may accept requests to sell or transfer units by electronic communication. Electronic communication does not include email. Telephone calls may be recorded by the Manager, its delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for record keeping, security and/or training purposes, please see paragraph "Telephone Recordings" below for further information.

Valid instructions to the Manager to redeem Units will be processed at the Unit price calculated, based on the Net Asset Value per Unit, at the next Valuation Point following receipt of the instruction, except in the case where dealing in the Trust has been suspended as set out in paragraph 4.10.

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

For details of dealing charges see paragraph 4.4 below.

4.2.2 Documents a redeeming Unitholder will receive

A confirmation giving details of the number and price of Units redeemed will be sent to the redeeming Unitholder (or the first named Unitholder, in the case of joint Unitholders) together with a form of renunciation for completion and execution by the Unitholder (or, in the case of a joint holding, by all the joint Unitholders) no later than the end of the Business Day following the later of the request to redeem Units or the Valuation Point by reference to which the price is determined.

Payment of redemption proceeds will normally be made to the first named Shareholder (at their risk) via bank transfer (such as Faster Payments or CHAPS) in accordance with any instruction received (the Manager may recover any bank charge levied on such transfers), or, at the Manager's discretion, by cheque. Instructions to make payments to third parties (other than intermediaries associated with the redemption) will not normally be accepted.

Such payment will be made within four Business Days of the later of:

- (a) receipt by the Manager of the form of renunciation (or other sufficient written instructions) duly signed and completed by all the relevant Unitholders together with any other documentation and appropriate evidence of title, any required anti-money laundering related documentation, and
- (b) the Valuation Point following receipt by the Manager of the request to redeem.

4.2.3 Minimum redemption

Part of a Unitholder's holding may be redeemed but the Manager reserves the right to refuse a redemption request if the value of the Units to be redeemed is less than the minimum stated in respect of the appropriate Class in question (see Appendix 1).

4.3 Switching

If applicable, a holder of units may at any time switch all or some of his units ("old units") for units of another fund ("new units"). The number of new units issued will be determined by reference to the respective prices of new units and old units at the valuation point applicable at the time the old units are repurchased and the new units are issued.

Switching may be effected by writing to the Manager at 177 Bothwell Street, Glasgow, G2 7ER. A switching unitholder must be eligible to hold the units into which the switch is to be made.

The Manager may at its discretion charge a preliminary charge on the switching of units between funds. The Manager may at its sole discretion and by prior agreement, accept switching instructions by telephone from FCA regulated entities only. The Manager may accept requests to switch Shares by electronic communication. Electronic communication does not include email. Telephone calls may be recorded by the Manager, its delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for record keeping, security and/or training purposes, please see paragraph “Telephone Recordings” below for further information.

If the switch would result in the Unitholder holding a number of old units or new units of a value which is less than the minimum holding, the Manager may, if it thinks fit, convert the whole of the applicant’s holding of old units to new units or refuse to effect any switch of the old units. No switch will be made during any period when the right of Unitholders to require the redemption of their units is suspended. The general provisions on selling units shall apply equally to a switch.

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

A switch of units between different funds is treated as a redemption and sale and will, for persons subject to United Kingdom taxation, be a realisation for the purposes of capital gains taxation.

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

4.4 Dealing Charges

The price per Unit at which Units are bought, redeemed, Converted or Switched is the Net Asset Value per Unit. Any initial charge or redemption charge is deducted from the Gross subscription or the proceeds of the redemption monies.

4.4.1 Initial charge

The Manager may impose a charge on the purchase of Units in each Class. The current initial charge is calculated as a percentage of the amount invested by a potential Unitholder in respect of each Unit Class, which equates to a certain percentage of the price of the Units, as set out in Appendix 1. The Manager may waive or discount the initial charge at its discretion.

The initial charge (which is deducted from subscription monies) is payable by the Unitholder to the Manager.

The current initial charge of a Class may only be increased in accordance with the Regulations.

Where permitted to do so under the rules in the FCA Handbook, the Manager may pay a commission to relevant intermediaries either out of the initial charge or out of other of its own resources.

4.5 Money Laundering

As a result of legislation in force in the UK to prevent money laundering, the Manager is responsible for compliance with anti-money laundering regulations. In order to implement these regulations, in certain circumstances investors may be asked to provide proof of identity when buying or redeeming Units. Until satisfactory proof of identity is provided, the Manager reserves the right to refuse to issue Units, pay the proceeds of a redemption of Units, or pay income on Units to the investor. In the case of a purchase of Units where the applicant is not willing to provide the information requested within a reasonable period, the Manager also reserves the right to sell the Units purchased and return the proceeds to the account from which the subscription was made. These proceeds may be less than the original investment.

4.6 Transfers

Unitholders are entitled to transfer their Units to another person or body. All transfers must be in writing in the form of an instrument of transfer approved by the Manager for this purpose. Completed instruments of transfer must be returned to the Manager in order for the transfer to be registered by the Manager.

4.7 Restrictions and Compulsory Transfer and Redemption

The Manager may from time to time impose such restrictions as it may think necessary for the purpose of ensuring that no Units are acquired or held by any person in 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 which would result in the Trust incurring any liability to taxation which the Trust is not able to recoup itself or suffering any other adverse consequence. In this connection, the Manager may, inter alia, reject in its discretion any application for the purchase, redemption or transfer of Units.

If it comes to the notice of the Manager that any Units (**affected Units**):

- 4.7.1 are owned directly or beneficially in breach of any law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory; or
- 4.7.2 would result in the Trust incurring any liability to taxation which the Trust would not be able to recoup itself or suffering any other adverse consequence (including a requirement to register under any securities or investment or similar laws or governmental regulation of any country or territory); or
- 4.7.3 are held in any manner by virtue of which the Unitholder or Unitholders in question is/are not qualified to hold such Units or if it reasonably believes this to be the case; or
- 4.7.4 are owned by a Unitholder who is registered in a jurisdiction (where the Trust is not registered or recognised by the relevant competent authority) whereby communication with that Unitholder by the Manager, on behalf

of the Trust, might constitute a breach of the regulations in that jurisdiction (unless specific action is taken by the Manager to prevent such a communication constituting a breach).

the Manager may give notice to the Unitholder(s) of the affected Units requiring the transfer of such Units to a person who is qualified or entitled to own them or that a request in writing be given for the redemption of such Units in accordance with the COLL Sourcebook. If any Unitholder upon whom such a notice is served does not within 30 days after the date of such notice transfer his affected Units to a person qualified to own them or submit a written request for their redemption to the Manager or establish to the satisfaction of the Manager (whose judgement is final and binding) that he or the beneficial owner is qualified and entitled to own the affected Units, he shall be deemed upon the expiry of that 30 day period to have given a request in writing for the redemption or cancellation (at the discretion of the Manager) of all the affected Units.

A Unitholder who becomes aware that he is holding or owns affected Units shall immediately, unless he has already received a notice as set out above, either transfer all his affected Units to a person qualified to own them or submit a request in writing to the Manager for the redemption of all his affected Units.

Where a request in writing is given or deemed to be given for the redemption of affected Units, such redemption will (if effected) be effected in the same manner as provided for in the COLL Sourcebook.

4.8 Issue of Units in exchange for in specie assets

The Manager may arrange for the Trust to issue Units in exchange for assets other than cash, but will only do so where the Trustee has taken reasonable care to determine that the Trust's acquisition of those assets in exchange for the Units concerned is not likely to result in any material prejudice to the interests of Unitholders.

Where the Manager considers the deal to be substantial in relation to the total size of the Trust it may require the investor to contribute in specie. The Manager may consider a deal in this context to be substantial if the relevant Units constitute 5% (or a lesser or higher percentage if considered appropriate) of those in issue in the Trust.

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

The Manager will not issue Units in exchange for assets the holding of which would be inconsistent with the investment objective or policy of the Trust.

4.9 In specie redemptions

If a Unitholder requests the redemption of Units the Manager may, where it considers the deal to be substantial in relation to the total size of the Trust or in some way detrimental to the Trust, arrange, having given prior notice in writing to the Unitholder, that, in place of payment for the Units in cash, the Trust transfers property or, if required by the Unitholder, the Net proceeds of sale of the relevant property, to the Unitholder. Before the redemption proceeds of the Units become payable, the Manager must give written notice to the Unitholder that the relevant property or the proceeds of sale of the relevant property will be transferred to that

Unitholder so that the Unitholder can require the Net proceeds of redemption rather than the relevant property if he so desires.

For this purpose, the Manager may consider a deal to be substantial if the relevant Units constitute 5% (or a lesser or higher percentage if considered appropriate) of those in issue.

The Trustee must take reasonable care to ensure that the property concerned would not be likely to result in any material prejudice to the interests of Unitholders.

The Manager will select the property to be transferred or sold in consultation with the Trustee.

4.10 Suspension of dealings

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

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

The Manager or the Trustee (as appropriate) will immediately inform the FCA of the suspension and the reasons for it and will follow this up as soon as practicable with written confirmation of the suspension and the reasons for it to the FCA and the regulator in each EEA state where the Trust is offered for sale.

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

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

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

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

The Manager may agree during the suspension to deal in Units 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 the restart of dealings in Units.

4.11 Large deals

Any purchase or redemption of Units with a value equal to or in excess of £100,000 will amount to a “large deal”. For large deals (subject to the Regulations), the Manager may sell Units at more than, or redeem Units at less than, the published price.

4.12 Governing law

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

5. Valuation of the Trust

5.1 General

Valuations of property of the Trust for the purpose of the calculation of issue and cancellation and sale and redemption prices will be carried out on both a bid and offer basis in accordance with Appendix 4. The valuation and bid basis is also used for the purpose of determining the investment limits to which the Trust is subject. The Net Asset Value per Unit in the Trust is currently calculated on each Dealing Day at the Valuation Point of the Trust. For details of the Valuation Point of the Trust please see Appendix 1.

The Manager may at any time during a Business Day carry out an additional valuation if it considers it desirable to do so and may use the price obtained at such additional valuation point as the price for the day. The Manager shall inform the Trustee of any decision to carry out any such additional valuation. Valuations may be carried out for effecting a scheme of amalgamation or reconstruction, which do not create a Valuation Point for the purposes of dealings. Where permitted and subject to the Regulations, the Manager may, in certain circumstances (for example where a significant event has occurred since the closure of a market) substitute a price with a more appropriate price which in its opinion reflects a fair and reasonable price for that investment.

The Manager will, upon completion of each valuation, notify the Trustee of the price of Units, of each Class of the Trust.

A request for dealing in Units must be received by the Valuation Point on a particular Dealing Day in order to be processed on that Dealing Day. A dealing request received after this time will be held over and processed on the next Dealing Day, using the Net Asset Value per Unit calculated as at the Valuation Point on that next Dealing Day.

For the purposes of the Manager's annual management charge (see paragraph 8.2 "Charges payable to the Manager and the Trustee's periodic charge (see paragraph 8.4 "Trustee's fees and expenses), the value of the property is the mid-market value, calculated by averaging the creation and liquidation basis valuations (i.e. excluding any initial charge).

Each valuation is made on an issue basis and on a cancellation basis. The prices used for these valuations are the last market bid and offer prices where available, otherwise the last trade single price.

5.2 Price per Unit in each Class

The Manager operates dual prices. That is: the valuation on an issue basis is used to establish the sale price of new Units. The valuation on a cancellation basis is used to establish the redemption price of Units.

The minimum price at which Units may be sold back to the Manager (**bid price/selling price**) is arrived at by valuing the assets on the basis of the amount that the Trust would receive if the assets were sold (i.e. market prices less dealing costs and expenses) and dividing the result by the number of Units in existence. This minimum price is also known as **cancellation price** and is the lowest price that the Manager can set as the bid price.

The maximum price at which Units may be sold by the Manager (**offer price/buying price**) is arrived at by valuing the assets of the Trust on the basis of the cost of acquiring those assets (i.e. market prices, dealing costs, stamp duty etc.), dividing this by the number of Units in existence and adding on the Manager's initial charge.

The Manager sets the bid (**sell**) and offer (**buy**) prices within this permitted range.

Each allocation of income made in respect of the Trust at a time when more than one Class is in issue in respect of the Trust shall be done by reference to the relevant Unitholder's proportionate interest in the income property of the Trust in question calculated in accordance with the Trust Deed.

5.3 Fair Value Pricing

5.3.1 Where the Manager has reasonable grounds to believe that:

- (a) no reliable price exists for a security (including a unit/share in a collective investment scheme) at a Valuation Point; or
- (b) the most recent price available does not reflect the Manager's best estimate of the value of the security (including a unit/share in a collective investment scheme) at the Valuation Point;

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

5.3.2 The circumstances which may give rise to a fair value price being used include:

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

- 5.3.3 In determining whether to use such a fair value price, the Manager will include in their consideration but need not be limited to:
- (a) the type of authorised fund concerned;
 - (b) the securities involved;
 - (c) whether the underlying collective investment schemes may already have applied fair value pricing;
 - (d) the basis and reliability of the alternative price used; and
 - (e) the Manager's policy on the valuation of Scheme Property as disclosed in this Prospectus.
- 5.3.4 The Manager maintains a Fair Value Pricing policy with an audit review carried out annually. The policy is detailed fully in the Fair Value Policy document. The Fair Value Policy document is available from the Manager on request.
- 5.3.5 The Manager's Transfer Agency Team may request a change to the pricing methodology in certain circumstances. The policy is detailed in the Pricing Policy document. The Pricing Policy document is available from the Manager on request.
- 5.3.6 All asset prices from the primary price source are compared to two other sources to ensure the validity of each price. The policy is detailed in the Pricing Policy document. The Pricing Policy document is available from the Manager on request.

5.4 Pricing basis

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

5.5 Publication of Prices

The most recent bid and offer prices of Units are available at www.trustnet.com or www.brownshipleys.co.uk. The prices of Units may be obtained by calling 0141 222 1150 during the Manager's normal business hours.

As the Manager deals on a forward pricing basis, the price that appears in these sources will not necessarily be the same as the one at which investors can currently deal. The Manager may also, at its sole discretion, decide to publish certain Unit prices in other third party websites or publications but the Manager does not accept responsibility for the accuracy of the prices published in, or for the non-publication of prices by, these sources for reasons beyond the control of the Manager.

The cancellation prices last notified to the Trustee are available on request from the Manager.

6. Risk Factors

Potential investors should consider the below risk factors before investing in the Trust. This list must not be taken to be comprehensive as there may be new risks that arise in the future which could not have been anticipated in advance.

6.1 Market Risk

The investments of the Trust are subject to normal market fluctuations and other risks inherent in investing in securities. There can be no assurance that any appreciation in the value of investments will occur. The value of investments and the income derived from them may fall as well as rise and investors may not recoup the original amount they invest in the Trust. There is no certainty that the investment objective of the Trust will actually be achieved and no warranty or representation is given to this effect. Past performance is no guide to the future.

6.2 Effect of initial charge or redemption charge

Where an initial charge or redemption charge is imposed, an investor who realises his Units after a short period may not (even in the absence of a fall in the value of the relevant investments) realise the amount originally invested.

In particular, where a redemption charge is payable, investors should note that the percentage rate at which the redemption charge is calculated is based on the market value rather than the initial value of Units. If the market value of the Units has increased the redemption charge will show a corresponding increase.

The Units therefore should be viewed as medium to long term investments.

6.3 Suspension of dealings in Units

Investors are reminded that in certain circumstances their right to redeem Units may be suspended (see Suspension of dealings in the Trust at paragraph 4.10).

6.4 Pricing and liquidity

Where the Trust has exposure to alternative asset classes there is a risk that the price at which an asset is valued may not be realisable in the event of sale. This could be due to a mis-estimation of the asset's value or due to a lack of liquidity in the relevant security or market. As a result, at times, the Manager may have to delay acting on instructions to sell investments, and the proceeds on redemption may be less than the value implied by the Trust's price.

6.5 Liabilities of the Trust

Unitholders are not liable for the debts of the Trust. A Unitholder is not liable to make any further payment to the Trust after he has paid the price on purchase of the Units.

6.6 Currency exchange rates

Currency fluctuations may adversely affect the value of the Trust's investments and, depending on an investor's currency of reference, currency fluctuations may adversely affect the value of his investment in Units.

6.7 Non-UCITS Retail Schemes (NURS)

The Trust is classed as a NURS for the purposes of the rules in the FCA Handbook. Such funds can have wider investment and borrowing powers than UCITS schemes with higher investment limits in various areas. They can also invest to a greater extent in areas such as property and unregulated schemes and have the option to borrow on a permanent basis. It is not the intention currently that the Trust invest in property. Such additional powers can increase potential reward, but may also increase risk.

6.8 Derivatives

The Investment Manager may employ derivatives in the pursuit of the investment objective but solely for the purposes of hedging with the aim of reducing the risk profile of the Trust in accordance with Efficient Portfolio Management.

6.9 Smaller Companies

Funds investing in smaller companies invest in transferable securities which may be less liquid than the securities of larger companies, as a result of inadequate trading volume or restrictions on trading. Securities in smaller companies may possess greater potential for capital appreciation, but also involve risks, such as limited product lines, markets and financial or managerial resources and trading in such securities may be subject to more abrupt price movements than trading in the securities of larger companies.

6.10 OTC Derivatives

The Trust may invest in an over-the-counter derivative contract (**OTC Derivative**).

If the counterparty to the Trust in relation to an OTC Derivative became insolvent or is unable to meet its obligations under the OTC Derivative, then the Trust would likely suffer a loss which would have a significant impact on the investment performance of the Trust.

6.11 Credit and Fixed Interest Securities

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital.

The value of a fixed interest security will fall in the event of the default or reduced credit rating of the issuer. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer. High yield bonds with lower credit ratings (also known as **sub-investment grade bonds**) are potentially more risky (**higher credit risk**) than investment grade bonds. A sub-investment grade bond has a Standard & Poor's credit rating of below BBB or equivalent.

6.12 Investing in other collective investment schemes

The Trust may invest in other regulated collective investment schemes. As an investor in another collective investment scheme, the Trust will bear, along with the other investors, its portion of the expenses of the other collective investment scheme, including management, performance and/or other fees. These fees will be

in addition to the management fees and other expenses which the Trust bears directly with its own operations.

6.13 Unregulated Collective Investment Schemes

The Trust may invest, in total no more than 20% of the Scheme Property, in unregulated collective investment schemes which are generally considered to be a higher risk than investment in regulated schemes. An unregulated collective investment scheme is unlikely to be subject to regulations which govern how they are managed. For example, they can utilise higher risk investment techniques, they may borrow to invest, they can suspend calculation of Net Asset Value preventing redemption or otherwise limit redemption, they may not adhere to internationally recognised accounting standards and functions such as pricing and custody may not be subject to any rules.

The Trust may also invest in unregulated collective investment schemes which are valued less frequently than the Trust. As a result, there is a risk that any market movements will not be reflected in the daily price of the Trust and that investors may miss out on unrealised profits from underlying investments.

6.14 Tax Risk

The rates of, and any relief from, taxation may change over time. Tax information is set out later in the document. If you have any doubts about your tax position, you should seek professional advice.

6.15 Leverage Risk

Leverage is where a Trust borrows money in order to meet redemption requests or, through the use of derivatives, for the purpose of buying or selling assets. Where assets are bought or sold using borrowed money this increases the risk that in the case of losses that these are compounded and as a result have a material negative impact on the value of the Trust.

7. Management and Administration

7.1 Regulatory status

7.2 The Manager, the Trustee, the Custodian and the Investment Manager are authorised and regulated by the Financial Conduct Authority Manager

The Manager is Evelyn Partners Fund Solutions Limited (trading as St Vincent St Fund Administration) which is a private company limited by shares incorporated in England and Wales on 30 July 1985.

The directors of the Manager are:

- Andrew Baddeley
- Brian McLean
- Mayank Prakash
- Neil Coxhead
- Dean Buckley (Independent Non-Executive Director)
- Linda Robinson (Independent Non-Executive Director)
- Victoria Muir (Independent Non-Executive Director)
- Sally Macdonald (Independent Non-Executive Director)

- Guy Swarbreck (Non-Executive Director)

No director is engaged in any significant business activity not connected with the business of the Manager or other Evelyn Partners Group Limited subsidiary.

Registered Office and Head Office:	45 Gresham Street, London, EC2V 7BG.
Share Capital	Issued and paid-up £50,000 represented by ordinary shares of £1.
Ultimate Holding Company:	Evelyn Partners Group Limited, a company incorporated in England and Wales and listed on the London Stock Exchange.

The Manager is responsible for managing and administering the Trust's affairs in compliance with the COLL Sourcebook. The Manager may delegate its management and administration functions, but not responsibility, to third parties, including associates subject to the rules in the COLL Sourcebook and the FUND Sourcebook.

It has therefore delegated to the Investment Manager the function of managing and acting as the Investment Manager for the investment and reinvestment of the assets of the Trust (as further explained in paragraph 7.4 below).

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

Upon termination of the Manager Agreement and the appointment of another Manager (the New Manager), the Manager may transfer any sums being held as client money to the New Manager, who will continue to hold the money in accordance with FCA client money rules.

The Unitholder will be given the opportunity, upon request, to have the proceeds returned by submitting a written request to the Transfer Agency team at 177 Bothwell Street, Glasgow, G2 7ER.

7.3 The Trustee

7.3.1 General

NatWest Trustee & Depositary Services Limited is the Trustee of the Trust.

The Trustee is incorporated in England as a private limited company. Its registered office is at 250 Bishopsgate, London EC2M 4AA, which is also its head office. The ultimate holding company of the Trustee is the NatWest Group plc, which is incorporated in Scotland. The principal business activity of the Trustee is the provision of trustee and depositary services.

7.3.2 Duties of the Trustee

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

7.3.3 Conflicts of interest

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

It is possible that the Trustee and/or its delegates and sub-delegates may in the course of its or their business be involved in other financial and professional activities which may on occasion have potential conflicts of interest with the NURS or a particular Sub-fund and/or other funds managed by the Manager or other funds for which the Trustee acts as the depositary, Trustee or custodian. The Trustee will, however, have regard in such event to its obligations under the Depositary Agreement and the FCA Rules and, in particular, will use reasonable endeavours to ensure that the performance of its duties will not be impaired by any such involvement it may have and that any conflicts which may arise will be resolved fairly and in the best interests of Unitholders collectively so far as practicable, having regard to its obligations to other clients.

The Trustee operates independently from the Trust, Investors, the Manager and its associated suppliers and the Custodian. As such, the Trustee does not anticipate any conflicts of interest with any of the aforementioned parties.

7.3.4 Delegation of Safekeeping Functions

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

The Trustee has delegated safekeeping of the Scheme Property to CACEIS Bank, UK Branch (“the Custodian”). In turn, the Custodian has delegated the custody of assets in certain markets in which the Trust may invest to various sub-delegates (“sub-custodians”).

7.3.5 Terms of Appointment

The Trustee was appointed as Trustee under a Depositary Agreement between the Manager, the Trust and the Trustee (the “Depositary Agreement”). Under the Depositary Agreement, the Trustee is free to render similar services to others and the Trustee, the Trust and the Manager are subject to a duty not to disclose confidential information.

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

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

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

It also provides that the Trustee will be entitled to be indemnified from the scheme property for any loss suffered in the performance or non-performance of its obligations except in the case of fraud, wilful default, negligence or failure to exercise due care and diligence on its part.

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

7.4 The Investment Manager

7.4.1 General

The Manager has appointed Rothschild & Co Wealth Management UK Limited (**Investment Manager**) as the Investment Manager to the Manager in relation to the Trust. The Investment Manager is authorised and regulated by the FCA.

7.4.2 Terms of Appointment

Under the terms of an agreement between the Investment Manager and the Manager (**Investment Management Agreement**) for an initial period of three years, the Investment Manager has the authority of the Manager to make decisions on behalf of the Manager in respect of the investments of the Trust, subject always to the provisions of the Trust Deed, the Prospectus, the Regulations, and the investment objectives and policies of the Trust. The Investment Manager is also authorised to deal on behalf of the Trust. Subject to instances where the Investment Management Agreement may be terminated with immediate effect in the interests of the unitholders, the Investment Management Agreement may be terminated by either party giving the other at least six months' written notice.

Under the terms of the Investment Management Agreement, the Investment Manager may delegate to any person the performance of its duties and services required to be performed by it under the Investment Management Agreement.

The Manager holds professional indemnity insurance to cover its professional liability risks (as set out in Article 12 of the AIFMD Level 2 Regulation), has appropriate professional indemnity insurance in place and maintains an amount of own funds sufficient to meet the PII Requirements in accordance with Article 15 of the AIFMD Level 2 Regulation (professional indemnity insurance). The Manager has internal operational risk policies in place to identify, measure, manage and monitor appropriately operational risks including professional liability risks to which the Manager is or could be reasonably exposed in accordance with the requirements of Article 13 of the AIFMD

Level 2 Regulation. The operational risk management activities are performed independently by the Risk Oversight function.

7.5 The Administrator and Registrar

7.5.1 The Manager will act as registrar and provide fund accounting and other administration services to the Trust.

7.5.2 The Register of Unitholders will be kept and maintained by the Manager (acting as Registrar) at 45 Gresham Street, London, EC2V 7BG, and may be inspected at that address during normal business hours by any Unitholder or any Unitholder's duly authorised agent.

7.6 The Auditors

The auditors of the Trust are Johnston Carmichael LLP, whose address is Bishop's Court, 29 Albyn Place, Aberdeen, AB10 1YL.

7.7 Conflicts of Interest

The Manager (or other companies in its group) or the Investment Manager (or other companies in its group) may, from time to time, act as managers or investment manager (as appropriate) to other funds or sub-funds which follow similar investment objectives to those of the Trust. It is therefore possible that the Manager and/or the Investment Manager may in the course of their business have potential conflicts of interest with the Trust. Each of the Manager and the Investment Manager will, however, have regard in such event to its general obligations to act in the best interests of the Trust so far as practicable, having regard to its obligations to other clients, when undertaking any investment business where potential conflicts of interest may arise.

The Manager maintains a written conflict of interest policy. The Manager acknowledges that there may be some situations where the organisational or administrative arrangements in place for the management of conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the Trust or its unitholders will be prevented. Should any such situations arise the Manager will, as a last resort if the conflict cannot be avoided, disclose these to unitholders in the report and accounts or otherwise an appropriate format.

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

The Investment Manager may manage other accounts/portfolios with similar investment objectives to the Trust.

Copies of the Manager, the Investment Manager's and any sub-investment manager's conflicts of interest policies are available from the Manager on request.

The Custodian may, from time to time, act as custodian and hold assets of other funds and investors.

Each of the parties will, to the extent of their ability and in compliance with the Rules, ensure that the performance of their respective duties will not be impaired by any such involvement.

To ensure the fair treatment of Unitholders is central to all the activities of the Manager, the Manager has implemented a Treating Customers Fairly policy, against which all its policies and procedures and those of its delegates are measured and must conform. This ensures that conflicts of interest are appropriately managed in a way that is fair to Unitholders as outlined in this section, that expenses are proportionate and allocated fairly (see paragraph 8 Fees and Expenses below), that Unitholders can redeem their holdings (see paragraph 4 Buying and redeeming units) and that if Unitholders are dissatisfied with their treatment their complaints are assessed by an independent and impartial investigator (see 13.7 Complaints below).

8. Fees and Expenses

8.1 General

8.1.1 All fees, costs, charges or expenses payable by a Unitholder or out of the property of the Trust are set out in this paragraph 8. The Trust may, so far as the COLL Sourcebook allows, also pay out of the property of the Trust all relevant fees, costs, charges and expenses incurred by the Trust, which will include the following:

- (a) broker's commission, fiscal charges and other disbursements which are:
 - (i) necessary to be incurred in effecting transactions for the Trust; and
 - (ii) normally shown in contract notes, confirmation notes and difference accounts as appropriate.
- (b) interest on borrowings permitted under the Trust and charges incurred in effecting or terminating such borrowings or in negotiating or varying the terms of such borrowings, and
- (c) taxation and duties payable in respect of the property of the Trust, the Trust Deed or the issue of Units, and
- (d) any costs incurred in modifying the Trust Deed, including costs incurred in respect of meetings of Unitholders convened for purposes which include the purpose of modifying the Trust Deed, where the modification is:
 - (i) necessary to implement, or necessary as a direct consequence of, any change in the law (including changes in the COLL Sourcebook), or
 - (ii) expedient having regard to any change in the law made by or under any fiscal enactment and which the Manager and the Trustee agree is in the interest of Unitholders, or
 - (iii) to remove from the Trust Deed obsolete provisions, and
- (e) any costs incurred in respect of meetings of Unitholders convened on a requisition by Unitholders not including the Manager or an associate of the Manager, and

- (f) liabilities on unitisation, amalgamation or reconstruction arising in circumstances permitted by the COLL Sourcebook, and
- (g) any costs incurred on transfer on a change of Manager (including but not limited to legal, administration, printing and mailing costs); and
- (h) the audit fee properly payable to the auditor and VAT thereon and any proper expenses of the auditor; and
- (i) the fees of the FCA or the corresponding fees of any regulatory authority in a country or territory outside the United Kingdom in which units in the Trust are or may be marketed; and
- (j) the fees of the Fund Accountant and Administrator, although these are currently paid out of the annual management charge of the Manager; and
- (k) normal printing and stationery costs in relation to the Trust.

VAT may be payable on these charges.

- 8.1.2 Any third party research received in connection with investment advisory services that an Investment Manager provides to the Trust will be paid for by the Investment Manager out of its fees, as relevant in relation to the Trust, and will not be charged to the Trust.
- 8.1.3 It is not currently proposed to seek a listing for the Units on any stock exchange, but if a listing is sought in the future the fees connected with the listing will be payable by the Trust.
- 8.1.4 Expenses are allocated between capital and income in accordance with the COLL Sourcebook.
- 8.1.5 Certain direct and indirect operational costs and/or fees may arise from time to time as a result of the Manager's use of EPM techniques being used for the benefit of the Trust. These costs/fees are regarded as transaction costs and therefore fall under paragraph 8.1.1(a) above. Further details on the payment of costs/fees relating to EPM techniques will be set out in the Trust's annual report.

8.2 Charges payable to the Manager

In payment for carrying out its duties and responsibilities the Manager is entitled to take an annual management charge out of the Trust. The annual management charge is calculated and accrued on a daily basis by reference to the Net Asset Value of the Trust on the previous Dealing Day up until the last Business Day of each month. The amount due for each month has to be paid as soon as practicable after the month end. The current management charge for the Trust (expressed as a percentage per annum of the Net Asset Value of the Trust) is set out in Appendix 1.

The Manager is also entitled to all reasonable, properly documented, out of pocket expenses incurred in the performance of its duties.

VAT may be payable on these charges.

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

The Evelyn Partners Fund Solutions Limited remuneration policy is designed to be compliant with the AIFMD Remuneration Code contained in SYSC 19B of the FCA Handbook, and provides a framework to attract, retain and reward employees and partners and to maintain a sound risk management framework, with particular attention to conduct risk. The overall policy is designed to promote the long term success of the group. The policy is designed to reward partners, directors and employees for delivery of both financial and non-financial objectives which are set in line with company strategy.

Details of the Evelyn Partners Fund Solutions Limited remuneration policy are available on the website <https://www.evelyn.com/regulatory/remuneration-code-disclosure>.

A paper copy of the remuneration policy can be obtained free of charge by telephoning 0141 222 1151.

Any fees payable to the Manager may be reduced or waived by the Manager at its discretion.

8.3 Increase in the Charges payable to the Manager

Any increase of the annual management charge by the Manager will be carried out in accordance with the Regulations.

8.4 Trustee's fee and expenses

8.4.1 The Trustee is entitled to receive out of the property of the Trust by way of remuneration, a periodic charge which will accrue and be calculated daily from the last Business Day in the preceding month to the last Business Day of the current month.

8.4.2 The rate of the periodic fee is agreed between the Manager and the Trustee.

8.4.3 Specifically, the Trust will pay:

- 0.0275% per annum plus VAT where the Scheme Property is below £50,000,000;
- 0.025% per annum plus VAT where the Scheme Property is between £50,000,000 and £100,000,000; and
- 0.02% per annum plus VAT where the Scheme Property is above £100,000,000,

but always subject to a minimum of £7,500 per annum plus VAT.

8.4.4 It is calculated daily on the Net Asset Value of the Trust on the previous Business Day. The valuation used for each day which is not a Business Day

will be the value calculated on the previous Business Day. In addition VAT on the amount of the periodic charge will be paid out of the Trust.

- 8.4.5 Currently the Trustee's periodic fee above is paid by the Manager from the Manager's Fee however the Manager has discretion to vary this practice at any time.
- 8.4.6 In the event of the termination of the Trust, the Trustee shall continue to be entitled to a periodic charge in respect of the Trust for the period down to and including the day on which the final distribution in the termination of the Trust shall be made or, in the case of a termination following the passing of an extraordinary resolution approving the scheme of arrangement, down to and including the final day on which the Trustee is responsible for the safekeeping of the Scheme Property of the Trust. Such periodic charge will be calculated, be subject to the terms and accrue and be paid as described above, except that for the purpose of calculating the periodic charge in respect of any day falling after the day on which the termination day of the Trust commences, the value of the Scheme Property of the Trust shall be the Net Asset Value determined at the beginning of each such day.
- 8.4.7 In addition to a periodic charge the Trustee may also be paid by way of remuneration custody fees and other transaction and bank charges. At present the Trustee delegates the function of custody of the Scheme Property to the Custodian, CACEIS Bank, UK Branch. The remuneration for acting as Custodian is calculated at such rate, rates and/or amounts as may be agreed from time to time. The custody and transaction charges are currently paid for out of the Scheme Property of the Trust.
- 8.4.8 The current custody and transaction charges are as follows:

Item	Range
Transaction Charges (payable out of the Scheme Property)	Between £1.96 and £75.65 per transaction
Safe Custody Charges (payable out of the Scheme Property)	Between 0.001% and 0.5525% of the value of investments being held per annum

The valuation used for each day which is not a Business Day will be the value calculated on the previous Business Day. Custody and transaction charges will be payable monthly out the property of the Trust in arrears.

- 8.4.9 In addition to the remuneration referred to above, the Trustee is entitled to receive reimbursement for expenses properly incurred by it in discharge of its duties or exercising any powers conferred upon it in relation to the Trust. Such expenses include, but are not restricted to:
- (a) charges and expenses payable to the Custodian or to any person (whether or not an associate of the Trustee) to whom any function

of custody or control in relation to Scheme Property is delegated or whose services are retained to assist in the performance of any such function;

- (b) all charges imposed by, and any expenses of, any agents appointed by the Trustee to assist in the discharge of its duties;
- (c) all charges and expenses incurred in connection with the collection and distribution of income;
- (d) all charges and expenses incurred in relation to the preparation of the Trustee's annual report to Unitholders;
- (e) all charges and expenses incurred in relation to stock lending or other transactions;
- (f) fees and expenses payable to any professional advisors advising or assisting the Trustee.

VAT (if any) in connection with any of the above is payable in addition.

8.4.10 On a winding up of the Trust, or the redemption of all outstanding Units of a Class, the Trustee is entitled to its pro rata fees and expenses to the date of such winding up, termination or redemption and any additional expenses necessarily realised in settling or receiving any outstanding obligations.

8.5 Fund Accounting and administration fees

The Fund Accountant's fee and that of the Administrator is currently payable from the annual management charge paid to the Manager.

9. Unitholder Meetings and Voting Rights

9.1 Class and Trust meetings

The provisions below, unless the context otherwise requires, apply to Class meetings as they apply to general meetings of the Trust, but by reference to Units of the Class concerned and the Unitholders and value and prices of such Units.

9.2 Requisitions of Meetings

The Manager may requisition a general meeting at any time.

Unitholders may also requisition a general meeting of the Trust. A requisition by Unitholders must state the objects of the meeting, be dated, be signed by Unitholders who, at the date of the requisition, are registered as holding not less than one tenth in value of all Units then in issue and the requisition must be deposited at the office of the Trustee. The Manager must convene a general meeting no later than eight weeks after receipt of such requisition.

9.3 Notice and Quorum

Unitholders will receive at least 14 days' notice of a general meeting and are entitled to be counted in the quorum and vote at such meeting either in person or

by proxy. The quorum for a meeting is two Unitholders, present in person or by proxy. The quorum for an adjourned meeting is one person entitled to be counted in a quorum. Notices of meetings and adjourned meetings will be sent to Unitholders at their registered addresses.

9.4 Voting Rights

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

On a poll vote, a Unitholder may vote either in person or by proxy. The voting rights attaching to each Unit are such proportion of the voting rights attached to all the Units in issue that the price of the Unit bears to the aggregate price of all the Units in issue at a reasonable date before the notice of meeting is sent out such date to be decided by the Manager.

A Unitholder 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.

In the case of joint Unitholders, the vote of the most senior Unitholder who votes, whether in person or by proxy, must be accepted to the exclusion of the votes of the other joint Unitholders. For this purpose seniority must be determined by the order in which the names stand in the Register.

Except where the COLL Sourcebook or the Trust Deed require an extraordinary resolution (which needs at least 75% of the votes cast at the meeting to be in favour if the resolution is to be passed) any resolution required by the COLL Sourcebook will be passed by a simple majority of the votes validly cast for and against the resolution.

The Manager may not be counted in the quorum for a meeting and neither the Manager nor any associate (as defined in the COLL Sourcebook) of the Manager is entitled to vote at any meeting of the Trust except in respect of Units which the Manager or associate holds on behalf of or jointly with a person who, if the registered Unitholder, would be entitled to vote and from whom the Manager or associate has received voting instructions.

Where all the Units in the Trust are registered to, or held by, the Manager or its associates and they are therefore prohibited from voting and a resolution (including an extraordinary resolution) is required to conduct business at a meeting, it shall not be necessary to convene such a meeting and a resolution may, with the prior written agreement of the Trustee, instead be passed with the written consent of Unitholders representing 50% or more, or for an extraordinary resolution 75% or more, of the Units in issue.

Unitholders in this context means Unitholders entered on the Register at a time to be determined by the Manager and stated in the notice of the meeting which must not be more than 48 hours before the time fixed for the meeting.

10. Taxation

10.1 Taxation

The following summary is only intended as a general summary of United Kingdom (“UK”) tax law and HM Revenue & Customs practice, as at the date of this Prospectus, applicable to the Trust and to individual and corporate investors who are the absolute beneficial owners of a holding in the Trust which is held as an investment. The summary’s applicability to, and the tax treatment of, investors will depend upon the particular circumstances of each investor (and it will not apply to persons, such as certain institutional investors, who are subject to a special tax regime). It should not be treated as legal or tax advice. Accordingly, 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.

The following is divided into sections relating to “Bond Trust” and “Equity Trust”. A “Bond Trust” is a Trust which invests more than 60% of its market value in “Qualifying Investments” (at all times in each accounting period). The term “Qualifying Investments” includes money placed at interest and securities that are not units, including but not limited to government and corporate debt securities and cash on deposit. The tax issues relating to the Trust and the investors within it are treated separately in this section. It is anticipated that the Trust will for most periods be an Equity Trust for these purposes, but that depending on how it is invested it may constitute a Bond Trust for some periods.

10.2 Taxation of an Equity Trust

10.2.1 Taxation of Capital Gains

An Equity Trust is not subject to UK taxation on capital gains arising on the disposal of its investments. In the unlikely event that the Trust be considered to be trading in securities under tax law, and to the extent an investment is disposed in a non-distributor/reporting fund, any gains made will be treated as taxable income and not exempt gains.

10.2.2 Tax on income

An Equity Trust will be liable to corporation tax at a rate equal to the lower rate of income tax, currently 20%, on its income after relief for expenses (which include fees payable to the Manager and to the Trustee). Dividends and similar income distributions from UK and non-UK resident companies are generally exempt from corporation tax. Dividends and similar income distributions from UK authorised unit trusts and UK ICVCs are also generally exempt from corporation tax to the extent the underlying income derives from dividends.

Foreign dividends and similar income are generally treated as exempt for the purposes of UK corporation tax. This income may be subject to withholding tax in certain jurisdictions.

Dividend income received from certain countries are likely to be elected to be treated as taxable income in the UK in order to obtain a beneficial rate of withholding tax in the source country. This is based on guidance provided to the investment fund industry by the Investment Association.

Profits from loan relationships are treated as taxable income, as for a Bond Trust.

10.3 Taxation of a Bond Trust

10.3.1 Taxation of Capital Gains

Bonds or loan relationships held are taxable as income (see below) and are not subject to capital gains tax. Capital gains, for example on investment in equities, (except insofar as treated as income gains - see below) accruing to a Bond Trust will be exempt from UK tax on chargeable gains.

10.3.2 Tax on Income

A Bond Trust will be liable to UK corporation tax at 20% on income, translated (where appropriate) into Sterling, from investments in debt, debt-related securities and cash deposits less deductible expenses. Such income will be computed according to the generally accepted accounting practice relevant to the Trust.

The total will be taxed under the Loan Relationship rules. Any income received from UK equities will be exempt from UK corporation tax.

A Bond Trust would generally be entitled to make up distribution accounts in such a way that the income distribution (including accumulations of income, which are deemed to be paid and reinvested as capital) to unitholders is treated as if it were interest for UK tax purposes. If so entitled, the Trust intends that distributions will be made in this way.

The treatment of distributions as interest distributions for UK tax purposes is significant because:

- distributions made should be deductible for corporation tax purposes against UK taxable income.
- The income, less interest distributions, expenses (including the Manager's and Trustee's fees) and any non-UK withholding taxes, is subject to UK corporation tax at a rate equal to the basic rate of income tax (currently 20%). Any corporation tax charge should not be significant.

Capital gains (except insofar as treated as accrued income gains - see above) accruing to a Bond Trust will be exempt from UK tax on chargeable gains.

10.4 Stamp duty reserve tax

On 30 March 2014, Schedule 19 Stamp Duty Reserve Tax (SDRT) ceased to be chargeable on dealings in units in authorised unit trusts. As such, the provisions relating to SDRT no longer apply. However, investors should note that should SDRT or a similar tax relating to dealings on units in authorised unit trusts be reintroduced in the future, all such costs will be paid out of the Trust's Scheme Property and charged to capital.

However it should be noted that in the unlikely event of either of the below occurring within the Fund SDRT may still be triggered and where applicable be charged to the investor:

- (i) third party transfer of units; or
- (ii) non-pro rata in specie redemptions.

11. Automatic Exchange of Financial Account Information

11.1 US Foreign Account Tax Compliance Act (FATCA)

- (a) The US Foreign Account Tax Compliance Act (FATCA) is designed to help the Internal Revenue Service (the IRS) combat US tax evasion. It requires financial institutions, such as the Trust, to report on US investors or US holdings, whether or not this is relevant. Failure to comply (or be deemed compliant) with these requirements will subject the Trust to US withholding taxes on certain US-sourced income and gains. Under an intergovernmental agreement between the US and the United Kingdom, the Trust may be deemed compliant, and therefore not subject to the withholding tax, if it identifies and reports US taxpayer information directly to HMRC.
- (b) Unitholders may be asked to provide additional information to the Manager to enable the Trust to satisfy these obligations. Institutional Unitholders may be required to provide a Global Intermediary Identifications Number (GIIN). Failure to provide requested information may subject a Unitholder to liability for any resulting US withholding taxes, US tax information reporting and/or mandatory redemption, transfer or other termination of the Unitholder's interest in its units. The Global Intermediary Identification Number for the Fund is available on request.

11.2 Common Reporting Standard

- (a) The Common Reporting Standard (CRS) is the reporting standard approved and developed by the Organisation of Economic Co-operation and Development (OECD) in 2014, and came into force with effect from 1st January 2016. This requires financial institutions such as the Trust, to report non-UK resident investors, other than US Persons, to other agreed jurisdictions on an annual basis. The objective of this reporting is the same as the FATCA regulations but on a worldwide basis and is based on Residency rather than citizenship as with the US model, and will encompass natural persons and legal entities.

12. Winding up of the Trust

12.1 The Trust will not be wound up except in accordance with the COLL Sourcebook.

12.2 The Trustee shall proceed to wind-up the Trust:

- 12.2.1 if the order declaring the Trust to be an authorised unit trust scheme is revoked; or
- 12.2.2 if the Manager or the Trustee requests the FCA to revoke the order declaring the Trust to be an authorised unit trust scheme and the FCA has agreed (provided no material change in any relevant factor occurs) that on the winding-up of the Trust, the FCA will accede to that request; or
- 12.2.3 the expiration of any period specified in the Trust Deed as the period at the end of which the Trust is to be wound up; or

- 12.2.4 on the effective date of a duly approved scheme of arrangement which is to result in the Trust being left with no property; or
- 12.2.5 the passing of an extraordinary resolution winding up the Trust, provided FCA's prior consent to the resolution has been obtained by the Manager or Trustee.
- 12.3 If any of the events set out above occurs the rules in the COLL Sourcebook, concerning Dealing (COLL 6.2), Valuation and pricing (COLL 6.3) and those of the COLL Sourcebook concerning Investment and Borrowing Powers (COLL 5), will cease to apply. The Trustee shall cease to issue and cancel units and the Manager will stop redeeming and selling units.
- 12.4 In the case of a scheme of arrangement referred to in paragraph 12.2.4 above, the Trustee shall wind up the Trust in accordance with the approved scheme of arrangement.
- 12.5 In any other case, the Trustee shall, as soon as practicable after the relevant Trust falls to be wound-up, realise the assets of the Trust and, after paying, or retaining adequate provision for, all liabilities properly payable and retaining provision for the costs of the winding-up, distribute the proceeds to the Unitholders and the Manager proportionately to their respective interest in the Trust.
- 12.6 Any unclaimed net proceeds or other cash (including unclaimed distribution payments) held by the Trustee after 12 months from the date the proceeds became payable, shall be paid by the Trustee into Court, although the Trustee will have the right to retain any expenses incurred in making that payment. On completion of the winding-up, the Trustee shall notify the FCA in writing of that fact and the Trustee or the Manager shall request the FCA to revoke the order of authorisation.

13. General Information

13.1 Accounting periods

The annual accounting period of the Trust ends each year on 31 March (**accounting reference date**) with an interim accounting period ending on 30 September.

13.2 Income Allocations

For the Trust income is allocated in respect of the income available at each accounting date.

For accumulation Units, income will become part of the capital property of the Trust and will be reflected in the price of each such accumulation Unit as at the end of the relevant accounting period.

In relation to income Units, distributions of income are paid by cheque or BACS directly into a Unitholder's bank account on or before the relevant income allocation date in each year as set out in Appendix 1.

The amount available for accumulation or distribution in any accounting period is calculated by taking the aggregate of the income received or receivable for the account of the Trust in respect of that period, and deducting the charges and expenses of the Trust paid or payable out of income in respect of that accounting period. The Manager then makes such other adjustments as it considers appropriate

(and after consulting the Trust's auditors as appropriate) in relation to taxation, income equalisation, income unlikely to be received within 12 months following the relevant income allocation date, income which should not be accounted for on an accrual basis because of lack of information as to how it accrues, transfers between the income and capital account and other matters.

The Manager and the Trustee have agreed a de minimis amount of £20 in respect of distribution of income payments made by cheque.

If a distribution made in relation to any income Units remains unclaimed for a period of six years after it has become due, it will be forfeited and will revert to the Trust.

The Manager may operate a policy of smoothing income distributions over the annual accounting period of the Trust provided that income available for distribution or allocation in respect of each annual accounting period will be paid to Unitholders in accordance with the FCA Rules.

The purpose of income smoothing is to aim to provide more stable levels of income distribution to Unitholders at each distribution date and to ensure that, towards the end of the accounting year, there remains sufficient income in the Trust to pay any remaining expenses. This avoids the need to take payments from the capital of the Trust.

13.3 Annual Reports

13.3.1 An Annual report of the Trust will be published within four months of each annual accounting period and a half-yearly report will be published within two months of the end of each half-year accounting period. The annual and half-yearly reports are available upon request.

13.3.2 The reports of the Trust shall (if relevant) contain details of:

- (a) the percentage of the Trust's assets that are subject to special arrangements arising from their illiquid nature;
- (b) any new arrangements that the Manager has made for managing the Trust's liquidity;
- (c) the Trust's current risk profile and the risk management systems employed by the Manager to manage those risks;
- (d) any changes to the maximum level of leverage that the Manager may employ on behalf of the Trust;
- (e) any changes to any right of reuse of collateral or any guarantee granted under the leveraging arrangement; and

the total amount of leverage employed by the Trust.

13.4 Documents of the Trust

13.4.1 The following documents may be inspected free of charge during normal business hours on any Business Day at the offices of the Manager at 45 Gresham Street, London, EC2V 7BG:

- (a) the most recent annual and half-yearly reports of the Trust;
- (b) the Prospectus; and
- (c) the Trust Deed (and any amending documents).

13.4.2 Unitholders may obtain copies of the above documents from the Manager. The Manager may make a charge at its discretion for copies of documents (apart from the most recent annual and half-yearly reports of the Trust, the Trust Deed and the Prospectus which are available free of charge).

13.5 Provision of Investment Advice

All information concerning the Trust and about investing in Units of the Trust is available from the Manager at 45 Gresham Street, London, EC2V 7BG. The Manager is not authorised to give investment advice and persons requiring such advice should consult a professional financial adviser. All applications for Units are made solely on the basis of the current Prospectus of the Trust, and investors should ensure that they have the most up-to-date version.

13.6 Telephone Recordings

Please note that the Manager may record telephone calls for training and monitoring purposes and to confirm investors' instructions. Recordings will be provided on request for a period of at least five years from the date of such recording, or, where requested by a competent regulatory authority, for a period of seven years, where the Manager can identify the call. If you ask the Manager to send you a recording of a particular call, the Manager may ask for further information to help identify the exact call to which your request relates.

13.7 Complaints

Complaints concerning the operation or marketing of the Trust may be referred to the Compliance Officer of the Manager at 45 Gresham Street, London, EC2V 7BG or, if you subsequently wish to take your complaint further, direct to the Financial Ombudsman Service at Exchange Tower, Harbour Exchange Square, London E14 9SR, telephone number 0800 023 4567.

Making a complaint will not prejudice your rights to commence legal proceedings.

Further information regarding any compensation scheme or any other investor-compensation scheme of which the Manager or the Trust is a member (including, if relevant, membership through a branch) or any alternative arrangement provided, are also available on request.

13.8 Best Execution

The Manager must act in the best interests of the Trust when executing decisions to deal on behalf of the Trust. The Manager's order execution policy sets out the

(i) systems and controls that have been put in place and (ii) the factors which the Manager expects the Investment Manager to consider when effecting transactions and placing orders in relation to the Trust. This policy has been developed in accordance with the Manager's obligations under the Regulations to obtain the best possible result for the Trust.

Details of the order execution policy are available from the Manager on request. If you have any questions regarding the policy please contact the Manager or your professional adviser.

13.9 Inducements and Soft Commission

When executing orders, or placing orders with other entities for execution, that relate to financial instruments for, or on behalf of, the Trust, an Investment Manager or the Manager (as relevant) will not accept and retain any fees, commissions or monetary benefits; or accept any non-monetary benefits, where these are paid or provided by any third party or a person acting on behalf of a third party.

The Investment Manager or Manager will return to the Trust as soon as reasonably possible after receipt any fees, commissions or any monetary benefits paid or provided by any third party or a person acting on behalf of a third party in relation to the services provided to the Trust, and disclose in the annual report the fees, commissions or any monetary benefits transferred to them.

However, the Investment Manager or Manager may accept without disclosure minor non-monetary benefits that are capable of enhancing the quality of service provided to the Trust; and of a scale and nature such that they could not be judged to impair their compliance with its duty to act honestly, fairly and professionally in the best interests of the Trust.

13.10 Genuine Diversity of Ownership (GDO)

Units in, and information on, the Trust are and will continue to be marketed and made easily and widely available to reach the intended categories of investors and in a manner appropriate to attract those categories of investors. The intended categories of investors are retail and institutional investors.

13.11 Compensation

Under the Financial Services Compensation Scheme (FSCS), in the event of firm default your investment is protected up to the value of £85,000 per person per firm.

Appendix 1 Trust Details

Investment of the assets of the Trust must comply with the Regulations and its own investment objective and policy. Details of the investment objective and policy are set out below, together with other information including available Unit Classes, charges, minimum investment levels and distribution dates. Lists of the eligible securities and derivatives markets on which the Trust may invest are contained in Appendix 2. A detailed statement of the investment and borrowing restrictions applicable to the Trust is contained in Appendix 3. A list of the locations of the establishment of any Second Schemes which the Trust may invest in from time to time is shown in Appendix 10.

Changes to the investment objective and policy will normally require approval by Unitholders at a general meeting if the change alters the nature or risk profile of the Trust, or on giving 60 days' notice to Unitholders where these do not alter the nature or risk profile of the Trust. In exceptional circumstances, changes may be made to the investment objective and policy with no minimum period of notice where these are for clarification purposes only. In all cases, changes may only be made to the investment objective and policy following notification to the FCA pursuant to the Financial Services and Markets Act 2000 and confirmation from the FCA that these changes will not affect the ongoing authorisation of the Trust.

Ongoing Charges Figure (OCF)

The OCF provides investors with a clearer picture of the total annual costs in running a collective investment scheme and is based on the previous year's expenses. The figure may vary from year to year and it excludes the costs of buying or selling assets for the Trust (but includes transaction charges incurred by investing in any other collective investment schemes). Where there is not enough historic data available, or when historic data will not provide a reliable indication of future costs, an estimated OCF will be calculated based on the most reliable information available (OCF (Estimated)). The OCF is displayed in the Key Investor Information Document (KIID). A copy of the KIID can be provided free of charge on request.

Name:	The Capital Balanced Fund.
Type of Scheme:	Non-UCITS Retail Scheme.
Investment objective:	The objective of the fund is for long term growth.
Investment policy:	<p>The Manager's policy is to achieve this objective through a portfolio of UK and international equities, bonds, cash, collective investment schemes (which may be regulated or unregulated), money market instruments and deposits as appropriate.</p> <p>The Manager may enter into derivative transactions but only for the purposes of hedging and the use of derivatives will not affect the risk profile of the fund. The Manager does not envisage entering into hedging transactions to a major extent. The investments will be in companies that are well managed and which themselves have good long term growth</p>

	prospects. The asset allocation will be principally based in UK and European investments.
Benchmark:	<p>Unitholders may compare the performance of the fund against the IA Flexible Investment sector.</p> <p>Comparison of the fund's performance against this benchmark will give Unitholders an indication of how the fund is performing against other similar funds in this peer group sector. The Manager has selected this comparator benchmark as the Manager believes it best reflects the asset allocation of the fund.</p> <p>The benchmark is not a target for the fund, nor is the fund constrained by the benchmark.</p>
Final accounting date:	31 March.
Interim accounting date:	30 September.
Income distribution allocation dates:	31 May (final); 30 November (interim).
Classes of Units:	Accumulation Units.
Currency of denomination:	Pounds Sterling.
Initial charge:	10% (of the amount invested by an investor).
Redemption charge:	Nil.
Charge for investment research:	None
Annual management charge:	1%.
Charges taken from income:	Yes.
Minimum initial investment*:	£100,000.
Minimum holding:	£100,000.
Minimum redemption:	£100,000.

ISA status:	ISA eligible.
Past performance:	Past performance information is set out in Appendix 7.
Status of Trust for tax purposes:	Equity.

* The Manager may waive the minimum levels at its discretion.

Appendix 2
Eligible Securities Markets and Eligible Derivatives Markets

The Trust may deal through securities and derivative markets which are regulated markets and meet the requirements for Eligible Markets as set out in COLL 5.2.10 which includes any market which is regulated, operates regularly and is open to the public located in the UK or an EEA State.

Detailed below are the additional eligible markets on which the Trust is currently permitted to deal.

For approved securities	
Channel Islands	Channel Islands Stock Exchange
Switzerland	SIX Swiss Exchange
United States of America	Chicago Stock Exchange
United States of America	NASDAQ OMX BX
United States of America	NASDAQ OMX PHLX
United States of America	New York Stock Exchange
United States of America	NYSE Arca
United States of America	NYSE MKT LLC

For approved derivatives	
Canada	The Montreal Exchange
United States of America	Chicago Board Options Exchange
United States of America	CME Group
United States of America	NYSE Arca

Appendix 3

Investment, Borrowing Powers and Leverage of the Trust

1. General

The Scheme Property of the Trust will be invested with the aim of achieving the investment objective of the Trust but subject to the limits set out in the investment policy, this Prospectus and the limits set out in Chapter 5 of the COLL Sourcebook (COLL 5) that are applicable to Non-UCITS Retail Schemes.

Normally, the Trust will be fully invested save for an amount to enable the pursuit of the investment objective, redemption of Units, efficient management of the Trust in relation to its strategic objectives and other purposes which may be reasonably regarded as ancillary to the investment objectives of the Trust. This amount will vary depending upon prevailing circumstances and although it would normally not exceed 10% of the total value of the Trust, there may be times when the Investment Manager considers stock markets to be overpriced or that a period of instability exists which presents unusual risks. In such cases or during such periods, a higher level of liquidity may be maintained and, if considered prudent, the amount of fixed interest, cash or near cash instruments held would be increased. Unless market conditions were deemed unusually risky, the increased amount and period would not be expected to exceed 30% and six months respectively.

1.1 Prudent spread of risk

The Manager must ensure that, taking account of the investment objectives and policy of the Trust, the Scheme Property of the Trust aims to provide a prudent spread of risk.

1.2 Cover

1.2.1 Where the COLL Sourcebook allows a transaction to be entered into or an investment to be retained only (for example, investment in warrants and nil and partly paid securities and the general power to accept or underwrite) if possible obligations arising out of the investment transactions or out of the retention would not cause any breach of any limits in COLL 5, it must be assumed that the maximum possible liability of the Trust under any other of those rules has also to be provided for.

1.2.2 Where a rule in the COLL Sourcebook permits an investment transaction to be entered into or an investment to be retained only if that investment transaction, or the retention, or other similar transactions, are covered:

- (a) it must be assumed that in applying any of those rules, the Trust must also simultaneously satisfy any other obligation relating to cover; and
- (b) no element of cover must be used more than once.

- 2. Non-UCITS Retail Schemes - general**
- 2.1 Subject to the investment objectives and policy of the Trust, the Scheme Property of the Trust must, except where otherwise provided in COLL 5 only consist of any or all of:
- 2.1.1 transferable securities;
 - 2.1.2 money market instruments;
 - 2.1.3 units or shares in permitted collective investment schemes;
 - 2.1.4 permitted derivatives and forward transactions;
 - 2.1.5 permitted deposits;
 - 2.1.6 permitted immovables; and
 - 2.1.7 gold up to a limit of 10% of the Scheme Property.
- 2.2 Transferable securities and money market instruments held within the Trust must (subject to paragraph 2.3 of this Appendix) be:
- 2.2.1 admitted to or dealt on an eligible market as described below in paragraph 3.3;
 - 2.2.2 recently issued transferable securities provided that:
 - (a) the terms of issue include an undertaking that application will be made to be admitted on an eligible market; and
 - (b) such admission is secured within a year of issue;
 - 2.2.3 approved money market instruments not admitted to or dealt on an eligible market which satisfy the requirements for investment set out in COLL 5.2.10AR(1) to COLL 5.3.10CR(1).
- 2.3 Transferable securities held within the Trust must also satisfy the criteria in COLL 5.2.7AR, COLL 5.2.7CR and COLL 5.2.7ER for the purposes of investment by a UCITS scheme.
- 2.4 Not more than 20% in value of the Scheme Property is to consist of transferable securities, which are not approved securities (aggregated with the value of the Scheme Property which can be invested in unregulated collective investment schemes as set out in COLL 5.6.2G (2) (b)) or money market instruments which are liquid and have a value which can be determined accurately at any time.
- 2.5 The requirements on spread of investments do not apply until 12 months after the later of:
- 2.5.1 the order in respect of the Trust takes effect;
 - 2.5.2 the date the initial offer period commenced,

provided always that paragraph 1.1 of this Appendix is complied with during any such period.

2.6 Transferable Securities

2.6.1 A transferable security is an investment falling within article 76 (Shares etc.), article 77 (instruments creating or acknowledging indebtedness), article 78 (government and public securities), article 79 (instruments giving entitlement to investments) and article 80 (certificates representing certain securities) of the Regulated Activities Order.

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

2.6.3 In applying the paragraph above to an investment which is issued by a body corporate, and which is an investment falling within articles 76 (shares, etc.), 77 (instruments creating or acknowledging indebtedness), or article 77A (alternative debentures) of the Regulated Activities Order, the need for any consent on the part of the body corporate or any members or debenture holders of it may be ignored.

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

2.6.5 The Trust may invest in a transferable security only to the extent that the transferable security fulfils the following criteria:

- (a) the potential loss which the Trust may incur with respect to holding the transferable security is limited to the amount paid for it;
- (b) its liquidity does not compromise the ability of the Manager to comply with its obligation to redeem Links at the request of any qualifying Unitholder under the COLL Sourcebook;
- (c) reliable valuation is available for it 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;
- (d) appropriate information is available for it 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 Manager on the transferable security or, where relevant, on the portfolio of the transferable security;

(e) it is negotiable; and

(f) its risks are adequately captured by the risk management process of the Manager.

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

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

(b) to be negotiable.

2.6.7 Up to 5% of the value of the Scheme Property may be invested in warrants.

3. Eligible markets regime: purpose

3.1 To protect investors the markets on which investments of the Trust are dealt in or traded on should be of an adequate quality (**eligible**) at the time of acquisition of the investment and until it is sold.

3.2 Where a market ceases to be eligible, investments on that market cease to be approved securities. The 20% restriction on investing in non-approved securities applies and exceeding this limit because a market ceases to be eligible will generally be regarded as an inadvertent breach.

3.3 A market is eligible for the purposes of the rules if it is:

3.3.1 a regulated market as defined in the FCA Handbook; or

3.3.2 a market in the UK or an EEA State which is regulated, operates regularly and is open to the public.

3.4 A market not falling within paragraph 3.3 of this Appendix is eligible for the purposes of COLL 5 if:

3.4.1 the Manager, after consultation and notification with the Trustee, decides that market is appropriate for investment of, or dealing in, the Scheme Property of the Trust;

3.4.2 the market is included in a list in the Prospectus; and

3.4.3 the Trustee has taken reasonable care to determine that:

- (a) adequate custody arrangements can be provided for the investment dealt in on that market; and
- (b) all reasonable steps have been taken by the Manager in deciding whether that market is eligible.

3.5 In paragraph 3.4, a market must not be considered appropriate unless it is regulated, operates regularly, is recognised as a market exchange or as a self-regulatory organisation by an overseas regulator, is open to the public, is adequately liquid and has adequate arrangements for unimpeded transmission of income and capital to or for the order of investors.

4. Spread: general

4.1 This rule on spread does not apply in respect of a transferable security or an approved money-market instrument to which COLL 5.6.8R (Spread: government and public securities) applies.

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

4.3 Not more than 10% in value of the Scheme Property of the Trust is to consist of transferable securities or money market instruments issued by any single body subject to COLL 5.6.23R (Schemes replicating an index).

4.4 The limit of 10% in paragraph 4.3 above is raised to 25% in value of the Scheme Property in respect of covered bonds.

4.5 In applying paragraph 4.3, certificates representing certain securities are to be treated as equivalent to the underlying security.

4.6 The COLL Sourcebook provides that not more than 35% in value of the Scheme Property is to consist of the units or shares of any one collective investment scheme.

4.7 The exposure to any one counterparty in an OTC derivative transaction must not exceed 10% in value of the Trust.

4.8 For the purpose of calculating the limit in paragraph 4.7, the exposure in respect of an OTC derivative may be reduced to the extent that collateral is held in respect of it if the collateral meets each of the following conditions:

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

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

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

4.8.4 can be fully enforced by the Trust at any time.

4.9 For the purposes of calculating the limits in paragraph 4.7, OTC derivative positions with the same counterparty may be netted provided that the netting procedures:

- 4.9.1 comply with the conditions set out in Section 3 (Contractual netting (Contracts for novation and other netting agreements)) of Annex III to the Banking Consolidation Directive, or the statutory equivalent thereof, which forms part of UK law by virtue of the EUWA, as applicable; and
 - 4.9.2 are based on legally binding agreements.
- 4.10 In applying this paragraph (Spread: general), all derivatives transactions are deemed to be free of counterparty risk if they are performed on an exchange where the clearing house meets each of the following conditions:
- 4.10.1 it is backed by an appropriate performance guarantee; and
 - 4.10.2 it is characterised by a daily mark-to-market valuation of the derivative positions and at least daily margining.
- 5. Spread: government and public securities**
- 5.1 The following section applies in respect of a transferable security or an approved money-market instrument (“such securities”) that is issued or guaranteed by:
- (a) the UK or an EEA State; or
 - (b) a local authority of the UK or an EEA State; or
 - (c) a non-EEA State other than the UK; or
 - (d) a public international body to which the UK or one or more EEA States belong.
- 5.2 Where no more than 35% in value of the Scheme Property of the Trust is invested in such securities issued by any one body, there is no limit on the amount which may be invested in such securities or in any one issue.
- 5.3 The Trust may invest more than 35% in value of the Scheme Property in such securities issued by any one body provided that:
- 5.3.1 the Manager has before any such investment is made consulted with the Trustee and as a result considers that the issuer of such securities is one which is appropriate in accordance with the investment objectives of the Trust;
 - 5.3.2 no more than 30% in value of the Scheme Property consists of such securities of any one issue;
 - 5.3.3 the Scheme Property of the Trust includes such securities issued by that or another issuer, of at least six different issues;
 - 5.3.4 the disclosures in the Prospectus required by the FCA have been made;
 - 5.3.5 such securities are issued or guaranteed by or on behalf of the Government of the United Kingdom, or Northern Ireland, the Scottish Administration, the Executive Committee of the Northern Ireland Assembly or the National Assembly of Wales or by the Government of Australia, Austria, Belgium, Bulgaria, Canada, The Czech Republic,

Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Japan, Luxembourg, The Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Spain, Sweden, Switzerland, Turkey or the United States of America, or by the European Central Bank, the International Bank for Reconstruction and Development, the European Bank for Reconstruction and Development or the European Investment Bank.

6. Investment in collective investment schemes

6.1 Up to 100% of the value of the Scheme Property may be invested in units or shares in other collective investment schemes (**Second Scheme**) provided that Second Scheme satisfies all of the following conditions.

6.1.1 The Second Scheme must:

- (a) be a UK UCITS scheme or satisfy the conditions necessary for it to enjoy the rights conferred by the UCITS Directive as implemented in the EEA; or
- (b) be authorised as a Non-UCITS Retail Scheme; or
- (c) be recognised scheme under the provisions of Section 272 of the Financial Services and Markets Act 2000 ; or
- (d) be constituted outside the United Kingdom and have investment and borrowing powers which are the same or more restrictive than those of a Non-UCITS Retail Scheme; or
- (e) be a scheme not falling within paragraphs 6.1.1(a) to 6.1.1(d) and in respect of which no more than 20% in value of the Scheme Property (including any transferable securities which are not approved securities) is invested.

6.1.2 Investment may be made in collective investments schemes established in any jurisdiction, subject to compliance with the requirements of paragraph 6.1.1 above.

6.1.3 The Second Scheme is a scheme which operates on the principle of the prudent spread of risk.

6.1.4 The Second Scheme is prohibited from having more than 15% in value of the scheme property consisting of units or shares in collective investment schemes (unless COLL 5.6.10AR applies).

6.1.5 The participants in the Second Scheme must be entitled to have their units or shares redeemed in accordance with the scheme at a price related to the Net value of the property to which the units or shares relate and determined in accordance with the scheme.

6.1.6 Where the Second Scheme is an umbrella, the provisions in paragraphs 6.1.2 to 6.1.4 apply to each sub-fund as if it were a separate scheme.

- 6.1.7 Investment may only be made in other collective investment schemes managed by the Manager or an associate of the Manager if the rules in the COLL Sourcebook are complied with.
- 6.2 The Trust may, subject to the limit set out in paragraph 6.1 above, invest in collective investment schemes managed or operated by, or whose authorised corporate director is, the Manager of the Trust or one of its associates.
- 6.3 Any Second Schemes in which the Trust invests will be established in the locations listed in Appendix 10. The Trust may invest in Second Schemes established in locations not currently listed in Appendix 9 provided the Second Scheme satisfies the requirements of this Prospectus and the Regulations. Where this occurs, the list in Appendix 10 will be updated and an updated Prospectus issued.
- 7. Investment in feeder schemes**
- 7.1 A non-UCITS retail scheme that is not a feeder NURS may, if the following conditions are met, invest in units of:
- (a) a feeder UCITS; or
 - (b) a feeder NURS; or
 - (c) a scheme dedicated to units in a single property authorised investment fund; or
 - (d) a scheme dedicated to units in a recognised scheme.
- 7.2 The relevant master UCITS must comply with COLL 5.2.13R(2), (3) and (4) as if it were the second scheme for the purpose of that rule.
- 7.3 The relevant qualifying master scheme, property authorised investment fund or recognised scheme must comply with COLL 5.6.10R(2) to (5) as if it were the second scheme for the purpose of that rule.
- 7.4 Not more than 35% in value of the scheme property of the non-UCITS retail scheme may consist of units of one or more schemes permitted under (7.1) (a) to (d).
- 7.5 The non-UCITS retail scheme must not invest directly in units of the relevant master UCITS, qualifying master scheme, property authorised investment fund or recognised scheme.
- 7.6 The authorised fund manager of the non-UCITS retail scheme must be able to show on reasonable grounds that an investment in one or more schemes permitted under (7.1) (a) to (d) is:
- (a) in the interests of investors; and
 - (b) no less advantageous than if the non-UCITS retail scheme had held units directly in the relevant:
 - (i) master UCITS; or
 - (ii) qualifying master scheme; or

- (iii) property authorised investment fund; or
- (iv) recognised scheme.

8. Investment in Nil and Partly Paid Securities

A transferable security or an approved money market instrument on which any sum is unpaid falls within a power of investment only if it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by the Trust, at the time when payment is required, without contravening the rules in COLL 5.

9. Investment in money market instruments

- 9.1 The Trust may invest up to 100% in money market instruments provided the money market instrument is listed on or normally dealt on an eligible market (in accordance with paragraph 3 of this Appendix).
- 9.2 Notwithstanding the above, up to 20% of the Scheme Property may be invested in money market instruments which do not meet these criteria but which are liquid and have a value which can be determined accurately at any time.

10. Efficient Portfolio Management

- 10.1 The Trust may utilise property to enter into transactions for the purposes of Efficient Portfolio Management. There is no limit on the amount or value of the Scheme Property which may be used for EPM but the Manager must ensure that the transaction is economically appropriate in that they are realised in a cost effective way, they are entered into for one or more of the following specific aims; reduction of the relevant risk (whether in the price of investments, interest rates or exchange rates) or to the reduction of the relevant costs and/or to the generation of additional capital or income with a risk level which is consistent with the risk profile of the scheme and the risk diversification rules in COLL. The exposure must be fully “covered” by cash and/or other property sufficient to meet any obligation to pay or deliver that could arise. The use of derivatives for EPM should not lead to an increase in risk to the Trust.
- 10.2 Permitted transactions are those that the Trust reasonably regards as economically appropriate to EPM, that is:
 - 10.2.1 Transactions undertaken to reduce risk or cost in terms of fluctuations in prices, interest rates or exchange rates where the Manager reasonably believes that the transaction will diminish a risk or cost of a kind or level which it is sensible to reduce; or
 - 10.2.2 Transactions for the generation of additional capital growth or income for the Trust by taking advantage of gains which the Manager reasonably believes are certain to be made (or certain, barring events which are not reasonably foreseeable) as a result of:
 - (a) pricing imperfections in the market as regards the property which the Trust holds or may hold; or

- (b) receiving a premium for the writing of a covered call option or a covered put option on property of the Trust which the Trust is willing to buy or sell at the exercise price, or
- (c) stock lending arrangements.

A permitted arrangement in this context may at any time be closed out.

10.3 Transactions may take the form of “derivatives transactions” (that is, transactions in options, futures or contracts for differences) or forward currency transactions. A derivatives transaction must either be in a derivative which is traded or dealt in on an eligible derivatives market (and effected in accordance with the rules of that market), or be an off-exchange derivative which complies with the relevant conditions set out in the Regulations, or be a “synthetic future” (i.e. a composite derivative created out of two separate options). Forward currency transactions must be entered into with counterparties who satisfy the Regulations. A permitted transaction may at any time be closed out.

11. Derivatives: General (for efficient portfolio management only)

11.1 A transaction in derivatives or a forward transaction must not be effected for the Trust unless the transaction is of a kind specified in paragraph 12 (Permitted transactions (derivatives and forwards)) below, and the transaction is covered, as required by paragraph 21 (Cover for transactions in derivatives and forward transactions).

11.2 Where the Trust invests in derivatives, the exposure to the underlying assets must not exceed the limits set out in the COLL Sourcebook in relation to spread (COLL 5.2.11R Spread: general, COLL 5.2.12R Spread: government and public securities) except for index based derivatives where the rules below apply.

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

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

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

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

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

11.5 A transferable security or an approved money-market instrument does not embed a derivative where it contains a component which is contractually transferable

independently of the transferable security or the approved money-market instrument. That component shall be deemed to be a separate instrument.

- 11.6 Where the Trust invests in an index based derivative, provided the relevant index falls within COLL 5.6.2R (Relevant Indices) the underlying constituents of the index do not have to be taken into account for the purposes of COLL 5.6.7R and COLL 5.6.8R.

12. Permitted transactions (derivatives and forwards)

- 12.1 A transaction in a derivative must be:

12.1.1 in an approved derivative; or

12.1.2 be one which complies with paragraph 16 (OTC transactions in derivatives).

- 12.2 A transaction in a derivative must have the underlying consisting of any one or more of the following to which the scheme is dedicated: transferable securities, money-market instruments, deposits, permitted derivatives under this paragraph, collective investment scheme units permitted under paragraph 6 (Investment in collective investment schemes), permitted immovables, gold, financial indices which satisfy the criteria set out in COLL 5.2.20R, interest rates, foreign exchange rates, and currencies.

- 12.3 The exposure to the underlyings in paragraph 12.2 above must not exceed the limits in paragraphs 4 and 5 above.

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

- 12.5 A transaction in a derivative must not cause the Trust to diverge from its investment objective as stated in the Instrument of Incorporation and the most recently published version of this Prospectus.

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

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

13. Financial indices underlying derivatives

- 13.1 The financial indices referred to in paragraph 13.2 are those which satisfy the following criteria:

13.1.1 the index is sufficiently diversified;

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

13.1.3 the index is published in an appropriate manner.

- 13.2 A financial index is sufficiently diversified if its components adhere to the spread requirements in this section.

13.3 A financial index represents an adequate benchmark for the market to which it refers if its provider uses a recognised methodology which generally does not result in the exclusion of a major issuer of the market to which it refers.

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

13.4.1 it is accessible to the public; and

13.4.2 the index provider is independent from the index replicating scheme.

14. Transactions for the purchase of property

A derivative or forward transaction which will or could lead to the delivery of property for the account of the Trust may be entered into only if that property can be held for the account of the Trust, and the Manager having taken reasonable care determines that delivery of the property under the transaction will not occur or will not lead to a breach of the rules in the COLL Sourcebook.

15. Requirement to cover sales

No agreement by or on behalf of the Trust 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 Trust by delivery of property or the assignment (or, in Scotland, assignation) of rights, and the property and rights above are owned by the Trust at the time of the agreement. This requirement does not apply to a deposit.

16. OTC Transactions in Derivatives

16.1 Any transaction in an OTC derivative under paragraph 12.1.2 must be:

16.1.1 in a future or an option or a contract for differences;

16.1.2 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 the transaction as principal off-exchange;

16.1.3 on approved terms; the terms of the transaction in derivatives are approved only if the Manager carries out at least daily a reliable and verifiable valuation in respect of that transaction corresponding to its fair value and which does not rely only on market quotations by the counterparty; and the Manager can enter into one or more further transactions to sell, liquidate or close out that transaction at any time, at its fair value; and

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

- (a) on the basis of an up-to-date market value which the Manager and the Trustee have agreed is reliable; or
 - (b) if the value referred to in paragraph 16.1.4(a) is not available, on the basis of a pricing model which the Manager and the Trustee have agreed uses an adequate recognised methodology; and
- 16.1.5 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:
 - (a) an appropriate third party which is independent from the counterparty of the derivative at an adequate frequency and in such a way that the Manager is able to check it; or
 - (b) a department within the Manager which is independent from the department in charge of managing the Trust and which is adequately equipped for such a purpose.
- 16.2 For the purposes of paragraph 16.1.3 above, **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.
- 17. Risk management**
- 17.1 Upon request to the Manager a Unitholder can receive information relating to:
 - 17.1.1 the quantitative limits applying in the risk management of the Trust;
 - 17.1.2 the methods used in relation to 17.1.1; and
 - 17.1.3 any recent developments of the risk and yields of the main categories of investment in the Trust.
- 17.2 The Regulations require that authorised fund managers maintain a liquidity risk management process. The Manager assesses how many days are likely to be required to sell investments without negatively impacting the Unit price or liquidity on a best endeavours basis i.e. a liquidity ladder. The Manager assess the bid/offer spreads and trading volumes as widening spreads and thin trading volumes give an indication that it might be more difficult to dispose of an investment. The characteristic of the Trust determines the frequency of this assessment. The main factors are:
 - 17.2.1 liquidity of underlying investments;
 - 17.2.2 the size of the investment as a proportion of the Trust and also relative to the market (e.g. proportion of the holding to the average trade size); and
 - 17.2.3 the average holding period of Unitholders in the Trust.
- 17.3 It is also the Manager's responsibility to ensure that the Investment Manager undertakes testing of its liquidity management arrangements against various stressed liquidity arrangements on a regular basis.

18. Investments in deposits

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

19. Stock lending

19.1 The entry into stock lending transactions and repo contracts for the account of the Trust is permitted for the generation of additional income for the benefit of the Trust, and hence for its investors.

19.2 The specific method of stock lending permitted in this section is in fact not a transaction which is a loan in the normal sense. Rather it is an arrangement of the kind described in section 263B of the Taxation of Chargeable Gains Act 1992, under which the lender transfers securities to the borrower otherwise than by way of sale and the borrower is to transfer those securities, or securities of the same type and amount, back to the lender at a later date. In accordance with good market practice, a separate transaction by way of transfer of assets is also involved for the purpose of providing collateral to the “lender” to cover him against the risk that the future transfer back of the securities may not be satisfactorily completed.

19.3 The stock lending permitted by this section may be exercised by the Trust when it reasonably appears to the Manager to be appropriate to do so with a view to generating additional income for the Trust with an acceptable degree of risk.

19.4 The Trustee at the request of The Manager may enter into a stock lending arrangement of the kind described in section 263B of the Taxation of Chargeable Gains Act 1992 (without extension by section 263C), but only if all the terms of the agreement under which securities are to be reacquired by the Trustee for the account of the Trust, are in a form which is acceptable to the Trustee and are in accordance with good market practice, the counterparty is an authorised person or a person authorised by a home state regulator, and collateral is obtained to secure the obligation of the counterparty. Collateral must be acceptable to the Trustee, adequate and sufficiently immediate.

19.5 The Trustee must ensure that the value of the collateral at all times is at least equal to the value of the securities transferred by the Trustee. This duty may be regarded as satisfied in respect of collateral the validity of which is about to expire or has expired where the Trustee takes reasonable care to determine that sufficient collateral will again be transferred at the latest by the close of business on the day of expiry.

19.6 Any agreement for transfer at a future date of securities or of collateral (or of the equivalent of either) may be regarded, for the purposes of valuation under the COLL Sourcebook, as an unconditional agreement for the sale or transfer of property, whether or not the property is part of the property of the Trust.

19.7 There is no limit on the value of the Scheme Property which maybe the subject of stock lending transactions.

20. Schemes replicating an index

- 20.1 The Trust may invest up to 20% in value of the Scheme Property in shares and debentures which are issued by the same body where the stated investment policy is to replicate the performance or composition of a relevant index as defined below.
- 20.2 The 20% limit can be raised for the Trust up to 35% in value of the Scheme Property, but only in respect of one body and where justified by exceptional market conditions.
- 20.3 In the case of the Trust replicating an index the Scheme Property of the Trust need not consist of the exact composition and weighting of the underlying in the relevant index where deviation from this is expedient for reasons of poor liquidity or excessive cost to the scheme in trading in an underlying investment.
- 20.4 The indices referred to above are those which satisfy the following criteria:
- 20.4.1 the composition is sufficiently diversified;
 - 20.4.2 the index is a representative benchmark for the market to which it refers; and
 - 20.4.3 the index is published in an appropriate manner.
- 21. Cover for transactions in derivatives and forward transactions**
- 21.1 The Trust may invest in derivatives and forward transactions as long as the exposure to which the Trust is committed by that transaction itself is suitably covered from within its Scheme Property of the Trust. Exposure will include any initial outlay in respect of that transaction.
- 21.2 Cover ensures that the Trust is not exposed to the risk of loss of property, including money, to an extent greater than the Net value of the Scheme Property. Therefore, the Trust must hold Scheme Property sufficient in value or amount to match the exposure arising from a derivative obligation to which the Trust is committed. Detailed requirements for cover of the Trust are set out below.
- 21.3 A future is to be regarded as an obligation to which the Trust is committed (in that, unless closed out, the future will require something to be delivered, or accepted and paid for; a written option as an obligation to which the scheme is committed (in that it gives the right of potential exercise to another thereby creating exposure); and a bought option as a right (in that the purchaser can, but need not, exercise the right to require the writer to deliver and accept and pay for something).
- 21.4 Cover used in respect of one transaction in derivatives or forward transaction must not be used for cover in respect of another transaction in derivatives or a forward transaction.
- 21.5 A transaction in derivatives or forward transaction is to be entered into only if the maximum exposure, in terms of the principal or notional principal created by the transaction to which the scheme is or may be committed by another person is covered globally.
- 21.6 Exposure is covered globally if adequate cover from within the Scheme Property is available to meet the scheme'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.

- 21.7 Cash not yet received into the Scheme Property but due to be received within one month is available as cover.
- 21.8 Property the subject of a stock lending transaction is only available for cover if the Manager has taken reasonable care to determine that it is obtainable (by return or re-acquisition) in time to meet the obligation for which cover is required.
- 21.9 The global exposure relating to derivatives may not exceed the Net value of the Scheme Property.

22. Cash and near cash

- 22.1 Cash and near cash must not be retained in the Scheme Property except to the extent that, where this may reasonably be regarded as necessary in order to enable:
 - 22.1.1 the pursuit of the Trust's investment objectives; or
 - 22.1.2 the redemption of units or shares; or
 - 22.1.3 efficient management of the Trust in accordance with its investment objective; or
 - 22.1.4 other purposes which may reasonably be regarded as ancillary to the investment objective of the Trust.

- 22.2 During the period of the initial offer the Scheme Property may consist of cash and near cash without limitation.

23. General

- 23.1 Where the Trust invests in or disposes of units or shares in another collective investment scheme which is managed or operated by the Manager or an associate of the Manager, the Manager must pay to the Trust by the close of business on the fourth Business Day the amount of any preliminary charge in respect of a purchase, and in the case of a sale, any charge made for the disposal.
- 23.2 A potential breach of any of these limits does not prevent the exercise of rights conferred by investments held by the Trust but, in the event of a consequent breach, the Manager must then take such steps as are necessary to restore compliance with the investment limits as soon as practicable having regard to the interests of Unitholders.

24. Underwriting

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

25. Borrowing powers

- 25.1 The Trustee may, on the instructions of the Manager and subject to the COLL Sourcebook, borrow money from an Eligible Institution or an Approved Bank for the

use of the Trust on terms that the borrowing is to be repayable out of the Scheme Property.

25.2 The Manager must ensure that borrowing does not, on any Business Day, exceed 10% of the value of the Trust.

25.3 These borrowing restrictions do not apply to “back to back” borrowing for currency hedging purposes (i.e. borrowing permitted in order to reduce or eliminate risk arising by reason of fluctuations in exchange rates).

26. Restrictions on lending of property other than money

26.1 Scheme Property other than money must not be lent by way of deposit or otherwise.

26.2 Transactions permitted by paragraph 19 (Stock lending) are not to be regarded as lending for the purposes of paragraph 26.1.

26.3 The Scheme Property must not be mortgaged.

26.4 Where transactions in derivatives or forward transactions are used for the account of the Trust, nothing in this paragraph prevents the Trustee at the request of the Manager from:

26.4.1 lending, depositing, pledging or charging Scheme Property for margin requirements; or

26.4.2 transferring Scheme Property under the terms of an agreement in relation to margin requirements provided that the Manager reasonably considers that both the agreement and the margin arrangements made under it (including in relation to the level of margin) provide appropriate protection to Unitholders.

27. Restrictions on lending of money

27.1 None of the money in the Scheme Property may be lent and, for the purposes of this paragraph, money is lent by the Trust if it is paid to a person (**payee**) on the basis that it should be repaid, whether or not by the payee.

27.2 Acquiring a debenture is not lending for the purposes of paragraph 27.1, nor is the placing of money on deposit or in a current account.

28. Guarantees and indemnities

28.1 The Trustee, for the account of the Trust, must not provide any guarantees or indemnity in respect of the obligation of any person.

28.2 Scheme Property may not be used to discharge any obligation arising under a guarantee or indemnity with respect to the obligation of any person.

28.3 Paragraphs 28.1 and 28.2 do not apply to any indemnity or guarantee given for margin requirements where derivatives or forward transactions are being used or an indemnity given to a person winding up a body corporate or other scheme in circumstances where share assets are becoming part of the Scheme Property by way of unitisation.

29. Professional Liability Risks

As the Trust is an 'Alternative Investment Fund' for the purposes of the AIFMD, the Manager is required to ensure that certain Professional Liability Risks are covered at all times, either through additional own funds and/or through appropriate coverage of professional indemnity insurance. The Manager satisfies its obligations to cover Professional Liability Risks in relation to the Trust by:

- 29.1 holding professional indemnity insurance (in accordance with the Regulations) and maintaining an amount of own funds to meet the capital requirements under the AIFMD; and
- 29.2 complying with the qualitative requirements in the AIFMD that address professional liability risks.

30. Leverage

The Manager will not employ Leverage in respect of its management of the Trust save where it undertakes certain derivatives and forward transactions for the limited purposes described in this Appendix 3 and subject at all times to the requirements and restrictions set out in the Regulations insofar as they relate to Non-UCITS Retail Schemes. Therefore the Trust will not be regarded as a type of fund using Leverage on a substantial basis (as described in the AIFM Directive).

- 30.1 Transactions introducing leverage are generally undertaken to reduce risk or cost in terms of fluctuations in prices, interest rates or exchange rates or involve receiving a premium for the writing of a covered call option or cash covered put option on the property of the Trust which the Trust is willing to buy or sell at the exercise price. As specified at paragraph 25 above, the Trust may also borrow up to 10% of its Net Asset Value; as a result of actively invested borrowing the Trust would display leveraged characteristics.

The types and sources of leverage and risks the Trust may employ are as follows:

- 30.1.1 The Trust may borrow up to 10% of its Net Asset Value from an Approved Bank, and
- 30.1.2 Through the use of derivatives. Any exposure by the Trust through the use of derivatives must be covered by cash or readily realisable assets held by the Trust. Restrictions on the use of derivatives are outlined in the investment objective and policy in Appendix 1 and detailed in the Investment and Borrowing Powers in Appendix 3.

Please refer to paragraph 6 Risk Factors above for details of the risks associated with these types of leverage.

- 30.2 The following restrictions apply to the use of leverage:

- 30.2.1 Leverage through Borrowing: the Trust may borrow from Eligible Institutions or Approved Banks only; and
- 30.2.2 Leverage through the Use of Derivatives: derivatives may be used for the purposes of Efficient Portfolio Management only. No current collateral or asset reuse arrangements are currently in place. Should the Trust enter into any contracts that require the use of collateral in future, collateral

will be managed in accordance with the Regulations and Guidelines issued from time to time by the European Securities and Markets Authority. A Collateral Management Policy will be implemented by the Manager before the Trust enters into any transactions which require it to hold collateral from a counterparty.

- 30.3 Under AIFMD, it is necessary for AIFs to disclose their leverage in accordance with prescribed calculations. The two types of leverage calculations defined are the gross and commitment methods. These methods summarily express leverage as a ratio of the exposure of the AIF against its net asset value. 'Exposure' typically includes debt, the value of any physical properties subject to mortgage, non sterling currency, equity or currency hedging (even those held purely for risk reduction purposes, such as forward foreign exchange contracts held for currency hedging) and derivative exposure (converted into the equivalent underlying positions). The commitment method nets off derivative instruments, while the gross method aggregates them.

The maximum level of leverage for the Company expressed as a ratio of the Company's total exposure to its Net Asset Value:

- (a) under the Gross Method is 200 per cent; and
- (b) under the Commitment Method is 130 per cent.

The limits have been set for the investment policy of the AIF under AIFMD and have been set to accommodate the maximum level of leverage conceivable.

Appendix 4
Valuation for Dual Pricing

1. General

- 1.1 The valuation of the property of the Trust takes place as at a valuation point fixed by the Manager and set out in the main body of this Prospectus under the heading “Valuation”.
- 1.2 The valuation is in the Trust’s base currency.
- 1.3 Prices used are the most recent prices that can reasonably be obtained after the valuation point with a view to giving an accurate valuation as at that point.
- 1.4 A valuation is in two parts, one on an issue basis and one on a cancellation basis.

Issue Basis

The valuation of property for that part of the valuation which is on an issue basis is as follows:

Property	To be valued at
(a) Cash:	nominal value
(b) Amounts held in current and deposit accounts.	nominal value.
(c) Property which is not within (a), (b) or (d):	
(i) if units in an AUT scheme to which dual pricing and dealing applies:	except where Note 1 applies, the most recent maximum sale price less any expected discount (plus dealing costs). [Note 2]
(ii) if shares in an ICVC or units of an AUT scheme to which single pricing and dealing applies:	the most recent price (plus dealing costs). [Notes 2 and 3]
(iii) if any other investment:	best available market dealing offer price on the most appropriate market in a standard size (plus dealing costs). [Note 2]
(iv) if other property, or no price exists under (i), (ii) or (iii):	manager's reasonable estimate of a buyer's price (plus dealing costs). [Notes 2 and 4]
(d) Property which is a derivative under the terms of which there may be liability to make, for the account of the AUT	

Property	To be valued at
scheme, further payments (other than charges, and whether or not secured by margin) when the transaction in the derivative falls to be completed or upon its closing out.	
(i) if a written option:	to be deducted at a Net valuation of premium. [Note 5]
(ii) if an off-exchange future:	net value on closing out. [Note 6]
(iii) if any other such property:	net value of margin of closing out (whether as a positive or negative figure). [Note 7]

Notes:
1. The issue price is taken, instead of the maximum sale price if the manager of the AUT scheme whose scheme property is being valued is also the manager, or an associate of the manager, of the AUT scheme whose units form part of that property.
2. In this section and in section 2, dealing costs means any fiscal charges, commission or other charges payable in the event of the AUT scheme carrying out the transaction in question, assuming that the commission and charges (other than fiscal charges) which would be payable by the AUT scheme are the least that could reasonably be expected to be paid in order to carry out the transaction. On the issue basis, dealing costs exclude any preliminary charge on sale of units in an AUT scheme.
3. Dealing costs under note 2 include any dilution levy which would be added in the event of a purchase by the AUT scheme of the units in question but, if the manager of the AUT scheme being valued, or an associate of the manager, is also the manager of the AUT scheme or the authorised corporate director of the ICVC whose units are held by the AUT scheme, must not include a preliminary charge which would be payable in the event of a purchase by the AUT scheme of those units.
4. The buyer's price is the consideration which would be paid by a buyer for an immediate transfer or assignment (or, in Scotland, assignation) to him at arm's length.
5. Estimate the premium on writing an option of the same series on the best terms then available on the most appropriate market on which such options are traded; but deduct dealing costs.

Notes:	
6.	Estimate the amount of profit or loss receivable or incurable by the AUT scheme on closing out the contract. Deduct minimum dealing costs in the case of profit and add them in the case of loss.
7.	Estimate the amount of margin (whether receivable or payable by the AUT scheme on closing out the contract) on the best terms then available on the most appropriate market on which such contracts are traded. If that amount is receivable (for example, the contract is “in the money”) deduct minimum dealing costs. If, however, that amount is payable (for example, the contract is “out of the money”) then add minimum dealing costs to the margin and the value is that figure as a negative sum.

2. Cancellation basis

The valuation of property for that part of the valuation which is on a cancellation basis is as follows:

Property	To be valued at
(a) Cash:	nominal value
(b) Amounts held in current and deposit accounts.	nominal value.
(c) Property which is not within (a), (b) or (d):	except where Note 1 applies, the most recent maximum redemption price (less dealing costs). [Note 2]
(i) if units in an AUT scheme to which dual pricing and dealing applies:	
(ii) if shares in an ICVC or units of an AUT scheme to which single pricing and dealing applies:	the most recent price (less dealing costs). [Notes 2 and 3]
(iii) if any other investment:	best available market dealing bid price on the most appropriate market in a standard size (less dealing costs). [Note 2]
(iv) if other property, or no price exists under (i) or (ii):	manager's reasonable estimate of a seller's price (less dealing costs). [Notes 2 and 4]
(d) Property of the type described in Section 1:	
(i) if a written option:	to be deducted at a Net valuation of premium. [Note 5]

Property	To be valued at
(ii) if an off-exchange future:	net value on closing out. [Note 6].
(iii) if any other such property:	net value of margin of closing out (whether as a positive or negative figure). [Note 6]

Notes:	
1.	The cancellation price is taken instead of the minimum redemption price if the property, if sold in one transaction, would amount to a large deal.
2.	For dealing costs see note 2 in Section 1. Dealing costs include any charge payable on redemption of units in an AUT scheme (taking account of any expected discount), except where the manager of the AUT scheme whose property is being valued is also the manager or an associate of the manager, of the AUT scheme whose units form part of that property.

Appendix 5

Typical Investor Profile(s)

Below is an indication of the target market of the Trust as required under MiFID II and its supplementing regulations, or the statutory equivalent thereof which forms part of UK law by virtue of the EUWA, as applicable. This is fully detailed in the EMT which should be made available to you before making an investment. If you do not believe you fit the target market of this Trust please seek advice from your professional adviser.

This Fund is suitable for all investor types of all levels of knowledge and experience coming into the fund from all available distribution channels.

Investors should be seeking no capital guarantee and be able to bear losses up to their full investment.

The Fund seeks to increase capital and grow income over a long time period

Please refer to the latest EMT or KIID for the Synthetic Risk Reward Indicator (SRRRI).

Appendix 6

List of other authorised collective investment schemes operated by the Manager

The Manager is also the authorised corporate director or authorised fund manager of the following open-ended investment companies and unit trusts:

Authorised Unit Trusts	Investment Companies with Variable Capital
Dragon Trust	Bute Fund
Eagle Fund	Earlstone Fund
Evelyn Witch General Trust	Evelyn Partners Funds
Langham Trust	Evelyn Partners Investment Funds ICVC
Magnum Trust	Forest Fund ICVC
Marathon Trust	Ganymede Fund
Orchard Fund	GFS Investments Fund
Ourax Unit Trust	Glairnox Fund
Spenser Fund	Gryphon Investment Funds
SVS DW Asia Income & Growth Fund	Hercules Managed Funds
SVS Dowgate Wealth UK New Economies Fund	Issodola Fund
SVS Sanlam European Equity Fund	JC Investments Fund
SVS Sanlam Fixed Interest Fund	Kanthaka Fund
SVS Sanlam North American Equity Fund	Moorgate Funds ICVC
The Acorn Trust	New Square Investment Funds
The Alkerton Trust	Pendennis Fund ICVC
The Barro II Trust	Pharaoh Fund
The Capital Balanced Fund	Pityoulish Investments Fund
The Dream Trust	Quercus Fund
The Endeavour II Fund	Sardasca Fund
The Enterprise Trust	Sherwood Fund
The Global Opportunities Fund	Smithfield Funds
The Ilex Fund	Starhunter Investments Fund
The Jetwave Trust	Stratford Place Fund
The Lancaster Trust	Sussex Fund
The Millennium Fund	SVS Aubrey Capital Management Investment Funds
The Plain Andrews Unit Trust	SVS Brooks Macdonald Fund
The Securities Fund	SVS Brown Shipley Multi Asset Portfolio
Worldwide Growth Trust	SVS Cornelian Investment Funds
	SVS Dowgate Wealth Funds ICVC
	SVS Heritage Investment Fund
	SVS Kennox Strategic Value Fund
	SVS RM Funds ICVC
	SVS Saltus Onshore Portfolios
	SVS WAM Investment Funds
	SVS Zeus Investment Funds ICVC
	Sylvan Funds
	Taber Investments Fund
	The Air Pilot Fund
	The Aurinko Fund
	The Blu-Frog Investment Fund
	The Brighton Rock Fund
	The Cheviot Fund
	The Daisybelle Fund
	The Dinky Fund
	The Dunninger Fund
	The Folla Fund

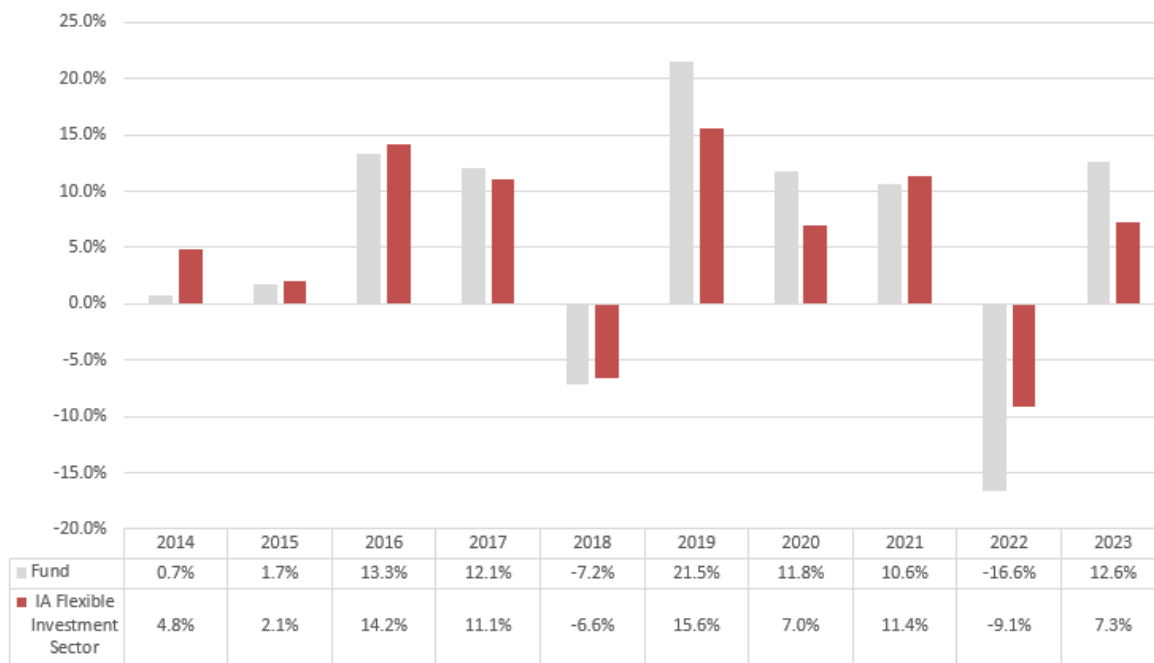
Authorised Unit Trusts	Investment Companies with Variable Capital
	The Galacum Fund The Global Balanced Strategy Fund The Gloucester Portfolio The Headspring Fund The Headway Fund The Jake Fund The Jay Fund The Kingfisher Fund The Loch Moy Fund The Magpie Fund The MF Fund The Milne Fund The Nectar Fund The Norton Fund The Princesdale Fund The Rosslyn Fund The SBB Fund The Staffordshire Portfolio The Stellar Fund The SVS Levitas Funds The Touchstone Investment Fund The Tully Fund The Westhill Investment Fund TS Campana Fund Vagabond Investment Fund White Oak Fund

Appendix 7

Past performance tables for the Trust and Investor profile

1. Historic performance

The Capital Balanced Fund



Source: Fund - FE fundinfo 2024
Benchmark - Morningstar

Past performance should not be seen as an indication of future performance.

All charges and fees, except any entry, exit or switching charges, have been included within the performance calculation.

2. Investor profiles

The Trust is open to the retail investors who can satisfy the minimum subscription amounts. The Trust may be suitable for investors who see collective investment schemes as a convenient way of participating in investment markets.

Appendix 8

List of Directors of Evelyn Partners Fund Solutions Limited

Name of Director

Andrew Baddeley

Brian McLean

Mayank Prakash

Neil Coxhead

Dean Buckley (Independent Non-Executive Director)

Linda Robinson (Independent Non-Executive Director)

Victoria Muir (Independent Non-Executive Director)

Sally Macdonald (Independent Non-Executive Director)

Guy Swarbreck (Non-Executive Director)

None of the directors have any business activities of significance to the Scheme that are not connected with the business of the Manager.

Appendix 9 Directory

Manager:

Evelyn Partners Fund Solutions Limited
(trading as St Vincent St Fund Administration)
45 Gresham Street, London, EC2V 7BG

Trustee:

Registered Office:
NatWest Trustee & Depositary Services Limited
250 Bishopsgate
London
EC2M 4AA

Principal Place of Business:
NatWest Trustee & Depositary Services Limited
House A, Floor 0
Gogarburn
175 Glasgow Road
Edinburgh
EH12 1HQ

Investment Manager:

Rothschild & Co Wealth Management UK Limited
New Court, St Swithin's Lane, London, EC4N 8AL

Custodian:

CACEIS Bank, UK Branch
Broadwalk House, 5 Appold Street, London, EC2A 2DA

Administrator & Registrar:

Evelyn Partners Fund Solutions Limited
(trading as St Vincent St Fund Administration)
177 Bothwell Street, Glasgow, G2 7ER

Auditors:

Johnston Carmichael LLP
Bishop's Court, 29 Albyn Place, Aberdeen, AB10 1YL

Appendix 10

Establishment of Collective Investment Schemes

Any Second Schemes in which the Trust may invest will be established in the locations listed below. This list is not restrictive and may be amended from time to time where the Fund invests in Second Schemes established in new locations.

Any member state of the UK or the European Economic Area

Australia

Bermuda

Canada

Cayman Islands

Channel Islands

Isle of Man

Japan

Singapore

Switzerland

United States